

CITY OF CHICAGO

JUNE 1, 2025

ADDENDUM NO. 1

FOR

1924 W 46TH STREET REQUEST FOR QUALIFICATIONS

For which applications are to be submitted via ChiBlockBuilder.com, no later than 11:59 p.m., Central Time, on Monday, June 30, 2025. This Addendum No. 1 to the 1924 W 46th Street Request for Qualifications ("RFQ") provide updates to (1) clarify the original RFQ document; (2) provide the transcript of the questions and answers received at the pre-submission webinar that was held on April 14, 2025; and (3) answer other questions submitted for this RFQ.

The following responses clarify and amend (as appropriate) the above-referenced RFQ document. All other provisions and requirements as originally set forth remain in full force and are binding.

SECTION 1: AMENDMENT TO THE RFQ

The short-listed teams from the RFQ process will be obliged to maintain their proposals pursuant to the Offer to Purchase and other submitted RFQ documents, unless changes to the proposal are mutually agreed upon between the teams and the City as a result of community and entitlement review process, or as part of financial assistance review process. The City reserves the right to negotiate with the winning RFQ team to consider program and design modifications to the proposal.

SECTION 2: QUESTIONS AND ANSWERS FROM THE 4/14/25 PRE-SUBMISSION MEETING

On Monday, April 14, 2025, at 3:00 p.m., the Department of Planning and Development (DPD) hosted an informational webinar where interested parties could ask questions and receive answers related to the Request for Qualifications (RFQ) for City-owned property located at 1924 W 46th Street. The webinar was also joined by representatives from various City agencies, including the Department of Transportation and DPD Bureau of Economic Development.

Below is a summary of the questions and answers discussed during the webinar on April 14, 2025. A copy of the video and presentation can be found online at <u>https://www.chicago.gov/city/en/sites/dpd-rfqs-and-rfps/home/2025/1924-W-46th-St.html</u>.

Question 1: Can we submit a project that isn't [permitted under] current zoning?

Answer: Yes, DPD would entertain proposals that do not fit within the current zoning. The final selected applicant would need to pursue a zoning change before the sale closes on the property. Preference is for any use that fits the existing context.



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Engagement with the community and Alderman's office is recommended for any proposed zoning changes.

Question 2: Could the zoning be changed to [accommodate] a mixed-use project?

- Answer: Yes, DPD would entertain a mixed-use development project on this site as well. Given the size of the site, it would trigger a Planned Development (PD) process which would take into consideration the proposal and the surrounding context.
- Question 3: The examples you gave were industrial / business, are you open to residential as well?
- Answer: Yes, that is something that DPD would consider. Please keep in mind that the site may have some environmental contamination that would need to be remediated for a residential development.

Question 4: Would asking for the property to be donated to create other benefits, for example affordability, be a consideration?

Answer: The target purchase offer is the market valuation at \$3.3 million dollars, however given that an environmental clean-up is likely necessary to develop this site and depending on the public benefits provided, DPD would consider a land write-down or discount. In the review rubric, you can find the types of public benefits that are considered: programmatic, fiscal, job creation, and catalytic impact. For the RFP process that would be weighed with the offer amount. At this time, the RFQ is only looking at a high-level overview of the proposed project. The offer form comes later in the RFP process.

Please note that this is a competitive process, and other applicants may offer market value or even above market value, and the offer price will be an important consideration in the evaluation of short-listed or selected proposal.

SECTION 3: ANSWERS TO QUESTIONS SUBMITTED FOR THE RFQ

Question 1: What's the preferred format of the initial RFQ submission; The guidelines specify the RFP submission to be 10 PowerPoint slides with the general content to be included but it's unclear for the initial submission?

Answer: The RFQ submission will be submitted via the ChiBlockBuilder application. Most responses to the RFQ will involve entering information into an online application form, or for more involved requirements like team composition, past work examples and conceptual proposal, should be uploaded as a PDF or similar format during the application process.



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Short-listed teams will be invited to submit a more detailed site proposal, which will include a conceptual design and potential community engagement materials within 90 days of being short-listed. At this point a PowerPoint may be required.

Question 2: What's the anticipated completion of Damen Ave reconstruction?

Answer: Chicago's Department of Transportation (CDOT) anticipates that construction will begin in October 2025 and will be completed sometime in 2026.

Question 3: Preference of above / below ground stormwater. RFQ mentions that any green space / detention should be used to buffer the truck court / parking to the street on east and south?

Answer:The final developer will be expected to adhere to the Chicago SustainableDevelopment Policy (SDP). That policy can be reviewed here:https://www.chicago.gov/city/en/sites/sustainable-development-policy/home.html

Question 4: When will the city shortlist the applicants?

Answer: DPD anticipates announcing the short list applicant pool that will move on to the RFP stage in Fall of 2025.

Question 5: Is a 6B feasible?

Answer: A number of incentives, including property tax incentives such as a 6(b) may be available to support the selected proposal depending on what is proposed and an e valuation by DPD's Bureau of Economic Development. DPD cannot provide specific guidance on whether a 6(B) is feasible without a clear sense of the proposed development and site program.

Question 6: What control will buyer have before starting due diligence? Will there be an RDA in place before the buyer has to spend significant Due Diligence money?

Answer: DPD will issue a conditional award letter and/or a right-of-entry to the successful applicant in order for them to conduct environmental due diligence and pursue funding for their project. DPD will also work with the successful applicant during the due diligence period to negotiate a term sheet and a redevelopment agreement (RDA) for the sale of the property.

Question 7: What due diligence and entitlement period will be provided?

Answer: DPD recognizes that the redevelopment of this site is likely to be complex and will



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provide reasonable time for the selected applicant to finalize design, conduct environmental investigation (Phase I ESA and if necessary, a Phase II ESA, etc.), obtain zoning entitlement including a Planned Development if applicable, assemble project budget and funding stack, and finalize an RDA and term sheet in advance of City Council review and approval of the sale.

Question 8: What was the prior use of the site?

Answer: Historic use of the site includes the manufacturing of foundry and rail supplies and as a storage yard for box containers and trailers with associated maintenance activities.

Question 9: Does the city prefer industrial or commercial/residential on site?

Answer: The City prefers a design vision that redevelops this site in a way that respects and/or complements the unique combination of residential, commercial, and industrial uses immediately adjacent. Successful proposals for this Development Site will offer additional employment or housing opportunities, provide appropriate screening or buffering of sensitive uses, catalyze new development in the area and strengthen the urban fabric of the surrounding community.

Question 10: What does "initiation of construction" technically mean?

Answer: Construction commencement would include start of either IEPA approved site remediation work or construction of the project approved by the City.

Question 11: Is \$3.3mm a set sale price or can the price be lower or higher?

Answer: This is DPD's target purchase offer based on a market valuation. The purchase offer is not a minimum bid; however, respondents are advised that this is a competitive process, and the purchase offer amount is an important consideration in DPD's evaluation of responses to this RFQ.

Question 12: Is the same scoring system being used for both phases?

Answer: The City's RFP selection criteria will follow the scoring rubric outlined for https://www.chicago.gov/city/en/sites/block-builder/home/applicationguide/market-rate.html

Question 13: Is there TIF money available?

Answer: This site is not located in a TIF District.