



**City of Chicago**  
Lori E. Lightfoot, Mayor

# Request for Proposals **79th & Exchange**



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

**April 23, 2021**





South Shore, South Chicago,  
and Roseland INVEST South/  
West Kickoff Celebration



## A LETTER FROM THE COMMISSIONER

Greetings,

On behalf of the City of Chicago, the Department of Planning and Development (DPD) is pleased to present this Request for

Proposals (RFP) for a prime development site within the South Shore/South Chicago community.

The RFP is a key component of Mayor Lori E. Lightfoot's INVEST South/West neighborhood revitalization strategy for Chicago's South and West sides. Its location and scope were coordinated through an extensive community engagement process involving local residents, businesses, elected officials and other stakeholders. Through new quality-of-life amenities, jobs, and other outcomes, the selected development's potential impact on this corridor is expected to resonate for generations to come.

Part of a third round of RFPs to be issued by the City through a coordinated, commercial corridor revitalization strategy, the RFP includes renderings of potential development concepts that were developed on a pro bono basis through a partnership between DPD and the Chicago Central Area Committee (CCAC) led by the Chicago office of CallisonRTKL. In the spirit of INVEST South/West, the RFP also includes a pre-qualified list of design teams that can help a selected respondent fulfill the City's diversity and inclusivity goals.

DPD staff and our community partners appreciate your interest in the site. Please consider other INVEST South/West opportunities at [chicago.gov/investsw](https://chicago.gov/investsw). We look forward to demonstrating the incredible potential of the South and West sides in the months to come.



Sincerely,

Maurice D. Cox

Commissioner



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A - Informational Attachments  
B - Policy Resources  
C - Submission Forms and Affidavits



# I. Executive Summary

## INTRODUCTION

The Chicago Department of Planning and Development (DPD) is pleased to issue this Request for Proposals (RFP) for the purchase and development of 16 parcels on two development sites along East 79th Street and South Exchange Boulevard. These properties represent the opportunity to provide a new gateway to the 79th Street commercial corridor.

Responses to this RFP should build on the recommendations of the City of Chicago “2020 South Shore Corridor Study” adopted by the Chicago Plan Commission May 21, 2020. In addition, development plans should reflect the City’s commitment to high-quality design, as outlined in the recently released Design Excellence Principles (see Addenda).

## THE OPPORTUNITY

East 79th Street has long been a gateway to the South Shore and South Chicago communities. Once a bustling retail and commercial hub, jobs and retail left the area through the late 20th century, causing 79th Street to decline. The corridor requires a catalyst to showcase its existing assets and attract new investment that fosters vibrancy and mixed-use activity.

The parcels described in this RFP include three significant buildings that can be revitalized with new retail and professional services and vacant land that can be repurposed for new residential and ancillary uses.

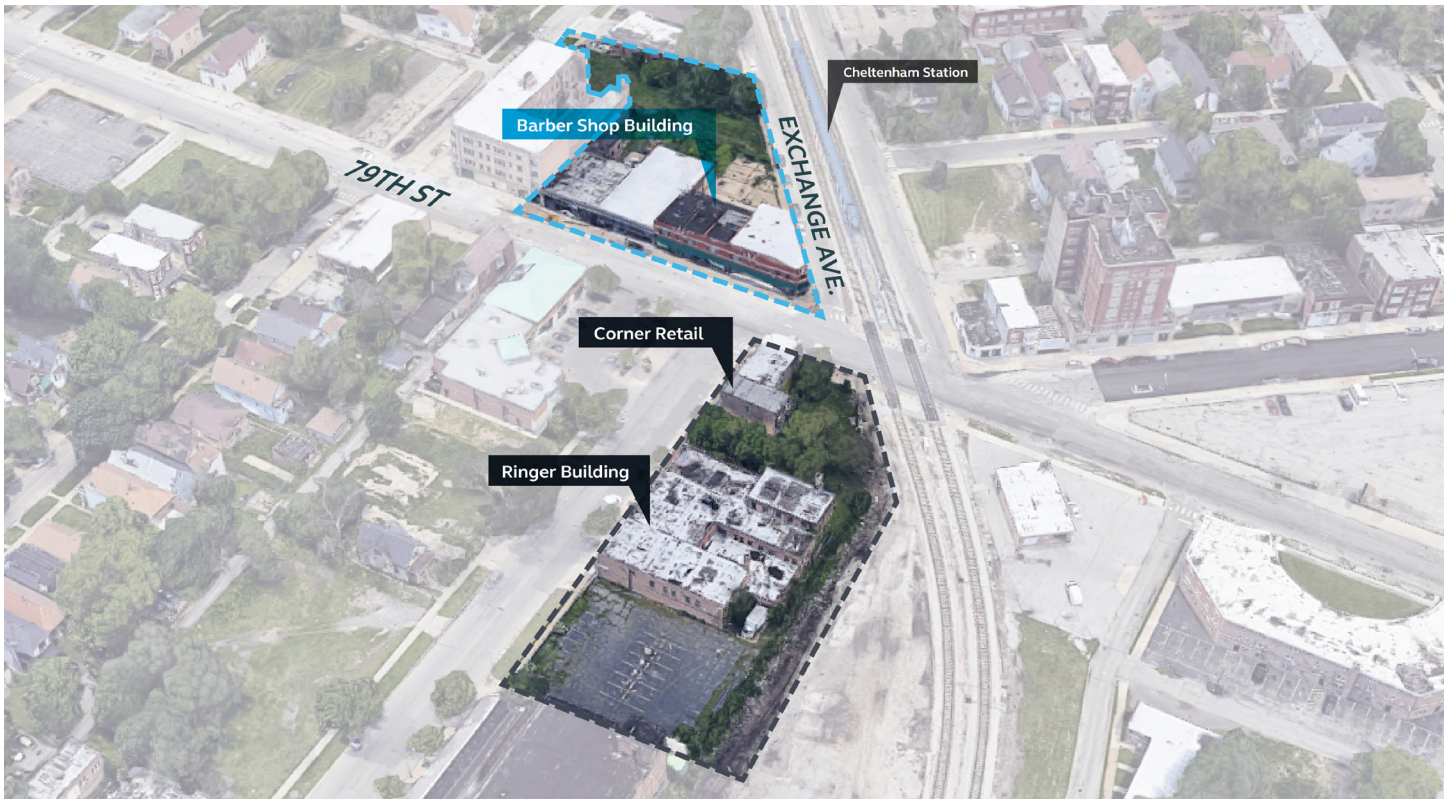
The City is seeking to increase awareness of this property and other nearby potential Invest South/West opportunity sites along the east 79th Street corridor. The Chicago Central Area Committee (CCAC) has provided pro bono design & real estate advisory services to DPD to create a framework for east 79th street. In partnership with community input at the east 79th Street Invest South/West roundtables, this work has produced this RFP for release.

## INVEST South/West

INVEST South/West is an unprecedented community improvement initiative from Mayor Lori E. Lightfoot to marshal more than \$750 million in public funding while coordinating across multiple City departments, community organizations and corporate partners in order to realize the re-activation of 12 key commercial corridors across 10 neighborhoods on Chicago’s South and West sides.

The 10 INVEST South/West communities are Auburn Gresham, Austin, Bronzeville, Greater Englewood, Greater Roseland, Humboldt Park, New City, North Lawndale, South Chicago, and South Shore. Each area has at least one well-developed community plan and one active commercial area. Leveraging





**Figure 1:** Birdseye aerial of site

existing plans and local partners, the City's focus on these initial investments that create sustainable improvements, foster additional investment on adjacent blocks, and elevate cultural and artistic vibrancy.

The need for urgent investment in these neighborhoods has come into even sharper focus in the recent months. Chicago has the opportunity to address inequities by rethinking the social, cultural, and economic fabric of the city. Through the collaboration of multiple public and private partners, INVEST South/West will engage community stakeholders throughout the South and West sides to build consensus around neighborhood needs and goals, prioritize specific geographies, identify immediate and long-term needs, and ensure future investments will be developed through an equity lens.

This RFP issuance is one step towards implementing INVEST South/West by focusing on the redevelopment of vacant City-owned and privately owned land. As noted in the following sections, a host of incentives and supportive investments are available to spur development along the 79th Street corridor and to help transform this vital site.

### **Community Wealth Building**

The City of Chicago is committed to closing the racial and ethnic wealth gap and to promoting economic growth and prosperity for Black and Latinx individuals, households and communities. To support this, the INVEST South/West initiative is committed to equitable economic development that includes a community wealth building framework.



The INVEST South/West initiative addresses a long pattern of disinvestment in predominantly Black and Latinx neighborhoods, and it aims to include wealth building opportunities for these historically under-invested communities. In doing so, the initiative will help create a more equitable Chicago in which everyone has what they need to thrive, no matter who they are or where they live.

INVEST South/West's definition and overall framework of community wealth building comes from Democracy Collaborative. The definition is as follows: "community wealth building is a systems approach to economic development that creates an inclusive, sustainable economy built on locally rooted and broadly-held ownership."

In other words: The community in community wealth building indicates an investment not just in the place, but also in the people. The wealth in community wealth building considers who owns the development, who controls it, and who benefits from it. Wealth relies on the development of capital in multiple forms – financial, human and social. Together, it calls for the meaningful participation of neighborhood residents in the planning, design, ownership and governance of new development.

This RFP strongly encourages responses that incorporate the City's community wealth-building goals and innovative implementation. (See the "Community Wealth-Building" section of Chapter IV: Planning Framework and Development Potential).

### **Equitable Transit-Oriented Development.**

The City of Chicago is committed to advancing racial equity, public health, economic growth, and climate resilience through equitable Transit-Oriented Development (eTOD).

Transit-oriented developments are a type of community development that includes a mix of residential, commercial, and public land uses in a walkable environment convenient for people to safely travel by transit, bicycle, or by foot within a 10-minute walk of quality public transportation. Equitable TOD includes development that prioritizes investments and policies that close the socioeconomic gaps between predominately Black and Brown neighborhoods and majority white neighborhoods.

Development opportunities that exist within transit-rich yet historically under-invested communities are critical candidates for eTOD.

The 79th Street gateway site presents the opportunity to demonstrate eTOD best practices while encouraging equitable development. For more on the benefits of eTOD, see resources from the Center for Neighborhood Technology (<https://etod.cnt.org/>) and the Metropolitan Planning Council (<https://www.metroplanning.org/work/project/30/subpage/5>).



## THE VISION - A GATEWAY TO THE CORRIDOR

Recent community engagement related to this RFP has reiterated a pivotal desire to expand mixed-use commercial and community-serving uses along 79th Street, including sit-down restaurants, cafes, ice cream shops, neighborhood retail, professional services, new residential units, and other community-focused establishments. Forming a gateway to the 79th Street corridor will be the revitalized properties at the corner of 79th and Exchange. A new multi-family residential building will anchor adaptive reuse of existing structures and development supporting the community. These new residential units will aid both existing and proposed commercial activity by leveraging the proximity to the Metra Electric Line Cheltenham station while promoting affordability, accessibility, density, and a functional relationship between residents and transit.

At the center of this new mixed-use district is the iconic Ringer Building, reimagined as a community hub that may include professional services, a restaurant, an incubator space, and other uses. The adaptive reuse of the structure with adjacent new development supports the neighborhood's community and commercial uses and overall visioning goals.

Finally, new investment at 79th and Exchange will offer opportunities for the local wealth creation, with participation by local developers, contractors, businesses, and local property owners.



**Figure 2:** Overall Rendering

**Credit:** HED



**Figure 3:** Rendering looking north on S. Exchange at the Ringer Building

**Credit:** HED

## Design Excellence

Design Excellence represents the City's commitment to a high-quality built environment, which celebrates and enhances Chicago's unique architectural and urban design legacy. Design Excellence applies to development downtown and in our neighborhoods - to streetscapes and open spaces - to residential, commercial, and industrial uses.

Design Excellence comprises a range of policies and processes to shape the City's framework for planning, implementation, and evaluation of development. The following principles were developed by DPD in a collaboration with a series of stakeholders. They have informed an environment of Design Excellence in Chicago.

### » **Equity & Inclusion**

Fair treatment, targeted support, and prosperity for all citizens

### » **Innovation**

Creative approaches to design and problem-solving

### » **Sense of Place**

Celebrating and strengthening the culture of our communities

### » **Sustainability**

Committing to environmental, cultural, and financial longevity

### » **Communication**

Fostering design appreciation and responding to community needs



Responses to this Request for Proposals will be expected to adhere to the Design Excellence Principles (see Addenda). To assist in this goal, the Addenda also includes a list compiled by the Chicago Architecture Center (CAC) of pre-qualified local design firms whose work exhibits Design Excellence.

In addition, the Department of Planning and Development has developed Neighborhood Design Guidelines to assist developers and designers in the application of Design Excellence to their projects. Proposals are expected to follow these Guidelines, which are available online at [https://www.chicago.gov/city/en/depts/dcd/supp\\_info/design-excellence.html](https://www.chicago.gov/city/en/depts/dcd/supp_info/design-excellence.html).

## SITE QUICK FACTS

### » North Site:

**Address:** Northwest corner of 79th Street and Exchange Avenue: 7843 S. Escanaba Ave; 7850 S. Escanaba Ave; 2910-2924 E. 79th St.;

**PINS:** 21-30-409-005-0000, 21-30-409-006-0000, 21-30-409-008-0000, 21-30-409-009-0000, 21-30-409-010-0000.

The North Site (Site A) is improved with two buildings; 2910-14 E 79th St. is a one-story storefront in need of substantial improvements; 2920-24 E. 79th St. is a two-story building with three vacant storefronts and five occupied second-floor apartments.

**Zoning:** B3-2 Community Shopping District

### » South Site:

**Address:** Southeast corner of 79th Street and Exchange Avenue: 7901-7933 S. Exchange Ave

**PINS:** 21-31-203-001-0000, 21-31-203-003-0000\*, 21-31-203-004-0000, 21-31-203-005-0000, 21-31-203-006-0000, 21-31-203-007-0000, 21-31-203-008-0000, 21-31-203-009-0000, 21-31-203-010-0000, 21-31-203-011-0000, 21-31-203-023-0000

*\*City-owned PIN*

The South Site (Site B) is improved with a vacant, two-story building with two retail spaces and two apartment units. The building located at approximately 7915 S. Exchange Avenue is known as the Ringer Building. DPD Historic Preservation staff have conducted preliminary research into the Ringer Building and have determined that it very likely meets the criteria necessary for designation as a Chicago Landmark. As such, DPD will only consider redevelopment proposals that seek to preserve the Ringer Building, at a minimum, and will strongly support the selected respondent in their effort to seek Chicago landmark designation for the building as part of an overall project.

**Zoning:** Neighborhood Commercial District

- » **Community Area:** South Shore / South Chicago
- » **Ward:** 7th - Alderman Greg Mitchell
- » **TIFs:** Avalon South Shore TIF

## RFP AVAILABILITY

This RFP will be available for download starting April 23, 2021 at [https://www.chicago.gov/city/en/sites/invest\\_sw/home.html](https://www.chicago.gov/city/en/sites/invest_sw/home.html).

## KEY MILESTONES

### Pre-Submission Conference

An informational conference will be held on May 12, 2021 at 2 p.m. C.S.T. virtually via Zoom. Meeting invites will be sent to applicants who register via this website [https://www.chicago.gov/city/en/sites/invest\\_sw/home.html](https://www.chicago.gov/city/en/sites/invest_sw/home.html). Attendance is not required but is encouraged. All questions received prior to and during the Pre-Submission Conference, as well as list of attendees, will be posted to the website as soon as practical. Department staff will be available to answer questions regarding the property, the goals and objectives of the RFP, and the submission requirements.

### Site Visit

A tour of the site is schedule for May 26, 2021, at 2 p.m., starting on the northwest corner of 79th Street and Exchange Avenue.

## PROPOSAL SUBMISSION DEADLINE

All responses to this RFP must be returned no later than 4 p.m. C.S.T. on August 31, 2021, to:

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



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# II. Neighborhood Investment Context

## OVERVIEW

The subject property is located along the 79th Street corridor in South Shore and South Chicago. 79th Street forms the northern edge of South Chicago and the southern edge of South Shore. It extends from Lake Michigan on the east to Avalon Park on the west and is located approximately 10 miles south of the Loop. Residential districts border the corridor on the north and south, providing great opportunity for positive corridor activation.

According to 2020 ESRI estimates based on the US Census, the 79th Street Corridor (in particular a one-mile radius from 79th and Exchange) has 13,232 total households and an average household size of 2.45. The community is 84.2% Black non-Hispanic, 2.6% Hispanic or Latino, 6.4% White non-Hispanic, and 0.4% Asian non-Hispanic. 26.5% of the population 19 years old or younger and 15.4% 65 years old or older. Median income is \$30,979.

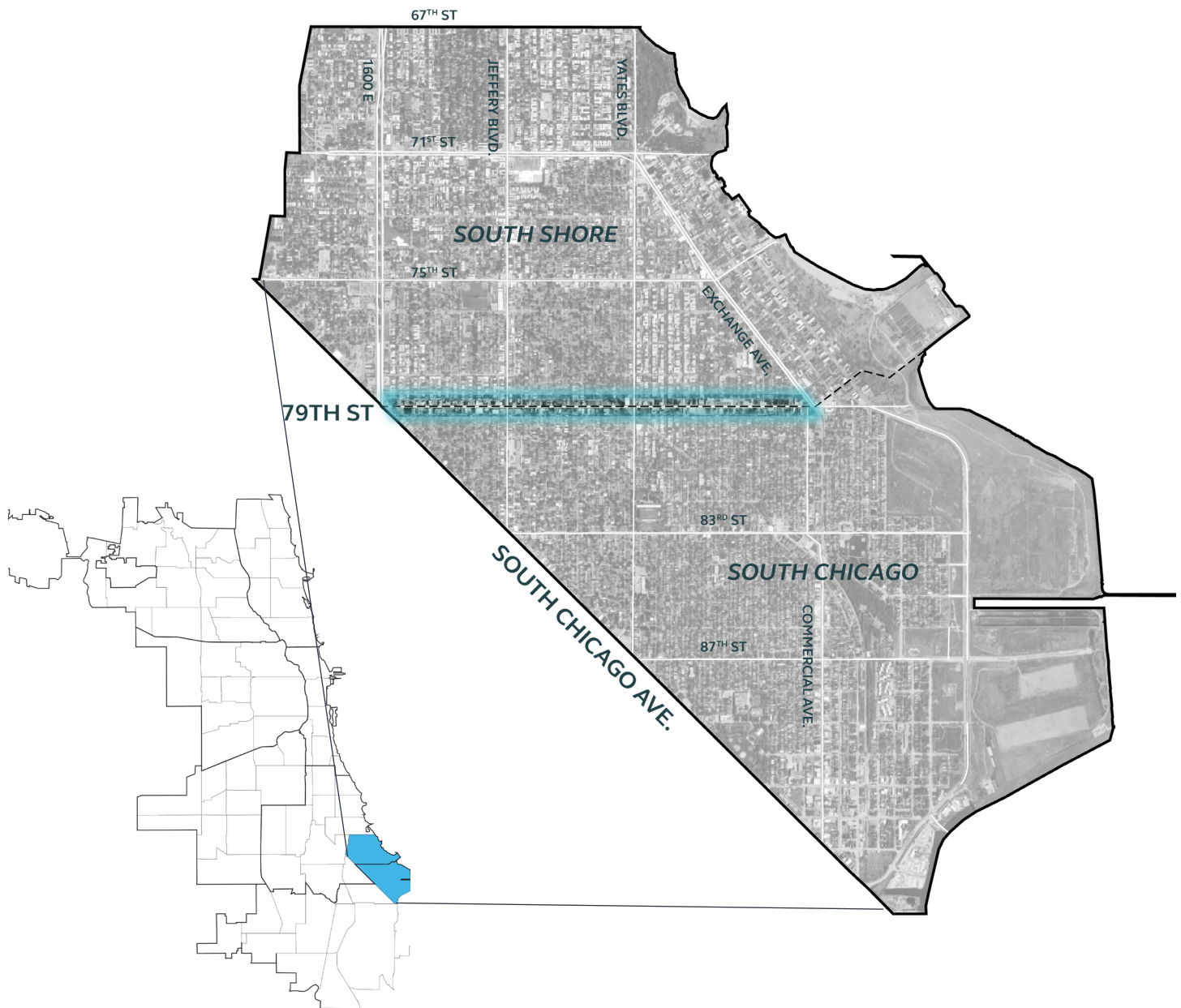
The 79th Street Corridor team approached the corridor by investigating numerous potential sites that could be redeveloped. The process of narrowing down the number of sites and establishing redevelopment priorities included consideration of market analysis, site acreage, site ownership, existing building stock, and potential for catalytic change on the corridor, along with other factors. Addressing community needs and the development site's potential for positively impacting the corridor were considered critically important.

### Community History

South Shore and South Chicago are two of Chicago's 16 lakefront neighborhoods near the southern rim of Lake Michigan. 79th Street is a historically significant retail and commercial corridor that thrived through the middle of the 20th century, met residents' needs on nearby blocks and served workers at major industrial facilities. Research shows that in the 1980s and 1990s, jobs in the area left rapidly, regional malls and large format retail began to out-compete local small businesses, and people took to their cars to shop, causing 79th Street to decline. Multiple business cycles and a significant recession also took their tolls. Like other Chicago retail corridors, there is a high rate of retail vacancy along these key corridors, a problem made more challenging by online retail growth. Today, 79th Street needs a new blueprint that can raise its visibility, promote the opportunities that exist, and attract and steer investment appropriately to position existing development opportunities for success.

Site A, which occupies the northwest corner of 79th and Exchange Ave., lies within South Shore. Before the community came to be known as South Shore in the 1920s, it was a collection of settlements in southern Hyde Park Township. The names of these settlements—Essex, Bryn Mawr, Parkside,





**Figure 4:** Neighborhood location

Cheltenham Beach, and Windsor Park—indicate the British heritage of the Illinois Central Railroad and steel mill workers who had come to inhabit them.

Two events that sparked commercial and residential development were annexation to Chicago in 1889 and the World's Columbian Exposition in 1893. African American families moved to South Shore in the 1950s. Although residential and commercial decline did coincide with an increase in the African-American population (69 percent by 1970 and 95 percent by 1980), it had more to do with real estate "redlining" and commercial disinvestment.

By the late 1990s, South Shore had reemerged as a solidly middle-class African American community. Although the commercial strips on 71st and 75th streets still struggled, developers built a shopping plaza at 71st and Jeffrey. The Chicago Park District purchased the waning South Shore Country Club in 1972, converting it into a cultural center. The New Regal Theater opened in 1987 on 79th Street and remained open until 2003. South Shore remains a choice destination for those desiring a middle-class community on Chicago's South Side.

Site B occupies the southeast corner of 79th and Exchange within the South Chicago community. South Chicago first evolved as a rural settlement for fishermen and farmers.

Following the Great Fire of 1871, industry migrated south from Chicago proper. The Brown Iron and Steel Company opened its doors on the Calumet River in 1875, followed by the South Works of North Chicago Rolling Mill Company in 1880. A commercial emerged for many of the Chicago's landmarks, such as the Sears Tower and McCormick Place. In 1901 the U. S. Steel Corporation acquired South Works. South Works' decline damaged local businesses.

## KEY INVESTMENT ASSETS

### Urban Fabric & Land Use

The RFP gateway sites reflect the city's 19th and 20th century growth, decline, and transformation. The sites are bordered by key transportation arteries, some of which served its historic residential and industrial development and others that support today's auto and transit-dependent populations. The two community areas are generally bordered on 67th Street on the north; Lake Michigan on the east; Calumet River to the south and South Chicago and Stony Island avenues to the west. The Metra Electric rail line and the 79th street bus route provide local public transit options.

South Shore and nearby surrounding areas are home to many extensive institutional facilities. Including the South Shore Cultural Center, Jackson Park Hospital, Stony Island Arts Bank, and Jackson Park.

The community's retail character is anchored by a Fresh Market grocer at 71st and Jeffrey Boulevard and smaller retail stores in the adjacent strip mall, including a Walgreen's store on an outlot. Additional area retail consists of traditional neighborhood storefronts along 79th Street.

Behind the subject commercial streets' frontages are residential blocks with older housing stock, including single-family homes and two-flat apartments.



## Anchor Institutions

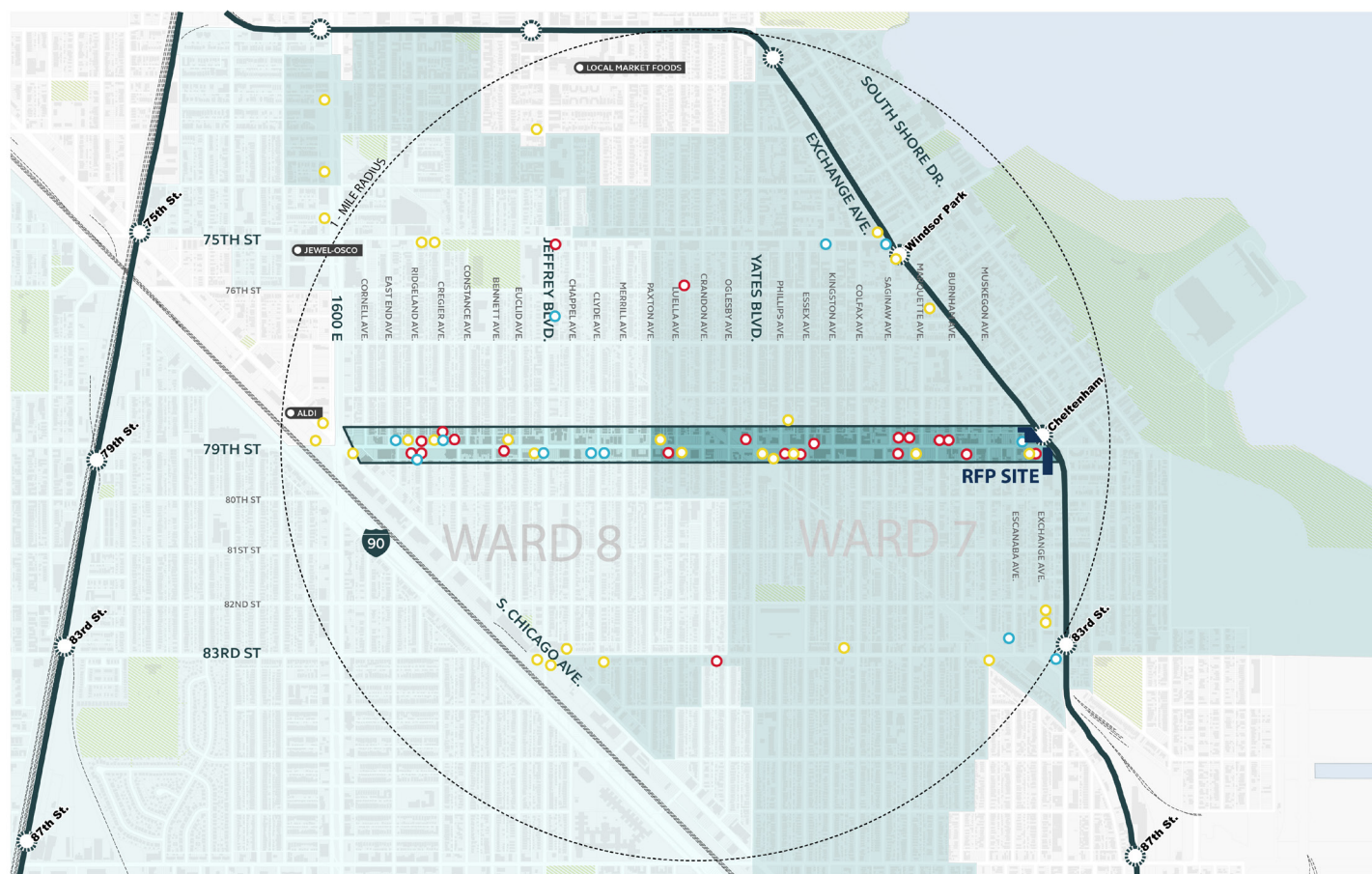
Key neighborhood institutional anchors exist in the South Shore/South Chicago communities, with the most prominent being the Kennedy King Community College, St Bernard Hospital, the 7th District Police Station, numerous Chicago Public Schools and many local churches. In addition, there are many active retail stores and quality historic buildings, some with vacant storefronts needing renovation along both the Halsted and 63rd Street corridors.

Nearby South Side assets include the following:

1. The University of Chicago, a leading national and international institution of learning and research.
2. The University of Chicago Medical Center
3. The Hyde Park neighborhood, which is a thriving residential, retail and dining hub.
4. The future Obama Presidential Center, which will bring visitors from around the nation and world.
5. The Kenneth C. Griffin Museum of Science & Industry, the recent recipient of a major donation to create new exhibits and programs
6. The Stony Island Arts Bank, which has become a contemporary art destination that offers art and community programming.
7. Jackson Park, a major regional park with a range of recreation, programmed spaces, natural areas and historic landscapes.
8. The proposed Tiger Woods-designed golf course.
9. The South Shore Cultural Center, a longstanding historic events destination.
10. The Jackson Park Hospital serving south side communities.
11. The South Lakefront, including Rainbow Beach Park and South Shore beach. These assets should be leveraged to bring more people to the 75th and 79th Street corridors.



**Figure 5:** South Side assets



**Figure 6:** Neighborhood Asset Map

- Grocery Stores
- Convenience Stores
- Retail
- Take-Out Restaurants

## Transportation & Infrastructure

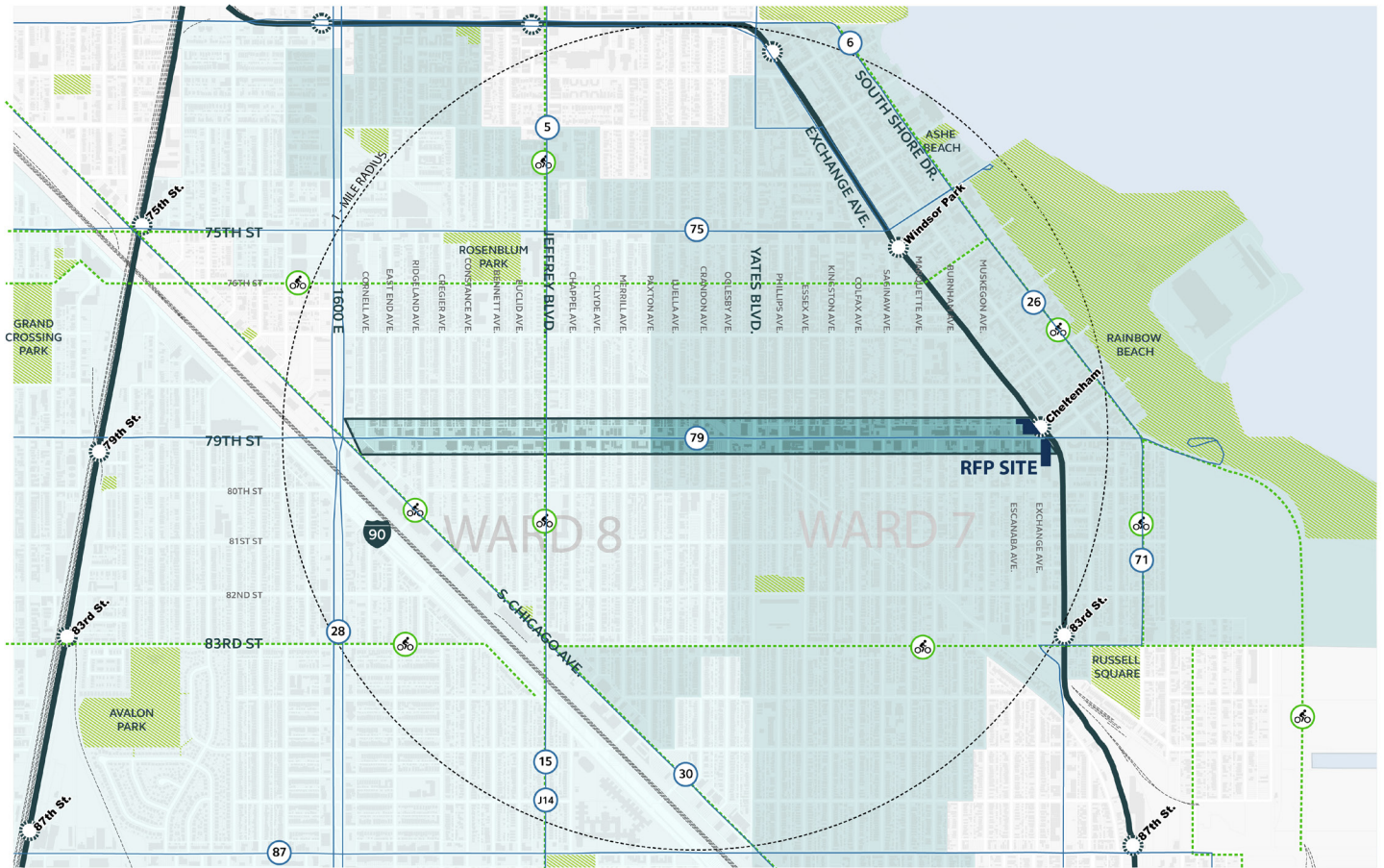
The subject property has frontage on East 79th Street, South Escanaba Avenue and South Exchange Avenue. Per the 2020 South Shore Corridor Study East 79th Street has a traffic count of 11,600 cars per day. The subject property is approximately one and a half miles east of I-90.

The subject property is located on the routes for the Route 79 (79th Street). The subject property is directly adjacent to the Cheltenham Metra Electric Line Station.

## Open Space

South Shore and South Chicago have a number of parks including direct access to Rainbow Beach Park, encompassing approximately 143 acres of land Rainbow Beach Park includes a gymnasium, fitness center and multipurpose rooms. These indoor features are supplemented by outdoor facilities including a beach and comfort station in addition to basketball/tennis/handball courts, baseball diamonds, and 2 playgrounds.





**Figure 7:** Neighborhood Asset Map - Open Space

- Parks
- CTA Bus Route
- Bike Routes
- METRA

## RECENT COMMUNITY INVESTMENTS

South Shore today has multiple assets, both within and around the neighborhood. These provide a strong foundation for future growth and the success of 75th Street and 79th Street.

### Parks

South Shore today has multiple assets, both within and around the neighborhood. These provide a strong foundation for future growth and the success of 75th Street and 79th Street.

On November 14, 2019, the Chicago Park District announced preparation for the new beach house at South Shore Beach (7100 South). The project will bring improved amenities to the community as part of the South Lakefront Framework Plan, a comprehensive and long-term plan to transform South Shore Park and Jackson Park.



The new 2700 square foot beach house features concessions, patios, locker rooms with showers, and restrooms. The existing structure, built-in 1972, no longer meets the needs of the surrounding community.

On April 14, 2021, an announcement of over \$200 Million investment in parks and transportation work for the beginning of the pre-construction work in Jackson Park. Preliminary work includes relocating utility lines and other necessary steps ahead of construction on the future site of the Obama Presidential Center. It is to start in the latter half of the year.

## **Arts and Education**

### Stony Island Bank Building | 6760 S. Stony Island Ave

A former City-owned bank building in South Shore was rehabilitated into a new community arts center under a plan approved by City Council.

Designed by William Gibbons Uffendell and built in 1923 as the Illinois State Savings Bank, the three-story, the neoclassical building at 6758 S. Stony Island Ave. was sold for \$1 to Stony Group LLC and rehabilitated for cultural and arts-related activities.

The building's multi-phase redevelopment will include an initial \$750,000 investment by the developer to stabilize the building's exterior. The work will consist of a new roof and restoration of its terra-cotta facade.

The Stony Island Arts Bank is a hybrid gallery, media archive, library, and community center – and a home for Rebuild's archives and collections built in 1923. The bank at 68th Street and Stony Island Avenue was once a vibrant community saving and loan. By the eighties, the branch had closed, and the building remained vacant and deteriorating for decades. Reopened in October 2015, the radically restored building serves as space for neighborhood residents to preserve, access, reimagine and share their heritage – and a destination for artists, scholars, curators, and collectors to research and engage with South Side history.

## Retail

### Local Market | 2101 E 71st Street

Eva and Cezary Jakubowski purchased the Jeffery Plaza shopping center in February 2019. Within the Plaza, they opened a full-service grocer. The store replaces Dominick's, which closed at the exact location in December 2013. It was the last of the 15 shuttered Chicago Dominick's to be replaced with another grocer.

The city approved \$10 million in tax-increment financing to the developers in October 2018. The Chicago Development Fund granted an additional \$12 million in New Market Tax Credit funding to complete the gap needed.

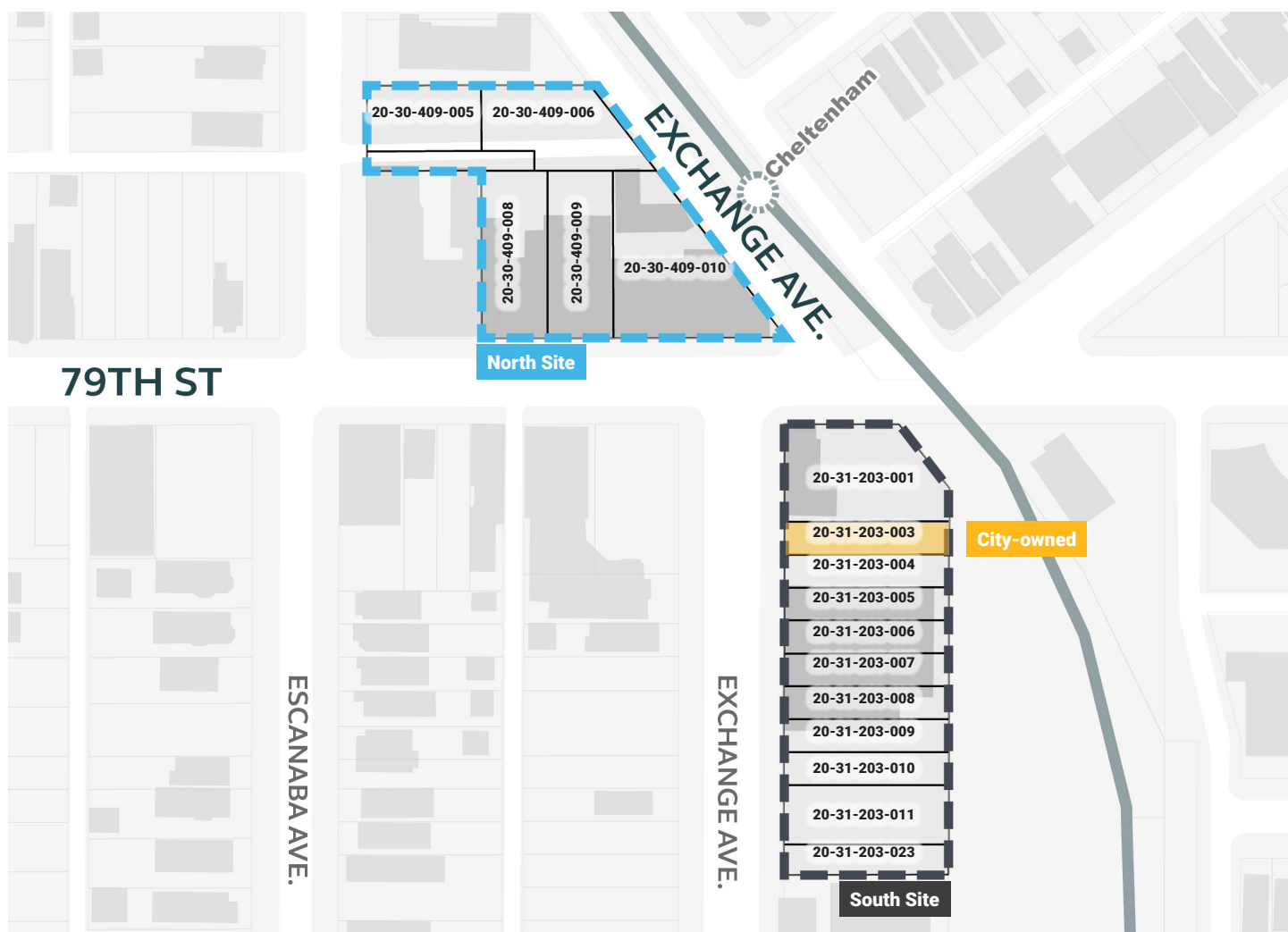
## Neighborhood Opportunity Fund Recipients

Sisters in Cinema is building a gallery, 45-seat theater, editing lab, educational space, and more at 2310 E. 75th St. The "media art center" will host the nonprofit's documentary fellowship, paid newsroom for young reporters, and other free programs. The center is expected to open in September.

### OTHER RECIPIENTS

- » **Front Yard Jerk Grille | 74 E. 71st St.:** Renovations for an existing Caribbean-American restaurant
- » **Justice of the Pies | 2025 E. 75th St.:** Renovations for a social mission-based bakery company
- » **Shrimp and More | 2320 E. 79th St.:** Revitalization of a vacant property for a neighborhood restaurant
- » **South Shore Brew | 7101 S. Yates Blvd.:** Build-out of a coffee shop that offers Southern fare, grab-and-go pastries, and coffee from Bridgeport Coffee featuring African beans.
- » **The Quarry Event Center | 2423 E. 75th St.:** Renovations to existing event space.

# III. Property Description



**Figure 8:** Site diagram

## IDENTIFICATION OF THE PROPERTY

The subject properties are within the South Shore and South Chicago community areas, situated approximately 10 miles from downtown Chicago. The properties are located at the intersection of 79th Street and Exchange Avenue, consisting of:

Northwest corner of 79th Street and Exchange Avenue: 2908-2916 E. 79th St.; 2920-2926 E. 79th St., 7843 S. Escanaba Ave.; 7850 S. Escanaba Ave Southeast corner of 79th Street and Exchange Avenue: 7901-7907 S. Exchange Ave; 7911-7933 S. Exchange Ave.



## OWNERSHIP

Except for one PIN located on Site, the City does not own the properties but is in the process of obtaining City Council approval for acquisition authority. The City's goal is to facilitate a private transaction between the selected RFP respondent and the private property owners. The City will encourage the respondent chosen to negotiate the purchase of the properties privately. However, if such negotiations are not successful, the City may acquire the properties and convey them under the terms of an executed Redevelopment Agreement.

It is expected that respondents will not engage the private property owner unless they are the selected respondent of the RFP and will only engage the owner after their selection by the City.

The City will not assist in acquiring or securing rights to any of the adjoining properties.

## SITE DESCRIPTION

The subject sites are as follows:

### North Site

The north site is an irregularly shaped improved parcel with a total of approximately 36,616 SF or 0.84 acres. The site is level at street grade. The corner parcel is improved with a 2-story retail and residential building featured in the movie "The Barbershop". To the west of the corner building is a vacant retail building with the remainder of the property vacant. The property fronts on East 79th Street, South Escanaba Avenue and South Exchange Avenue and is served by a partial public alley to the north. Please refer to the addenda for maps and photographs.

### South Site

The south site is an irregularly shaped improved parcel with a total of approximately 37,946 SF or 0.87 acres. The site is level at street grade. The corner parcel is improved with a 2-story retail and residential building. To the south of the corner building is an iconic vacant bank and retail building with the remainder of the property vacant. The property fronts on East 79th Street and South Exchange Avenue. Please refer to the addenda for, maps photographs.

A respondent to the Request of Proposal (RFP) can propose on either the North or South Site or both.

## EXISTING IMPROVEMENTS

### North Site

The Property Contains a 2-story brick retail building at the corner of East 79th and South Exchange Avenue (2920-2924 E 79th St). This building is in good condition and has recently been occupied by both retail and residential uses. Its vernacular architecture and exquisite detailing make it an icon in the neighborhood worth saving. The remainder of the site, including the vacant 1-2 story commercial building (2910-14 E 79th Street) along E 79th St is expected to be demolished by the selected developer upon acquisition.

#### North Site

##### Barbershop Movie Building



##### Corner Retail



#### South Site

##### Ringer Building



**Figure 9:** Site photos

### South Site

The Property Contains the Ringer Bank building at 7915 S. Exchange Avenue. The 3-story bank building was constructed in 1928. The building is notable for its grand interior banking hall and striking stone exterior. The Ringer building has been vacant for many years and has extensive deferred maintenance issues. Previous uses included a bank and development company along with various retail uses south of the banking hall.

Named after Charles Ringer, a local real estate, mortgage and insurance businessman and politician, the Ringer Building was constructed in 1928 to house the various Ringer business operations. Due to the historic significance of the building, respondents should give priority to the adaptive reuse of the

building. In general, original features and materials of the character-defining features of the building should be retained and preserved as much as reasonably possible, while any changes should be compatible with the building's historic character. DPD will strongly support the selected respondent in their effort to seek Chicago landmark designation for the building as part of an overall project. To that end, DPD encourages respondents to seek any of the applicable financial incentives available to owners of officially designated Chicago landmarks.

For a full overview of the Chicago Landmark incentives, designation process and the Chicago Landmarks Ordinance itself, please refer to DPD's Historic Preservation website: <https://www.chicago.gov/city/en/depts/dcd/provdrs/hist.html>

Additionally, the site contains a notable 2 story glazed brick mixed use (2935 East 79th) retail and residential building. The glazed brick and vernacular architecture make this building worth saving



**Figure 10:** Historical photo of the Ringer Building (*Images of America: Chicago's South Shore* by Charles Celander)

## SITE PREPARATION

The selected respondent will assume the cost of clearing and disposing of existing infrastructure and debris such as paved surfaces, foundations, curbs and gutters, fill, fencing, and lighting. The selected respondent is solely responsible for bearing all costs and making all arrangements associated with the abandonment, relocation or installation of private or public utilities.

The selected respondent is also responsible for reconstructing sidewalks and relocating street lighting standards, fire hydrants, or other facilities within the public way if such work is necessitated by the



redevelopment project. Any construction in the public way must be made according to the City's specifications, and the work must be fully bonded.

## ENVIRONMENTAL AND SOIL CONDITIONS

### Environmental Conditions

The City of Chicago has done no remediation on the subject property, and the City makes no representations, warranties, or covenants as to the suitability of the land for any purpose whatsoever. The City has not performed a geotechnical analysis of the site, and the City makes no representations, warranties, or covenants as to the suitability of the land for any purpose whatsoever. It is the responsibility of the selected respondent to investigate the environmental and geotechnical conditions of the site, and any studies performed will be at the respondent's cost.

### Environmental Requirements

Redevelopment will be subject to the below environmental requirements. The City will grant the selected respondent a right-of-entry for the purpose of conducting geotechnical and environmental tests. The respondent must provide the City with an acceptable certificate of insurance, and the respondent must agree to provide the City with copies of any and all geotechnical, environmental or other test reports.

For buildings that are located on the Sites a hazardous materials survey is required on the buildings. "Hazardous Building Material Survey" shall include (but is not limited to) asbestos and LBP survey, visually inspecting the Site to determine the presence and location of polychlorinated-biphenyl (PCB)-containing equipment and materials (such as lighting ballasts, switchgears, transformers, and hydraulic fluids), mercury-containing equipment and materials (mercury lamps, thermostats, switches, thermometers, regulators, and gauges), radioactive material-containing equipment and/or waste, medical wastes (such as biological or infectious wastes, hazardous chemicals, and/or wastes), refrigerants such as chlorofluorocarbons (CFCs), large appliances or equipment, or any other materials that may require special handling or disposal during or after demolition. Abatement of identified hazardous materials must occur prior to construction as required by and in accordance with local, state and/or federal regulations.

If Federal funding is used for the project, in whole or in part, the project will be subject to National Environmental Policy Act (NEPA) and must go through an environmental planning process that not only requires a compliance check with specific environmental laws, but also provides opportunities to add value through public input, mitigation of potential adverse impacts, and sustainable design.

A Phase I Environmental Site Assessment (ESA) conducted in conformance with American Society for Testing and Materials (ASTM) E- 1527-13 is required and must be performed within 180 days prior to acquisition.

Based on the results of the Phase I ESA, a Phase II ESA must be conducted. If the Phase II ESA identifies contamination above applicable remediation objectives as determined by Title 35 of the

Illinois Administrative Code Part 742, the Site must be enrolled in the Illinois Environmental Protection Agency's (IEPA) Site Remediation Program (SRP) and a comprehensive No Further Remediation letter that meets applicable future use criteria obtained prior to occupancy.

The Developer shall cooperate and consult with the City at all relevant times (and in all cases upon the City's request) with respect to environmental matters. The City shall have the right to review and approve the sufficiency of any reports. If assessments are to be performed by others, a reliance letter naming the City of Chicago (City) as an authorized user must be provided by the environmental professional.

Any underground storage tanks (USTs) discovered during the redevelopment activities, must be removed and closed in accordance with applicable regulations including Title 41 of IAC Part 175, and any identified leaking USTs must be properly addressed in accordance with 35 IAC Part 734.

City shall have the right to review in advance and approve all SRP documents for any lots prior to submittal to IEPA and any changes thereto. In addition, for developments that will include residential use, an environmental performance deposit may be required.

## **ACQUISITION PROCESS**

The City of Chicago has been in conversations with the private property owners of the Site, who are willing sellers of the property. The City's preference is that the City's selected RFP respondents attempt to purchase all property interests through private negotiations. If no agreement can be reached for one or more properties, the City may use eminent domain authority to acquire the properties on behalf of the selected respondent.

## **TARGET PRICE**

The target price for the single City-owned parcel in the South Site is equal to the fair market value of the parcel as estimated by an appraisal. The process of obtaining an appraisal is underway, but has not been completed at the time of release. When available, appraisal information will be shared on the DPD website where the RFP is posted. The appraised value assumes that the property is free and clear of all improvements and environmental contamination. The allocation of demolition and environmental clean-up costs will be negotiated between the City and the selected respondent; therefore, the proposed purchase price should assume that the property is free and clear of environmental contamination. The appraisal also assumes C1-2 zoning.

The target price is not a minimum bid; however, applicants are advised that purchase price will be considered in DPD's evaluation of responses to the RFP.

# IV. Planning Framework and Development Potential

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

## REGULATORY CONTEXT

### Zoning

The property is located in a C1-2 Neighborhood Commercial District and B3-2 Community Shopping District and is considered a Transit-Served Location. This zoning designation will allow for development of the property according to the goals and objectives of the RFP. The City will be supportive of projects that seek re-zoning to better achieve the development goals.

### Chicago Landscape Ordinance

The Chicago Landscape Ordinance establishes standards for on-site and parkway plantings. Landscaping permits are obtained as part of the normal process of building and zoning permit applications. Landscape plans must be approved by DPD to meet on-site requirements and by the Chicago Department of Transportation (CDOT) and Bureau of Forestry for public way requirements. All projects impacting the public way must comply with the CDOT Rules & Regulations regarding restoration and permitting.

### Chicago Parking Garage Ordinance

The Chicago Parking Garage Ordinance establishes urban design standards for free-standing and accessory parking structures. An application for parking garage review must be submitted to the DPD before applying for a building permit.

### Stormwater Management Ordinance

The Stormwater Management Ordinance took effect on January 1, 2008. Regulated developments



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

### **Affordable Requirements Ordinance**

The current City of Chicago's Affordable Requirements Ordinance requires residential developments that receive city financial assistance or involve city-owned land to provide a percentage of units at affordable prices. The ordinance applies to residential developments of 10 or more units and requires that developers provide 10 percent of their units at affordable prices (20 percent if financial assistance is provided). The ordinance also applies if a zoning change is granted that increases project density or allows a residential use not previously allowed. A new ARO program ordinance is expected by early 2021.

### **Updated Chicago TOD Ordinance (2019)**

The 2019 Chicago TOD Ordinance revision expands the catchment area to include key bus corridors as well as centers equity in transit-oriented development; elevating and prioritizing investments and policies that address socioeconomic disparities in Black and Latinx communities.

### **Construction Requirements**

The selected respondent must comply with the City of Chicago's construction requirements. During construction, at least 26 percent of qualified project costs must be paid to City-certified Minority Business Enterprises (MBEs) and at least 6 (six) percent must be paid to City-certified Woman Business Enterprises (WBEs). In addition, Chicago residents must perform at least half of all construction-worker hours. Projects that receive Tax Increment Financing (TIF) must pay prevailing wage rates for all construction jobs.

## **RELEVANT PROJECT AREA PLANS AND CITY INITIATIVES**

### **Avalon South Shore TIF Plan**

The Avalon South shore TIF plan was established in 2002 to create a cohesive and vibrant area that provides a comprehensive range of commercial and retail uses. The Districts specific goals include Pedestrian friendly sidewalk improvements along the 79th Street shopping corridors and at the 79th Street Metra Stations. The district was also designed to provide developer assistance for various mixed-use projects, to support projects that provide off-street parking for visitors, residents and works, and to assist efforts that create jobs and improve safety within the community.

### **South Shore Corridor Study**

The South Shore Corridor Study was complete in May 2020 to examine the retail and housing markets

along the East 75th Street and East 79th Street Corridors, within the context of transportation improvements and changing demographics. The study provides a blueprint, outlined in a set of 10 “Ideas for Action,” listed below, that the City, its partner agencies, and the neighborhood more broadly can use to position these corridors for future success.

- » Have a Clear Framework for Development
- » Market South Shore Corridor Opportunities
- » Advance Community-Led Arts and Culture
- » Advance Community-Led Greening and Open Space Enhancements
- » Market Corridors as Places for Culture and Entertainment
- » Enhance Key node Public Realm and Transit
- » Encourage Building Renovation at Key Nodes
- » Attract in-Full Development at Key Nodes
- » Activate Corridors between Nodes
- » Plan for Long-Term Capital Investment

### **Equitable Transit-Oriented Development**

In 2013, the Chicago City Council approved a new policy to incentivize transit-oriented development (TOD) near CTA and Metra rail stations. In 2015, the Ordinance was amended to extend the catchment area around stations, encouraging the inclusion of affordable housing units. In January 2019, the City’s Transit Oriented Development (TOD) ordinance was again updated to include an explicit equity focus and expand policy provisions to include dense residential zone areas and several high-frequency bus corridors including the 79th Street bus corridor.

Currently, the City is working with its departments, partner agencies, and community stakeholders to develop an eTOD Policy Plan that will be published in the fall of 2020. The Plan will outline recommendations to ensure development within designated TOD zones advance equitable outcomes

### **Community Wealth Building**

The City of Chicago is committed to closing the racial and ethnic wealth gap and to promoting economic growth and prosperity for Black and Latinx individuals, households and communities. To support this, the INVEST South/West initiative is committed to equitable economic development that includes a community wealth building framework.

The racial and ethnic wealth gap is the difference in wealth (what you own minus what you owe) between White households and Black and Latinx households. It is the legacy of racist policies and practices intentionally designed to enable economic prosperity for white families while excluding Black and Latinx families from those very same opportunities. These policies include discriminatory zoning,

taxation, and subsidies as well as the explicit practice of redlining that labeled Black neighborhoods as high risk and systematically denied them of insurance-backed mortgage loans.

According to the Urban Institute's 2019 report "State and Local Approaches to the Chicago Region's Racial and Ethnic Wealth Inequity," Black and Latinx Chicago residents are far less well off than white Chicago residents when it comes to homeownership, asset poverty, and debt and credit:

- » The homeownership rate for Black families (35%) and Latinx families (43%) is lower than the rate for white families (54%).
- » The median home value for white homeowners is \$275,000, considerably higher than the median home value for Black homeowners and Latinx homeowners (&145,000 and \$180,000, respectively).
- » An estimated 67% of Black households and 71% of Latinx households do not have enough saved to live above the poverty level for three months, compared with 49% of all households.
- » Predominantly white neighborhoods have a higher average credit score (732) than neighborhoods that are predominantly home to people of color (586).

These disparities are even more extreme at the neighborhood level.

The INVEST South/West initiative addresses a long pattern of disinvestment in predominantly Black and Latinx neighborhoods, and it aims to include wealth building opportunities for these historically underinvested communities.

In doing so, the initiative will help create a more equitable Chicago in which everyone has what they need to thrive, no matter who they are or where they live.

INVEST South/West's definition and overall framework of community wealth building comes from Democracy Collaborative. The definition is as follows: "community wealth building is a systems approach to economic development that creates an inclusive, sustainable economy built on locally rooted and broadly-held ownership."

- » Locally-rooted ownership means that full or partial ownership is held by residents of the neighborhood in which the development is being built.
- » Broadly-held ownership means that the ownership is in the hands of the many, not a privileged few. (One example of broadly-held ownership is a worker cooperative in which all employees of the business are co-owners, as opposed to a model where only senior management or a few investors own the business and benefit from its financial success).

Our focus on local and broad-based ownership is an attempt to expand equity for residents of historically underserved and underinvested communities. To further explain, we rely on the research of Drexel University Nowak Metro Finance Lab, Accelerator for America and Blueprint Local that have articulated the four ways community wealth builds equity:

1. Growing the individual incomes and assets of neighborhood residents by equipping them with marketable skills and enabling full or partial ownership of homes, commercial properties, and businesses;
2. Growing the collective assets of neighborhood residents by endowing locally-run organizations with the ability to create, capture, and deploy value for local priorities and purposes;
3. Improving access to private capital that has high standards, fair terms, a long-term commitment to the neighborhood, and reasonable expectations around returns and impact;
4. Enhancing inclusion by bringing fairness and transparency to neighborhood revitalization so that community voices are heard and respected and trust is restored, and local residents have the opportunity to participate in wealth that is created

### Two Approaches to Economic Development

Drivers	Community Wealth Building	Traditional Approach
 Place	Develops under-utilized local assets of many kinds, for benefit of local residents.	Aims to attract firms using incentives, which increases the tax burden on local residents.
 Ownership	Promotes local, broad-based ownership as the foundation of a thriving local economy.	Supports absentee and elite ownership, often harming locally owned family firms.
 Multipliers	Encourages institutional buy-local strategies to keep money circulating locally.	Pays less attention to whether money is leaking out of community.
 Collaboration	Brings many players to the table: nonprofits, philanthropy, anchors, and cities.	Decision-making led primarily by government and private sector, excluding local residents.
 Inclusion	Aims to create inclusive, living wage jobs that help all families enjoy economic security.	Key metric is number of jobs created, with little regard for wages or who is hired.
 Workforce	Links training to employment and focuses on jobs for those with barriers to employment.	Relies on generalized training programs without focus on linkages to actual jobs.
 System	Develops institutions and supportive ecosystems to create a new normal of economic activity.	Accepts status quo of wealth inequality, hoping benefits trickle down.

**Figure 11:** Community Wealth Building vs. Traditional Economic Development (Democracy Collaborative "Cities Building Community Wealth" (2015))

## 2021 COMMUNITY PRIORITIES

South Shore and South Chicago stakeholder participated in a number of visioning sessions, which were virtual due to the Covid-19 pandemic. Participants were shown multiple site and redevelopment scenarios, and summarized the following development and community objectives as high priority:

- » Mixed-use development including retail and market rate housing.
- » Reuse existing iconic buildings including the Ringer Building at 7915 S. Exchange Avenue
- » Sit-Down Restaurants



- » Community serving retail (Cafes, Ice Cream Shops etc.)
- » Walkable community serving grocery

## MARKET POTENTIAL

### Demographic Trends

The corridor has experienced population declines for a number of years. In 2010 the population within a 1-mile radius of the property was 33,807, in 2020 the population was 33,085 and is expected to decline an additional 0.30% by 2025.

Median household income is \$30,979 with 69% of the household as renters. This leads to home values that are currently less than one-sixth the median for the whole city (\$37,250 for Englewood versus \$246,000 for Chicago). The supply of homes for sale is about 4 times greater than for the entire city, reflecting weaker demand.

Residential rents in Englewood, on average, are a little lower than the 40% AMI rent used by the City for ARO purposes. Some properties are renting for less than 70% of that AMI rent. The existing housing stock is almost all very old single-family or two-flat structures, with some apartment buildings. Most of the more recent residential construction has been for senior housing.

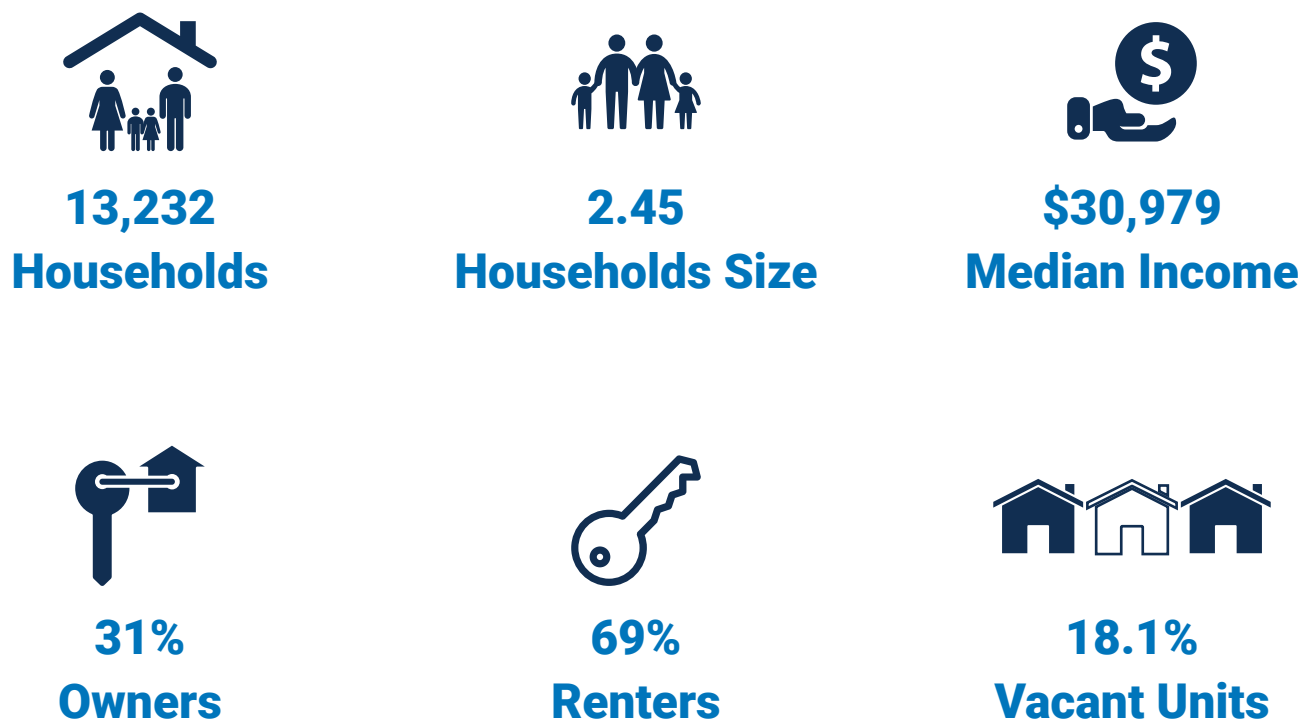
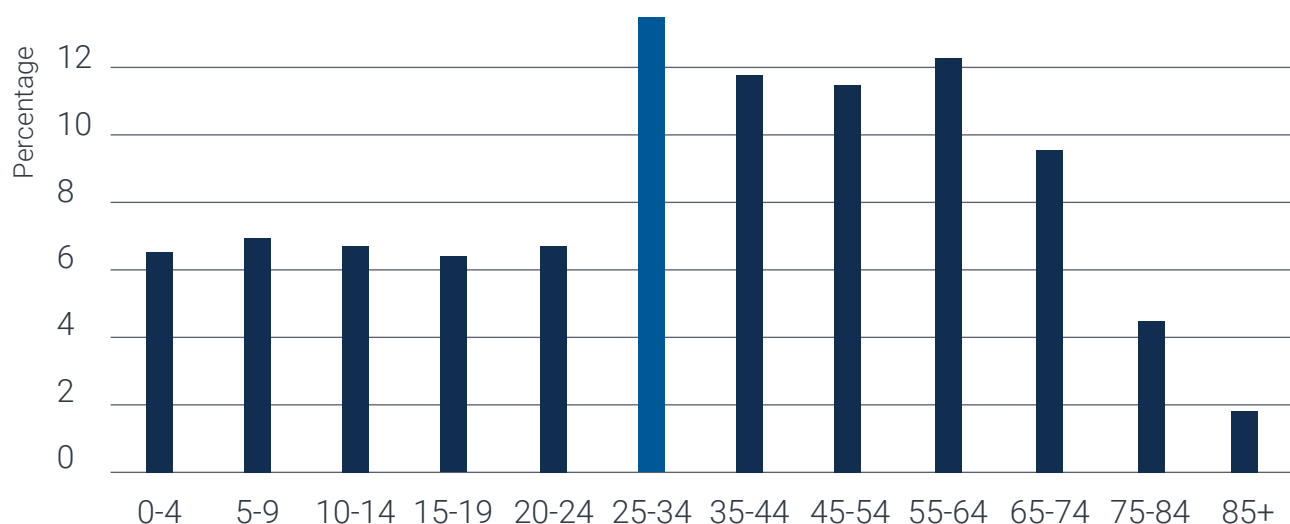
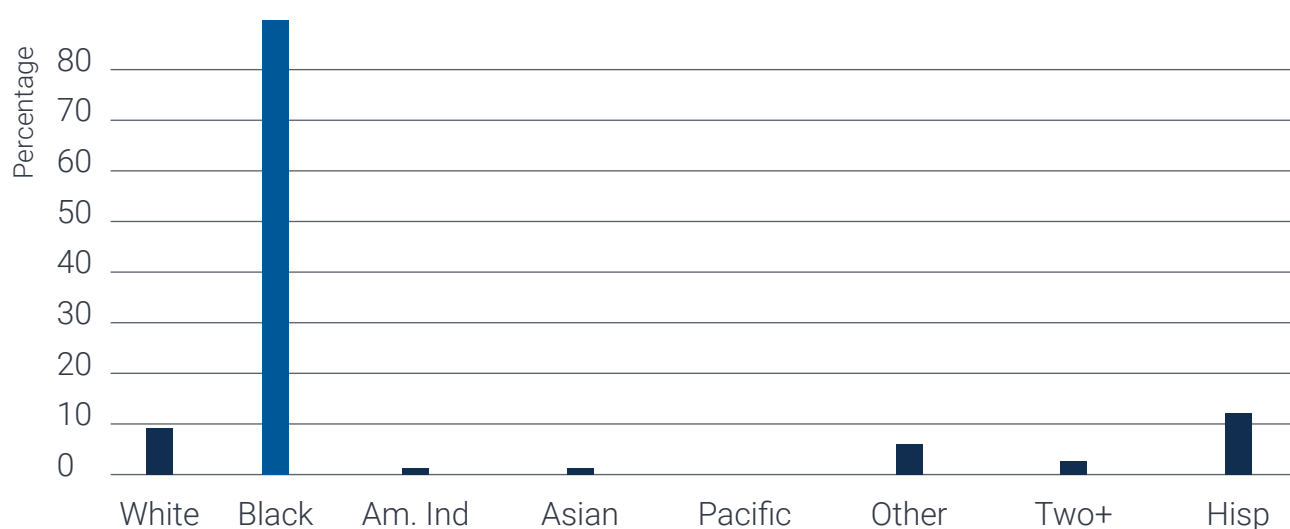


Figure 12: Area demographics

## 2020 Population by AGE



## 2020 Population by RACE



**Figure 13:** Population demographics

### Retail Market Trends

Most of the existing retail establishments on the 79th Street Corridor are old storefronts. The exception being the new retail center on the southwest corner of 79th and Exchange across the street from the South Site. These more contemporary retail centers include mainly chain retail, including Little Caesars. The South Shore Corridor Study indicated retail leakage of \$200 million, showing that it will support other retail uses.

There are about a dozen fast-food restaurants along the corridor, along with almost a half dozen convenience stores and many beauty/barber/nail salon establishments.

The average retail rent per square foot in a 1-mile radius of the corner of 79th and Exchange is \$14.55. Still, the shopping center across the street demonstrated the ability to attract retailers into modern space

### Gap Financing

With the low market leasing rates on the 79th Street Corridor, it is difficult for new market-rate construction to compete with the current market rents. The proposed development approach identifies building housing as financially feasible due to the potential subsidies available. The estimated rent from housing will not cover the construction and operating costs, creating a financial gap. Financial incentives (subsidies, incentives, grants, and loans) are being reviewed to fill that financial gap.

Incentives under consideration include:

- » Neighborhood Opportunity Fund
- » Tax Increment Finance
- » Enterprise Zone
- » New Market Tax Credits
- » Low Income Housing Tax Credits
- » Possible historic tax credits
- » ComEd Energy Grant Program

# V. Development Guidelines

The Department of Planning and Development, in collaboration with the South Shore and South Chicago Community Roundtable, has established goals and objectives for the development of the property. These goals are intended to ensure that the project will be compatible with the City's objectives of revitalizing valuable urban land, creating new development in sympathetic relationship with the surrounding community, accommodating the needs of the community, and fostering additional new development along the 79th Street corridor and in the surrounding community. Building on the goals from the South Shore Corridor study and previous 79th Street community planning efforts, the development goals for the 79th Street Corridor Gateway project are as follows:

## DEVELOPMENT VISION

### Development Vision Statement

This catalytic project will be the first development on the corridor in years and will be a spark for all future development within this corridor. Design and development proposals should become a part of the existing urban fabric while serving as a gateway to the corridor.

The Development area includes two separate sites for development: the North Site and the South site. The respondent can submit a proposal that contemplates the development of either or both locations.

Additionally, DPD encourages prospective developers to consider the potential to build out elements of the corridor master plan beyond the limits of this RFP. Through the work of this RFP, alternative complementary development sites were identified along the corridor. The work of the consultant team has led to the basis of a framework for a new master plan for the future of development along the corridor. It is the department's expectation that this RFP proposal will be a catalyst for later further development which aligns with the community vision that has been continually developed through the previous planning studies and the work conducted for the RFP.

### Development goals

The City of Chicago Department of Planning and Development is seeking a high quality, residential led, mixed-use development that includes multiple retail and/or commercial opportunities at the pedestrian level. Additionally, proposals should seek to adaptively reuse the three existing iconic structures on site, particularly the Ringer building at 7915 South Exchange Avenue with new community serving uses described within this RFP. DPD will only consider redevelopment proposals that seek to preserve the Ringer Building, at a minimum, and will strongly support the selected respondent in their effort to seek Chicago landmark designation for the building as part of an overall project.





**Figure 14:** 79th Street View

**Credit:** HED`

Based on this community-preferred development concept, the city has modeled a mixed-use new construction project on the Site consisting of 50 units of residential with 25,000 square feet of retail space. The community has requested that new residential development include a range of housing price points to retain affordability while also appealing to a variety of tenants. **Priority will be given to RFP responses that incorporate market-rate units into the proposed development to the extent that they are financially feasible.**

Anticipated project details for the estimated pro forma are as follows:

- » Multifamily residential with a mix of unit sizes
- » Ground level retail (retail/service/community space)
- » Environmental remediation and site preparation
- » Surface parking in the back of the development accessible via the public alley
- » Street tree planting in accordance with the Landscape Ordinance



**Figure 15:** Potential overall site massing  
**Credit:** HED



**Figure 16:** Potential north site massing  
**Credit:** HED



**Figure 17:** Potential south site massing  
**Credit:** HED



## URBAN DESIGN PRINCIPLES

The site design strategy seeks to position the site as the 79th Street Corridor's "Gateway" - linking both the north and south sides of 79th Street at S. Exchange to create a welcoming invitation to the corridor additionally the proposals should respond to the Department of Planning and Development's Design Excellence Principles. These include:

### **Equity & Inclusion: Fair Treatment, targeted support, and prosperity for all citizens**

1. Revitalize Chicago's Neighborhoods while celebrating their authenticity and singularity.
2. Prioritize inclusive design processes to foster equitable development.
3. Leverage the economic benefits of good design.

### **Innovation: Creative approaches to design and problem-solving**

4. Encourage diverse approaches in order to inspire innovation and design excellence.
5. Honor Chicago's legacy of architectural innovation by promoting contemporary design.

### **Sense of Place: Celebrating and strengthening the community culture**

6. Strive to enhance the public realm, focus on the pedestrian experience.
7. Immerse yourself in the places, people and cultures of the City.

### **Sustainability: Committing to environmental, cultural, and economic longevity**

8. Develop a healthier, more resilient and beautiful city.

### **Communication: Fostering design appreciation and responding to community needs**

9. Communicate design excellence to the public.
10. Support design excellence with the city departments and sister agencies.

## SUSTAINABILITY

The City expects that all proposals will employ strategies that will (1) maximize the environmental, social and economic value of the project and (2) improve the resiliency of the local community area. Proposals that are seeking TIF assistance, Department of Housing financial incentives or Class L tax credits will need to meet the requirements of the Chicago Sustainable Development Policy. The menu of strategies that projects can choose from to meet the policy requirements can be found at the following web page: [https://www.chicago.gov/city/en/depts/dcd/supp\\_info/sustainable\\_development/chicago-sustainable-development-policy-update.html](https://www.chicago.gov/city/en/depts/dcd/supp_info/sustainable_development/chicago-sustainable-development-policy-update.html). In addition, a comprehensive list of resources has been compiled to assist development projects with incorporating sustainable and resilient strategies into their proposal. The list of resources can be found in the Addenda.

# VI. Finance & Development Incentives

## FINANCIAL PRO FORMA

### Development Program

Based on the community's preferred development concepts, the City has modeled the mixed-use new construction and adaptive reuse of 10 parcels located at the intersection of East 79th Street and South Exchange Avenue into two potential development projects.

The "North Site Program" would entail the mixed-use new construction and adaptive reuse of the existing "Barbershop Movie" Building and adjacent parcels located on the northwest corner of East 79th Street and South Exchange Avenue (at 2908-2914 East 79th Street, 2920-2924 East 79th Street, 7843 South Escanaba Avenue & 7850 South Escanaba Avenue).

The "South Site Program" would entail the new construction and adaptive reuse of the historic Ringer Building, the corner glazed brick retail building and adjacent parcels located on the southeast corner of East 79th Street and South Exchange Avenue (at 7901-7907 South Exchange Avenue & 7911-7933 South Exchange Avenue).

The potential program for these adjacent projects could include the following:

### North Site Program:

Multifamily residential component containing approximately 56 units with a mix of unit sizes: 50 units to be located in a newly constructed mixed-use building and six (6) renovated units to be located on the second floor of the redeveloped "Barbershop Movie" Building.

Ground floor retail / commercial space on the ground floor of a renovated "Barbershop Movie" Building and the ground floor of a newly constructed mixed-use building (totaling approximately 18,818 sf)

Surface parking spaces for approximately 26 vehicles (reflecting a 50% reduction due to TOD)

North Site		
Use	Square Feet	Units
Retail/Commercial	18,818 sf	
<i>New Construction</i>	6,082 sf	
<i>Existing</i>	12,736 sf	
Residential Units	52,381 sf	56
Residential Amenity	5,456 sf	
<b>Total Built SF</b>	<b>76,655 sf</b>	
<b>Total Land Area</b>	<b>32,616 sf</b>	

**Figure 18:** Development program - north site



South Site Program:

Ground floor retail and second floor commercial space in the renovated and repositioned corner glazed brick building (totaling approximately 5,400 sf)

Ground floor and second floor medical office / health care clinic space in a newly constructed adjacent building (totaling approximately 15,127 sf)

Ground floor community / incubator space in the renovated and repositioned historic Ringer Building (totaling approximately 23,682 sf)

Surface parking for approximately 36 vehicles (reflecting a reduction due to TOD)

South Site		
Use	Square Feet	Units
Retail/Commercial	5,400 sf	
Medical Office/Clinic	15,127 sf	
Community/Incubator	23,682 sf	
<b>Total Built SF</b>	<b>44,209 sf</b>	
<b>Total Land Area</b>	<b>37,946 sf</b>	

**Figure 19:** Development program - south site

**Funding Implications**

With the low market residential and commercial rental rates in the 79th Street Corridor area, it is a challenge for new construction or adaptive reuse renovation projects to achieve financial feasibility without substantial governmental assistance. In fact, the estimated residential and commercial rents along the 79th Street Corridor will not cover the projected construction, renovation and operating costs, which creates a significant financial gap in each project.

The proposed development financing model for both projects exemplifies this challenge, and financial incentives (including subsidies, incentives, grants and loans) are being reviewed to fill those significant financial gaps. As shown in the proforma tables on the following page, the total estimated development cost for the north site project is approximately \$23,558,249, with an estimated financial gap of approximately \$12,520,357, and the total estimated development cost for the south site project is approximately \$20,333,733, with an estimated financial gap of approximately \$13,261,384. The difference in the respective financial gaps is attributable to the additional tax credits that could be generated by the residential component in the north site project.

Pending a more rigorous underwriting process, the City is prepared to provide assistance, as needed, to complete the proposed projects that best meet the development goals of the RFP.

Financial Pro Forma		
SOURCES	North Site	South Site
Debt Capacity	\$3,742,575	\$4,609,068
Equity	\$2,000,191	\$2,463,282
4% LIHTC Proceeds	\$5,295,124	-
Financing Gap	\$12,520,357	\$13,261,384
<b>Total</b>	<b>\$23,558,249</b>	<b>\$20,333,733</b>

USES OF FUNDS	North Site	South Site
Acquisition Costs	\$2,445,810	\$2,192,262
<i>Land</i>	\$1,000,000	\$1,500,045
<i>Site Prep</i>	\$330,221	\$226,905
<i>Financing &amp; Fees</i>	\$1,115,589	\$465,312
Hard Costs	\$16,052,257	\$12,792,182
<i>Commercial</i>	\$1,264,570	\$12,792,182
<i>Residential</i>	\$12,094,337	-
Soft Costs	\$5,060,182	\$5,349,289
<i>Commercial</i>	\$487,555	\$5,349,289
<i>Residential</i>	\$3,182,916	-
<b>Total</b>	<b>\$23,558,249</b>	<b>\$20,333,733</b>

**Figure 20:** Financial pro forma

## DEVELOPMENT INCENTIVES

### Cook County Incentives

Respondents can choose from the following Cook County Tax Incentive Classifications:

#### CLASS 7A AND CLASS 7B PROPERTY TAX INCENTIVE CLASSIFICATION

The Class 7a Property Tax Incentive Classification (Class 7a) and Class 7b Property Tax Incentive Classification (Class 7b) were created by the Cook County Board of Commissioners to encourage the full utilization and new construction of commercial buildings in areas in need of commercial development. The Class 7a is for projects in which the development costs do not exceed \$2,000,000.00. The Class 7b is for projects in which the development costs exceed \$2,000,000.00.

In Cook County, commercial properties are assessed at an assessment level of twenty-five percent (25%). Properties classified as Class 7a or Class 7b receive a reduced assessment level of ten percent (10%) of fair market value for the first ten (10) years, fifteen percent (15%) for the eleventh (11th) year, and twenty percent (20%) for the twelfth (12th) year. The assessment returns to the full twenty-five percent (25%) level in the thirteenth (13th) year. While a certified ordinance from the City of Chicago supporting a Class 7a or Class 7b classification is required from the City of Chicago, such classification is ultimately determined by the Cook County Assessor. More information can be found in the Cook County Real Property Assessment Classification Ordinance.

#### CLASS L PROPERTY TAX INCENTIVE CLASSIFICATION

The Class L Property Tax Incentive Classification (Class L) was created by the Cook County Board of Commissioners to encourage the preservation and rehabilitation of historically and architecturally significant buildings. In Cook County, commercial properties are assessed at an assessment level of 25 percent. Properties classified as Class L receive a reduced assessment level of 10 percent for a period of ten years, 15 percent in year eleven, and 20 percent in year twelve.

### City Incentives

Multiple City of Chicago incentives may be combined to provide financial support to the project:

#### NEIGHBORHOOD OPPORTUNITY FUND (NOF)

The Neighborhood Opportunity Fund receives funds from downtown development in order to support commercial corridors in many of Chicago's neighborhoods. Business and property owners may apply for grant funding that will pay for the development or rehabilitation of real estate and projects that support new or expanding businesses or cultural assets. More information can be found in the Neighborhood Opportunity Fund program manual.



### NEW MARKET TAX CREDITS (NMTC)

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. Residential projects are not eligible. The NMTC program works by providing investors in a qualified CDE with a federal tax credit worth thirty-nine percent (39%) of the initial investment. The credit is distributed over seven (7) years and is provided in addition to any return on the investment in the CDE. In order to qualify as a CDE, the entity must be a corporation or partnership whose mission is to provide investment capital or services for low-income persons or communities. All of the money invested in the CDE must be used for investments in low-income communities.

In order to find a qualified CDE partner for your development, go to the U.S. Treasury's Community Development Financial Institutions Fund website at [www.cdfifund.gov/programs](http://www.cdfifund.gov/programs). Select the link to the NMTC program and then scroll down to supplemental resources. You can download lists of qualified CDEs by name or by state.

### TAX INCREMENT FINANCING (TIF)

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. New construction is not an eligible expense except for development of low-income housing.

TIF assistance will be considered for projects that provide significant public benefits. Residential projects over ten (10) units that receive TIF assistance must set aside ten percent (10%) of the units for sale to or occupancy by households with incomes no greater than sixty percent (60%) of the Chicago Area Median Income for rental developments, or no greater than one hundred percent (100%) of the Chicago AMI for for-sale developments, and ten percent (10%) of the units for sale to or occupancy by households with incomes no greater than fifty percent (50%) of the Chicago Area Median Income for rental developments, or no greater than eighty percent (80%) of the Chicago AMI for for-sale developments. Non-residential developments or residential developments of less than ten (10) units must provide tangible public benefits such as affordable housing units, new or retained permanent jobs, new retail services in an underserved community, cultural activities, preservation of a historic building, social services, fiscal benefits, innovative environmentally sustainable features or other desired benefits identified in the TIF district's redevelopment plan.

Projects that receive TIF financing must pay prevailing wage rates for all construction jobs.

The amount of TIF assistance provided to a project is a function of the increased tax revenue that will be generated by the project over the remaining life of the TIF district, the demonstrated need for financial assistance, and the existence of eligible development costs. Applications for TIF assistance are processed by DPD. The selected respondent will be expected to work with the department in processing the TIF request.

### LOW INCOME HOUSING TAX CREDITS (LIHTC)

LIHTC is a public-private partnership in which investors provide equity for low-income rental developments in exchange for a federal tax credit over several years. Without the equity, affordable rental housing projects do not generate sufficient funds to work financially. The award of 4% LIHTC and TEB is done by application to the Dept of Housing. After application and award, the credits are sold to an investor, and the proceeds become equity for the affordable development. The equity for the development can range from 30-40 percent of the affordable expenses.

To help direct federal affordable housing resources to where it is most needed, the City develops a Qualified Allocation Plan (QAP). The QAP explains the process on how the City awards LIHTC and describes the selection criteria and application requirements for receiving these federal tax credits and tax-exempt bonds. The final 2021 QAP is expected to be published on May 15, 2021 with an application submission deadline of June 30, 2021. Developers are encouraged to visit the DOH Website at [cityofchicago.org/qap](http://cityofchicago.org/qap) for updates on the final application and timelines.

Projects awarded tax credits from the 2021 funding round are expected to be closed by December 2022. Projects that are not closed prior to the June 2023 funding round may risk losing their LIHTC award. Applications for 4% LIHTC and TIF are accepted on a rolling basis. A request for LIHTC and non-TIF resources must come through the funding round. DOH requires compliance with the 2021 Architectural Technical Standards and 2021 MF Policy and Procedures, available online at [CityofChicago.org/QAP](http://CityofChicago.org/QAP).

If your RFP response contemplates use of City financing for an affordable housing component, you are strongly encouraged to schedule an intake meeting with DOH to review any questions or concerns about the use or application of these resources. Please use the linked intake form, found here: <https://webapps1.chicago.gov/eforms/housingdevelopment>

### FEDERAL HOME INVESTMENT PARTNERSHIP PROGRAM

<https://www.chicago.gov/city/en/depts/obm/provdrs/grants.html>

### CITYWIDE ADOPT A LANDMARK FUND

The Citywide Adopt-A-Landmark Fund allocates funding generated by downtown construction projects to support restoration of buildings that have been individually designated as a Chicago Landmark. Restoration projects must be consistent with Commission standards and guidelines. A scope of work and budget must be pre-approved. Scopes of work must be substantial interior or exterior renovation work that is visible from a public street or within a portion of the interior that is open to the public. The work must exceed normal maintenance. Projects needing Adopt-A-Landmark Fund grants over \$250,000 will require approval of the City Council.

**State Incentives**

Multiple State of Illinois incentives may be combined to provide financial support to the project:

ENTERPRISE ZONE

The subject property is located in Enterprise Zone. North site is in Enterprises Zone 6 and the South site is in Enterprise Zone 3. Exemptions are available for companies that make minimum statutory investments that either create or retain a certain number of jobs. Such exemptions include, but may not be limited to, exemption on retailers' occupation tax paid on building materials, an exemption on the state utility tax for electricity and natural gas, and an exemption on the Illinois Commerce Commission's administrative charge and telecommunication excise tax. More information on the Enterprise Zone program's tax incentives can be found at <https://www2.illinois.gov/dceo/ExpandRelocate/Incentives/taxssistance/Documents/ezqa%202014.pdf>.

# VII. Submission Requirements

Respondents are advised to strictly adhere to the submission requirements described below. Failure to comply with the instructions may be cause for rejection. All submittals are subject to the Illinois Freedom of Information Act.

## PRE-SUBMISSION CONFERENCE

A virtual informational conference will be held on May 12, 2021, at 2 p.m. C.S.T. via Zoom. Meeting invites will be sent to applicants who register via this website: [https://www.chicago.gov/city/en/sites/invest\\_sw/home.html](https://www.chicago.gov/city/en/sites/invest_sw/home.html). Attendance is not required but is encouraged. All questions received prior to and during the Pre-Submission Conference, as well as the list of attendees, will be posted to the website above as soon as practicable. Department staff will be available to answer questions regarding the property, the goals and objectives of the RFP, and the submission requirements.

## COMMUNICATION WITH THE DEPARTMENT

Respondents should refer to the INVEST South/West website for updates and additional information regarding this RFP: [https://www.chicago.gov/city/en/sites/invest\\_sw/home.html](https://www.chicago.gov/city/en/sites/invest_sw/home.html). In addition, questions should be directed to Lisa Washington - Southeast Region Planner/Project Manager - at Lisa.Washington@cityofchicago.org.

## GOOD FAITH DEPOSIT

All responses that include the South Site must include a Good Faith Deposit in the form of a cashier's check or certified check made payable to the City of Chicago. The Good Faith Deposit shall be equal to 10% of the appraised Target Price of the City-owned parcel. Proposals submitted with an improper form of deposit or an insufficient dollar amount will be disqualified. Deposits will be returned to all non-selected respondents.

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



## SUBMISSION FORMAT

Submissions must be prepared as 8.5-by-11-inch PDF files. Drawings included with submissions must be formatted as no larger than 11-by-17 inches. If the respondent considers that certain portions of the submission contain proprietary information, such portions should be clearly marked CONFIDENTIAL. All submittals are subject to the Illinois Freedom of Information Act.

One original proposal must be submitted, along with an electronic version on flash drive. The original must be left unbound, contain original signatures and be marked ORIGINAL.

## SUBMISSION CONTENTS

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

### 1. Cover Letter and Proposal Summary Form

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

### 2. Respondent's Organization

This section must provide information concerning the respondent's organizational form. Teams are strongly encouraged to engage in meaningful diversity, inclusion, and "partnership" in structuring a design team. The following information must be provided.

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

### 3. Respondent's Qualifications

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

- a. Qualifications and experience of each entity and key staff person involved in the project.
- b. A description of the project development capability of the entity as evidenced by the ability to complete projects of similar scope, use or complexity within the last 10 years. Submitted examples must include project identification, a brief description, duration, total development cost, and current status.
- c. Describe the involvement of the team or team member in the development, implementation, or management of the project and the names and roles of key personnel. Provide contact information for references.
- d. A description of the financial capacity of the entity as evidenced by the ability to finance projects of similar scope, use or complexity completed within the last 10 years. Submitted examples must include project identification, a brief description, current status, type of financial structure, sources of debt financing, public financial support if any, and the size of the equity investment.
- e. A description of the project design capability of the entity as evidenced by the ability to complete projects of similar scope, use, or character within the last 10 years. Submitted examples must include project identification, a brief description, duration, total development cost, and current status. Describe the involvement of the team or team member in the design, implementation, or management of the project and the names and roles of key personnel. Include examples from all appropriate professions (e.g. architecture, landscape architecture, urban design, interior design, engineering, etc.). Provide contact information for references.
- f. A description of experience redeveloping sites with environmental contamination, including remediation performed and NFRs obtained from IEPA.
- g. A description of experience rehabilitating and adaptively reusing historic buildings.

#### 4. **Commitment to Design Excellence**

Describe respondent's approach to excellence in design across development projects. Reference previous work in communities like the South and West Sides of Chicago to illustrate the caliber of design in similar settings. Describe how the team will achieve the goals of the City's Design Excellence Principles in this project.

#### 5. **Project Narrative**

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

- a. A detailed description of the proposed project, including how environmental and community requirements will be met
- b. A description of intended users of the development and identification of proposed tenants or end-users if known

- c. A justification of any request for financial assistance or land price write-down

## 6. Plans and Drawings

The urban design and development drawings and descriptions provided in this RFP represent a starting point for the design of the site. The uses, massing, and site design shown in this document have been reviewed by DPD and community members and have been determined to meet the desired development principles. Still, the Department expects that proposals may amend or revise these plans to implement unique development visions.

Provide scaled drawings that illustrate the overall character and planning of the development. Each drawing should be no larger than 11-by-17-inch format and be included in each of the submissions. At a minimum, the following drawings, plans, and descriptions must be provided:

- a. A site plan showing proposed site configuration, building footprint, landscaping, ingress and egress, parking and loading
- b. At least three massing alternatives for the proposal, including the preferred alternative
- c. Floor plans showing floor area totals
- d. Elevations of all facades, including elevations of the landmark firehouse for proposals including Package B1; elevations shall identify building materials, building heights, openings, and other facade details.
- e. Color eye-level renderings, including renderings of the landmark firehouse as appropriate
- f. Other plans, drawings, or models at the respondent's option
- g. For proposals that include the South Site, respondents will need to follow the submittal requirements established by the Commission on Chicago Landmarks (see Addenda).

## 7. Financial Information

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

- a. A narrative overview of the financial structure of the proposal. The respondent must identify the sources of equity investment and the sources and terms of lender financing. If the property will be a rental development, describe the development team's management experience and plan. If the property will be owner-occupied, provide evidence of the financial capacity to maintain and operate the property long-term.
- b. Sources and uses of funds statement, Development budget including costs to meet the environmental requirements, and Pro-forma cash flow projection for rental projects or sales

revenue projection for for-sale projects. (Sample format provided in addenda).

- c. Project completion schedule with key dates.

## **8. Affirmative Action Plan**

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

- a. A statement of commitment to achieving the minimum participation in contract expenditures of 26 percent for MBEs and six percent for WBEs.
- b. A written plan outlining a strategy for utilization of women and minority business enterprises in the proposed development. The plan must include designation of sufficient staff to administer the program and a description of the procedures that will be instituted to assure achievement of the program's goals.

## **9. Economic Impact**

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

## **10. Legal Actions**

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

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

## **11. Special Conditions**

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

## **12. Forms and agreements (refer to addenda for documents)**

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

- a. Confidentiality Agreements signed by each principal, project manager, and key team member identified in the proposal. The signed confidentiality agreements must be received before the submission will be considered final.



## **SUBMISSION ADDRESS AND DEADLINE**

The original and a USB drive containing all digital files, must be delivered to the location below in a sealed envelope no later than 4:00 p.m. C.S.T., August 31, 2021. Upon request DPD will confirm acceptance of the delivery in writing. Late deliveries will not be accepted. The respondent is solely responsible for ensuring timely delivery, and any proposal received after the deadline will be returned unopened.

Submit proposals to the following address:

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

The outside of each envelope must be labeled as follows:

Request for Proposals  
For the Purchase and Development of  
79th/Exchange Avenue Gateway  
Respondent: Name of Respondent  
Package Number \_\_of\_\_

# VIII. Selection Process

## EVALUATION AND APPROVAL

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

The DPD Commissioner may recommend that negotiations be commenced with one or more selected development teams. As a result of these negotiations, the selected proposal(s) may be amended or revised in order to best serve the city's interests. The selected proposal will be presented to the Community Development Commission (CDC) for a recommendation to the City Council. If recommended, a redevelopment agreement will be drafted for submission to the City Council. Only the City Council is empowered to provide final approval of the redevelopment agreement and permission for conveyance of the property. Following City Council approval, DPD will have authority to enter into the redevelopment agreement and there will be authority for the property to be conveyed as described in the agreement.

### Evaluation Criteria

The City is 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 RFP has dual goals: one is to build development sites in an identified community area on the South and West Sides of Chicago, and another is to maximize the participation of residents and ownership of businesses reflecting the diversity of the INVEST South/West communities in all phases of a project – including, but not limited to, design, development, construction, financing, and operations.

For these reasons, the following three criteria will be critical in the review and evaluation of submitted proposals:

### Promotion of Short-term and Long-term Community Wealth Building

The RFP is seeking:

- » Bidding teams formed through creative / innovative “partnership” models that showcase equitable control, ownership, and/or decision-making authority of historically disadvantaged business partners reflecting the demographics of the INVEST South/West community areas, which are predominantly Black and Latinx; proposal must include details about how the

proposed respondent will be structured (e.g., corporation, limited partnership, limited liability company, etc.), including the name of its executive officers, directors, general partner, managing member(s), etc., as applicable, that directly or indirectly control respondent's day-to-day management and the percentage of interest of each therein.

- » Inclusion of entities in said "partnership" with a proven track record of commitment to promoting equity and racial justice (e.g., record of work to dismantle policies and practices that compromise the well-being of communities of color), and/or bidder(s) that are Black or Latinx-owned businesses, and/or bidder(s) that prioritize employment of Black and Latinx employees, especially in corporate leadership/decision-making roles or Board positions
- » Inclusion of bidder(s) with a proven track record of working and making investments in South and West Side communities of Chicago
- » Collaboration with and support from community-based organizations, community residents, historically disadvantaged business owners, and Aldermen.
- » Commitment to economic development and other benefits to the city and, in particular, the surrounding community, including but not limited to, opportunities (through development itself or through intended end-use) for newly-created jobs focused on employment from the community
- » Level to which the intended end-use will create opportunities to promote local small business development, arts/cultural-based businesses, community space, and/or entrepreneurial opportunities for community residents
- » Beyond the composition of bidding teams/partnerships themselves, bidders are required to unequivocally commit to a strategy for diversity in participants during implementation, aligned with the goals of the City of Chicago<sup>1</sup>. Respondents shall provide the following:
  1. Verifiable percentages of actual MBE/WBE participation achieved on at least three representative projects in the last three years. Applicable to any member of the design-build entity (lead entities' experience preferred).
  2. Verifiable percentages of minority, female, and Chicago resident labor actually employed on three representative projects in the last three years. Compare these percentages to any employment goals to which the firm was committed; and
  3. Demonstrated plan for this project to utilize meaningful percentages of minority, female, and Chicago resident labor (e.g., description of bidding process and plan to hold contractors accountable)

<sup>1</sup> MBE/WBE participation requirements will be based on the aggregate value of the agreement for both professional and construction / general contracting services. The MBE participation goal for this project is 26%; the WBE participation goal for this project is 6%.

**Professional & Technical Competence**

The RFP is seeking:

- » Completeness and responsiveness of the proposal
- » Professional and technical competence as evidenced by the professional qualifications and specialized experience of development team, current and past performance of the development team on projects similar to the proposed project, and current and past performance on other projects
- » Quality of the development concept and conformity of that concept to the development program, goals, objectives, requirements, and parameters set forth in the RFP; in particular, quality of the development concept aligned with the community's Quality-of-Life plan(s) and/or committed to preservation of local cultural heritage
- » Innovation demonstrated by the project in terms of achieving programmatic goals, urban design objectives, and environmental benefits. Special consideration will be given to those proposals that exhibit new and creative ways of attaining the goals stated in the RFP
- » Commitment to high-quality design and an exhibition of adherence to the recently released
- » Design Excellence Principles
- » Project completion schedule

**Economic Feasibility**

The RFP is seeking:

- » Viability of developer's negotiated sale with current private landowners
- » Respondent's financial qualifications as evidenced by the proven ability to obtain financing for similar projects, by the ability to raise equity capital, by indications of lender interest in the proposed development, and by financial statements, annual reports or other submitted documentation
- » Amount of public assistance requested, if any, and the proportion of public assistance to the total project cost
- » Total project cost, amount of equity contribution, and proportion of equity contribution to the total project cost

Note: The City of Chicago reserves the right to contact all partners to clarify their proposed roles in the project to clarify the details of the partnership structure.



## SELECTION PROCESS

The City of Chicago will review the submissions in accordance with the evaluation criteria described above. Evaluation will be made in three steps:

1. The City of Chicago will review all submissions according to required criteria and feasibility.
2. After submissions are received, DPD will invite teams who fully responded to the RFP to present a summary of the proposal to the local community. Attendees will include local elected officials, their staff, community organization representatives, residents, business owners, institutional leaders, and others. DPD expects these events will occur 4 to 8 weeks after the submittal deadline.

DPD will ask development teams to present virtually to the community on a Zoom webinar. To keep the presentations to a manageable length and allow for equal time, DPD will ask that each team submit a video recording of their presentation with a maximum run-time of eight minutes. The recorded presentation has no slide limit or mandated format, but should include the following information:

- a. **Team Summary:** Development Team; Design Team; Construction Team; Community Partners; Prior Experience (Why this team?)
- b. **Project Summary:** A detailed description of Proposed Uses/ Tenants; Design Narrative; Phasing; Project Impact Vision (Why this proposal?)
- c. **Community Wealth Building:** How does the proposal address the elements of Community Wealth Building listed in the RFP's evaluation criteria?
- d. **Financials/Capital Stack:** What is the composition of your capital stack, including conventional funding, tax credits, grants, city ask, etc.? Indicate any secured commitments or pre-approval letters for financing or other forms of support (e.g., tax credits).
- e. **Professional and Technical Competence:** How does the proposal address the elements of Professional and Technical Competence listed in the RFP's evaluation criteria?

The videos will be publicly posted on DPD's YouTube page. During the meeting, each team will share their video recording and respond to questions and feedback from the community. Development teams are permitted to work on the video while crafting their submittal, but they are not a required part of the submittal packet, and do not need to be submitted to DPD until one week prior to the public webinar.

3. The City of Chicago will make a final determination of the chosen submission based on evaluation criteria described above and community feedback.

All bidders/bidding teams that are not chosen will have the opportunity for detailed feedback from the Department of Planning and Development. The objective is to improve submissions to future RFPs in INVEST South/West community areas, as well as contribute to the capacity building of developers across the city – in particular, Black and/or Latinx developers.

The selected respondent will be invited to complete a Multi Family Financing Application with the Department of Housing for consideration of financial assistance for the residential components of the proposed development.

## **CANCELLATION**

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

## **CONDITIONS OF ACCEPTANCE**

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

All submitted materials are the property of the City. Any release of these materials for publication without the prior written permission of DPD is cause for disqualification.

Prior to consideration of the selected proposal by the CDC and the City Council, the respondent will be required to disclose additional information concerning the structure and ownership of the development entity. Before the proposal can be considered by either body, all individuals having an economic interest in the project must be free of all delinquent City fines, tickets, fees, or penalties, and must not be in arrears of child support payments. DPD will provide the necessary forms.

Prior to consideration of the selected proposal by the CDC, the respondent will be required to provide notification of the pending project to several minority and women contractor's associations (DPD will provide contact information), and to inform the department's workforce specialists of permanent job opportunities. Prior to the start of construction, the selected respondent will be required to meet with a representative of the City's monitoring and compliance division to review the respondent's plan for satisfying the City's construction hiring and MBE/WBE goals.

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

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

# Acknowledgments

## 79th Street Corridor INVEST South/West Roundtable

As part of the INVEST South/West Initiative, an 79th Street Corridor Roundtable was assembled by the Department of Planning and Development (DPD). This group of stakeholders includes local Aldermen, community organizations, institutional leaders, business owners, residents and other participants of the roundtable. This group also participated in the March 2021 Visioning Workshops, which helped shape the ultimate development vision for the site. DPD is grateful for the input of this group, as well as those members of the community who are not listed, but who also joined occasional Roundtable sessions on an ad hoc basis.

- » Alderman Gregory Mitchell, 7th Ward
- » Alderman Michelle A. Harris, 8th Ward

## Pro-Bono Consultant Team

A pro-bono consultant team was assembled through a partnership between DPD and the Chicago Central Area Committee (CCAC). This team of designers, planners, and real estate professionals assisted DPD with engaging stakeholders to collectively create and express the development vision for the site. The Englewood CCAC team is summarized below.

- » Department of Planning and Development
- » Chicago Central Area Committee (CCAC)  
Gregory Hummel, Nira Harikrishnan
- » CallisonRTKL- TEAM LEAD - Urban Planning & Design  
Keith Campbell, Nicholas Spoor, Erich Dohrer, Camila Simas
- » Arcadis  
LeeAnn Tomas-Foster
- » HED - Architecture & Urban Design  
Patrick Slattery, Susan King, Kathrine Kalant, Enrique Suarez, Leonora Georgeoglou
- » V3 - Open Space & Planning  
Andrew Uttan, Laura Shaffer
- » Byrnes & Walsh - Market Analysis  
Kevin Byrnes
- » Habitat - Real Estate Analysis  
Steve Galler, Matt Hayes, Tom Black, Lori Chacos





