



City of Chicago
Lori E. Lightfoot, Mayor

Request for Proposals **1515 W. 47th St.**



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

November 30, 2020



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 New City 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 New City is expected to resonate for generations to come.

As part of the second 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 offices of The Lamar Johnson Collaborative. 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. 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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I. Executive Summary

INTRODUCTION

The Department of Planning and Development (DPD) of the City of Chicago is pleased to issue this Request for Proposals (RFP) for the purchase and development of one parcel (lot) classified into one development site along W. 47th St. This property presents the opportunity to complement and elevate the heart of the business district and INVEST South/West corridors of 47th Street and Ashland Avenue, in the Back of the Yards neighborhood of the New City community area.

Responses to this RFP should build on the recommendations of related area plans, including the 2014 Back of the Yards Quality of Life Plan: Our American Dream Starts Here, the 2019 Back of the Yards Neighborhood Plan and the 2014 Green Healthy Neighborhoods Plan. In addition, development plans should reflect the City's commitment to high-quality design, as outlined in the DPD Design Excellence Principles and companion Neighborhood Design Guidelines, which were released after the first round of RFPs (see Appendix).

THE OPPORTUNITY

The 47th and Justine site lies just east of Ashland Avenue on 47th Street. 47th Street has long been home to the core of the commercial district in the neighborhood and is notably the corridor most frequented by pedestrian activity. It is a walkable, active street that is home to a diverse array of mostly locally owned businesses and amenities. The site is city-owned land that sits directly across the street from an Aldi and Fifth/Third Bank.

The parcel described in this RFP offers the opportunity to construct a new, mixed-use development with ground floor retail offering quality retail options.

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 INVEST South/West neighborhoods (Auburn Gresham, Austin, Bronzeville, Greater Englewood, Greater Roseland, Humboldt Park, New City, North Lawndale, South Chicago and South Shore) were determined through a multi-departmental analysis. Each neighborhood has the existence of at least one well-developed community plan and the existence of at least one active commercial area. Leveraging existing plans and local partners, the City's focus on these initial neighborhoods will enable swift investments that create sustainable improvements, foster additional investment on adjacent



Figure 1: Birdseye aerial of site

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.

The issuance of this RFP is one step towards the implementation of INVEST South/West by focusing on the redevelopment of vacant City-owned land. In addition, as noted in the following sections, a host of incentives and supportive investments have been advanced to spur development in this corridor.

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 Request for Proposals strongly encourages responses that incorporate innovative implementation of the City’s community wealth building goals. For more information, see section B. Policy Resources, part 4, “Community Wealth Building model” in the appendix.

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 include a mix of residential, commercial, and public land uses in a walkable environment that is 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 those that are majority white. Development opportunities that exist within transit-rich yet historically under-invested communities are critical candidates for eTOD.

The 47th and Justine development presents the opportunity to serve as a demonstration of eTOD best practices, leveraging considerable access to transit while encouraging equitable development. For more on the benefits of eTOD and to see great examples, 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>).

Area Assets and Investments

The 47th and Justine site is just east of the intersection of 47th and Ashland in the heart of the community’s commercial district. The intersection is anchored by a Walgreens and the historic Goldblatt and Rainbow buildings. A number of redevelopment and infrastructure projects are planned for this node and the greater Back of the Yards/New City community.

The former Aronson furniture store was recently purchased by a longtime community organization, Back of the Yards Neighborhood Council (BYNC). The BYNC has plans to build a new, multi-story mixed-use \$50 million development at the site which would include a community theater, retail spaces, a coffee shop, organizational office space and affordable housing.

\$15 million in state capital development dollars have been secured for a new community library. The current library is housed within the Back of the Yards College Prep High School. Siting options are currently being explored for a new library.

The 47th/McDowell Avenue and Ashland Intersection is currently being studied for a redesign and conversion into a pedestrian plaza. Closing the slip lanes and expanding the pedestrian island will increase safety and public space in the commercial corridor. Design elements will include new trees, pavement markings and hardscape to transform McDowell Avenue into a green, public plaza for community residents to gather for events, local vendors to sell their goods and provide space for area artists and musicians to showcase their talents.

47th Street and Ashland Avenue will receive corridor-wide streetscaping improvements in the next few years, complete with new street and pedestrian lighting and branding elements such as gateway markers, banners and planters.

The viaduct at 49th Street and Ashland Avenue will be improved with artistic lighting, electrical upgrades, paint removal and other aesthetic changes. Approximately \$800,000 has been earmarked for this project and will include murals, sidewalk, curb and gutter repairs throughout the ISW corridors.



Figure 2: 1515 W. 47th St. RFP Site



Figure 3: Rendering of 47th/Justine site

Credit: Lamar Johnson Collaborative

THE VISION - ELEVATE NEW CITY TO THE NEXT LEVEL

Recent community engagement related to this Request for Proposals has reiterated a key recommendation of the last decade of community plans: Back of the Yards/New City must prioritize economic development opportunities on local businesses and entrepreneurs, in addition to supporting the local workforce.

Proposed development at the 47th/Justine site should include a multi-story, mixed-use building that actively engages the ground floor with a range of uses and functions. The new mixed-use development should offer a host of amenities including but not limited to the following:

- Local retail spaces on the ground floor that build upon the strengths and talents of the New City/Back of the Yards small business community
- Community spaces/facilities such as a new library or spaces that offer workforce development training, youth education/after school programs, arts and culture programming
- Residential on the upper floors that offer a range of housing options for local residents and income levels
- Commercial spaces that complement and facilitate the growth of artisanal/food production businesses in the community

- Quality retail options that offer restaurants/dining, general merchandise, clothing, books/hobby stores, all identified as leakage sectors in a recent market analysis and noted as priorities in a recent community poll
- Mental health center or wellness center
- Maker/incubator spaces for startups and local entrepreneurs
- Dance/fitness studio
- Public open/green space on the ground floor

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 Appendix). To assist in this goal, the Appendix 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 released Neighborhood Design Guidelines just after the first round of RFPs to assist developers and designers in the application of Design Excellence to their projects. Proposals are expected to follow these Guidelines, which are included in the Appendix for your reference.

20th Ward Community Planning Team Values

The Office of Ald. Taylor established a 20th Ward Community Planning Team which comprises local constituents to ensure new developments follow criteria that improve community quality-of-life and maximize positive impacts. The following criteria should be considered guiding principles used to shape future development proposals in the 20th Ward, including responses to this RFP:

- **UNDERSTANDING OF/AND PRIOR KNOWLEDGE OF COMMUNITY:** The developer/business should be able to show an understanding of the living situation and needs of the residents of this community.
- **COMMUNITY IMPACT:** This development/business will have positive impact on the current residents of the community.
- **LOCAL HIRING:** The developer/employer will strive to hire workers/employees from the 20th Ward, and ensure a living wage is provided the workers, along with opportunities for job training and ongoing development.
- **COMMUNITY CHARACTER:** This development/business maintains or enhances the current character of the community.
- **ENVIRONMENTAL IMPACT:** This developer/business will ensure any construction or renovation or operations will be done with the highest respect for the current and future health needs of the residents of the community.
- **ECONOMIC ACCESSIBILITY:** We recognize that the income range of the residents of the 20th Ward is lower than what might be defined as “affordable” by city or county standards. We want to see potential projects (or the services or products) that offer access to the range of incomes present in our ward. This will vary project by project but should be considered and a focused part of any presentation.
- **COMMUNITY INVESTMENT/BENEFIT:** The development/business has presented a community benefits/investment agreement that will benefit the residents of the community over time.

SITE QUICK FACTS

- » **Site Location:** 1515 W. 47th St. (Southeast corner of 47th and Justine)
- » **PIN:** 20-08-101-055-0000
- » **Property size:** 14,872 square feet
- » **Community Area:** New City
- » **Ward:** 20th- Alderwoman Jeanette Taylor
- » **TIF:** 47th/Ashland
- » **Zoning:** B3-2- Neighborhood Shopping District

RFP AVAILABILITY

This RFP will be available for download starting on November 30, 2020, from the City's INVEST South/West website at <https://www.chicago.gov/investsw>

KEY MILESTONES

Pre-Submission Conference

An informational conference will be held **at 2:00 p.m. on January 21, 2021, C.S.T. virtually via Zoom**, with Spanish translation. Meeting invites will be sent to applicants who register via the website above. 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.

PROPOSAL SUBMISSION DEADLINE

All responses to this RFP must be returned no later than 4:00 p.m. C.S.T. on March 30, 2021 to:

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

II. Neighborhood Context

OVERVIEW

The subject property is located in Back of the Yards, a neighborhood within the New City community area, one of the 77 official community areas of the City of Chicago. The community area is bordered by Pershing Road to the north, Garfield Boulevard to the south, Stewart Avenue/Norfolk Southern railroad to the east and Western Avenue to the west.

According to the Chicago Metropolitan Agency for Planning,¹ New City has a total population of 39,463 with 12,466 total households and an average household size of 3.2 people. The community is 61.8% Hispanic or Latino, 23.6% Black non-Hispanic, 11.7% White non-Hispanic, and 2% Asian non-Hispanic. The median age is 31 with 31.7% of the population 19 years old or younger and 11.3% 65 years old or older. Median household income is \$33,227.

Community History

Once home to the Union Stockyards, Back of the Yards/New City is a community steeped in history. Built in 1871, the Stockyards drew Eastern European immigrants to the area for jobs. This led to the development of a neighborhood just south of the Stockyards, providing its namesake as a community in the “back of the yards.” Immigrant families in Back of the Yards gradually built parishes, social clubs, homes, and businesses throughout the neighborhood, and two key corridors developed into the main arteries of commerce: 47th Street and Ashland Avenue.

As a port-of-entry first to Eastern Europeans and more recently to Mexican-Americans and other immigrants from Latin America, Back of the Yards/New City is a vibrant Southwest Side community bustling with foot-traffic on 47th Street and Ashland Avenue with local residents patronizing the variety of small businesses that these corridors offer. The Stockyards, meanwhile, has been transformed into an industrial park that provides jobs to area residents.

KEY INVESTMENT ASSETS

Urban Fabric & Land Use

Key neighborhood institutional anchors and employers are in proximity to the heart of the business district in Back of the Yards. A number of Catholic Parishes built at the turn of the 20th Century remain as architectural gems and key social centers in the neighborhood. The parishes and a half dozen local elementary schools are within walking distance of the key commercial corridors. The new Back of the Yards College Prep High School anchors the western end of the Invest South/West corridor at

¹ Community Data Snapshot: New City, Chicago Community Area, CMAP, June 2020

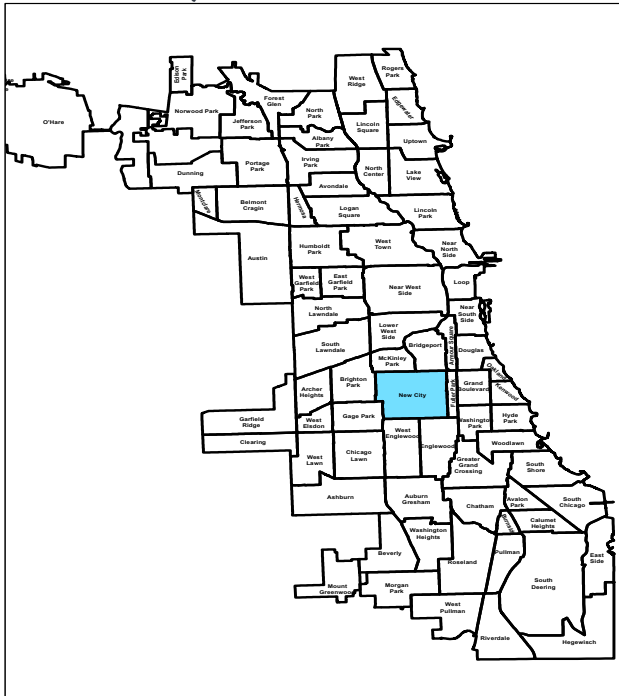


Figure 4: Neighborhood location



Figure 5: Site location



Figure 6: View of 47th Street and Ashland Avenue crowded with people during the 1904 Stockyards Strike. Photo courtesy of the Chicago Daily News Collection, Chicago History Museum.

47th Street and Hoyne Avenue. Just to the north of the high school is Yards Plaza, a shopping center built in the early 1990s which is anchored by a Food 4 Less grocery store and includes a Forman Mills department store, Planet Fitness gym, an H&R Block, Subway, and a Dollar Tree, among other retail options.

The eastern boundary of the community is home to another shopping plaza anchored by Fairplay grocery store. The neighborhood has multiple big box grocery store options, in addition to several locally-owned grocers. There are many active small businesses and a few quality historic buildings, some with vacant storefronts needing renovation along both the Ashland Avenue and 47th Street corridors.

Anchor Institutions

Schools and churches serve as important anchors in Back of the Yards. The community contains nine schools, five elementary and four high schools, including the recently opened Back of the Yards College Prep High School at 47th Street and Hoyne Avenue. Back of the Yards is also home to 3 large churches, and more than a dozen smaller churches.

- » The Stockyards Industrial Park is a vital anchor in the community and is home to a diverse array of warehouse/distribution facilities, light manufacturing and fabricators, among others, where the former Union Stockyards once stood. Companies spanning manufacturing, fabrication and distribution, among other industries operate in the industrial park and employ nearly 17,000 workers.
- » The Swap-a-Rama Flea Market, located just north of the INVEST South/West corridors, opened in 1992 and continues to attract visitors from all over the city and region. Between 500-600 vendors sell their goods inside and outside during flea market season and approximately 25,000 visitors frequent the market every weekend.

Transportation & Infrastructure

The subject property has frontage on West 47th Street and South Justine Avenue. Per the Illinois Department of Transportation (IDOT) Ashland Avenue has a traffic count of approximately 22,800 cars per day and West 47th Street has a traffic count of approximately 11,800 cars per day. The subject property is approximately one and a half miles west of the Dan Ryan Expressway (I-90/I-94).

The subject property is located near to or on the routes for the Route 9 (Ashland) and the Route 47 (47th Street) CTA buses. The Route 9 (Ashland) bus saw average boardings of 15,977 on weekdays, 15,642 on Saturdays and 10,877 on Sundays in 2019. The Route 47 (47th Street) bus saw average boardings of 8,768 on weekdays, 6,370 on Saturdays and 4,442 on Sundays. The subject property is approximately 1.3 miles from the Western Orange Line station and 1.6 miles from the CTA Red Line 47th Street station, which saw average boardings of 2,511 on weekdays, 1,928 on Saturdays, and 1,392 on Sundays in 2019.

Open Space

The New City community area, which includes the Back of the Yards and Canaryville neighborhoods

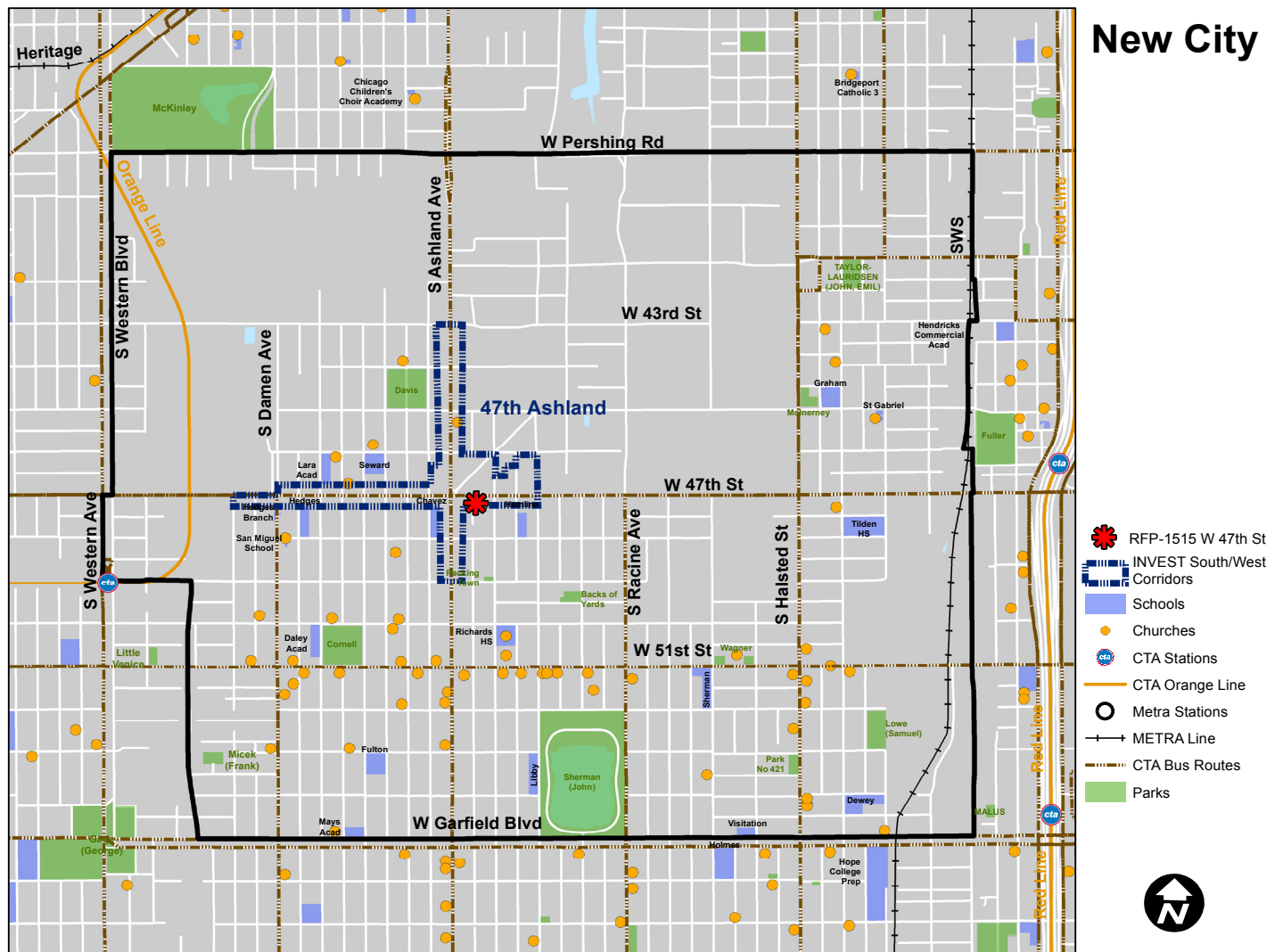


Figure 7: Neighborhood Asset Map

features seven parks and open spaces, encompassing approximately 47 acres of land. These parks vary greatly in size and type of facilities offered. The historic Davis Square, Cornell Square and Sherman Parks offer field houses, gymnasiums, swimming pools, basketball courts, soccer fields, baseball diamonds and playgrounds.

Programming & Events

The prime location of the 47th and Justine development site on a key corridor has an opportunity to provide public art or other cultural programming that celebrates Back of the Yards' past and today's community and culture. The Chicago Department of Cultural Affairs (DCASE) recently announced an Artist-in-Residence Program as part of the City's INVEST South/West community revitalization initiative. Artists or artist teams will be selected to work directly with DCASE, DPD, and other city agencies, local organizations, and residents to develop and implement a series of community engagement, public art, and site-specific cultural programs that reflect each neighborhood's history and residents to create spaces that promote the health, happiness and well-being of the entire community.

The Back of the Yards/New City community enjoys a variety of events throughout the year. These include the Fiesta Back of the Yards, the Annual Dia de los Muertos Procession and numerous events sponsored by the Back of the Yards Neighborhood Council, local churches, The Plant Chicago, Peace and Education Coalition and the Chicago Police District 9.

RECENT COMMUNITY INVESTMENTS

The City of Chicago is actively deploying public funds in Back of the Yards. Below highlights a select, illustrative compilation of recent community investments to show the City's commitment to the revitalization of the neighborhood.

Transportation

The City is deploying more than \$800K in Tax Increment Financing for sidewalk, curb, and gutter repairs and viaduct lighting and murals along the Invest South/West corridor. These earmarks are indicators of the ongoing effort to develop robust transportation infrastructure around the RFP site.

Parks

Sherman Park and Cornell Square Park are collectively receiving \$1.4M in public funding for substantial improvements, including an ADA ramp to improve accessibility and the installation of a new soccer pitch to serve the community as a recreation hub.



Figure 8: Cornell Square Park. Photo courtesy of Chicago Park District

Arts and Education

There are robust public investments ongoing in Back of the Yards which build on the neighborhood's rich culture. The Department of Cultural Affairs & Special Events (DCASE) recently launched the INVEST South/West Artist-In-Residence program, which is investing in local artists in multiple neighborhoods, including Back of the Yards. Each chosen artist will work directly with local planners to identify priority areas for consideration and development. Artists or artist teams will be selected to work directly with DCASE, DPD, and other city agencies, local organizations, and residents to develop and implement a series of community engagement, public art, and site-specific cultural programs that reflect each neighborhood's history and residents to create spaces that promote the health, happiness and well-being of the entire community. The City has committed \$125K to the initiative in Back of the Yards. In addition, there are ongoing discussions to build a new public library along the corridor.

Small Business Development

The City is hyper-focused on supporting the small business community in Back of the Yards, which will be critical to the overall success of the RFP and the Invest S/W initiative. The City has recently announced the Regional Business Center program, which will build on the capabilities of strong existing business service organizations through public investment. In Back of the Yards, the Greater Southwest Development Corporation will receive \$500K for additional staff resources, training in city licensing, and physical improvements. This will help the organization serve as a true neighborhood resource hub to provide entrepreneurial assistance to small business owners. Small businesses in Back of the Yards also capitalize on strong City grant programs to improve their physical infrastructure and expand into new locations. In 2019 and 2020, 4 local businesses received Neighborhood Opportunity Fund grants (\$2.4M total), and 13 received Small Business Improvement Fund grants (\$1.3M total).

This fall, the Corridor Manager application process opened for each of the INVEST South/West corridors. In partnership with LISC Chicago and Main Street America, DPD has selected Corridor Managers for each of the corridors to lead and facilitate community engagement for INVEST South/West. Corridor Managers are local CBOs and chambers with a track record of effective small business and community engagement and support in their respective communities. The Back of the Yards Neighborhood Council has been awarded the Corridor Manager role, to assist DPD in prioritizing INVEST South/West projects, marketing the opportunity along the corridors, and supporting other investment and development efforts in Back of the Yards.

III. Property Description



Figure 8: Site diagram

IDENTIFICATION OF THE PROPERTY

The subject property is located within the New City community area, situated approximately eight miles from Downtown Chicago (The Loop). The property is further designated as within the 47th/Ashland TIF District, the New City Micro Market Recovery Program Target Area and the 47th and Ashland INVEST South/West Corridor. Just north of the subject property is a Fifth/Third Bank and an Aldi.

OWNERSHIP

The City owns the entire 47th/Justine site. The City will convey the site identified below in the Site Description section to the selected respondent for such site under the terms of an executed Redevelopment Agreement. The City will not provide assistance in acquiring or securing rights to any of the adjoining properties.

SITE DESCRIPTION

The vacant land at 47th/Justine, (1515 W. 47th St.) is a rectangular shaped parcel with a total area of 14,872 feet. The site is level at street grade. It is a corner parcel with frontage on 47th Street and Justine Avenue. The property is served by a rear public alley.

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 CONDITIONS

Environmental Conditions and Requirements

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 disposition/acquisition/development.

Based on the results of the Phase I ESA, and because of the adjacent UST records, 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.

TARGET PRICE

The target price is \$387,000. The target price is equal to the fair market value of the subject property. The values of the subject property were estimated by an appraisal completed on October 30, 2018. The target price is not a minimum bid; however, applicants are advised that purchase price is an important consideration in DPD's evaluation of responses to the RFP. DPD is currently awaiting a new appraisal report and will release an addendum with the revised value on the RFP website. The allocation of environmental clean-up costs will be negotiated between the City and the successful respondent; therefore, the proposed purchase price should assume that the property is free and clear of environmental contamination.

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 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. The City will issue an addendum if a new ARO program ordinance changes the affordability requirements set forth in this RFP.

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.

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 B3-2 Community Shopping District and is considered a Transit-Served Location. The City will consider 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.

Chicago Townhouse Ordinance

The Chicago Townhouse Ordinance establishes special zoning requirements for townhouse developments (two or more single family dwellings that share party walls). Townhouse permits are obtained as part of the zoning process.

Construction Requirements

The selected respondent must comply with the City of Chicago's construction requirements. During construction, at least 26% of qualified project costs must be paid to City-certified Minority Business Enterprises (MBEs) and at least 6% 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

47th/Ashland TIF Redevelopment Plan

The 47th/Ashland TIF was established in 2002. The Illinois TIF Act empowers local governments to dispose of property to achieve the goals and objectives of the TIF plan. The goals and objectives of the 47th/Ashland TIF plan include:

- Creation of new commercial development and rehabilitation of existing commercial uses, especially on the façade
- Creation of new residential uses on vacant land that includes affordable housing units
- Public improvements along major commercial corridors, including beautification efforts
- Creation of an environment within the Area that will contribute to the health, safety and general welfare of the City and that will generate revenue for the area

Back of the Yards Quality of Life Plan: "Our American Dream Starts Here" 2014

Back of the Yards released a quality of life plan in 2014 as part of the LISC New Communities Program. The plan covered goals and implementation strategies around the following themes: economic development, youth and education, housing, and civic engagement.

Green Healthy Neighborhoods Plan 2014

Released in 2014, Green Healthy Neighborhoods is a 10- to 20-year plan for the communities of Greater Englewood, Washington Park, and Woodlawn, as well as parts of New City, Fuller Park, and Greater Grand Crossing. The plan covers a variety of goals across housing, retail, and historic preservation.

UIC Great Cities Institute: Back of the Yards Neighborhood Plan 2019

The most recent Back of the Yards plan was released in 2019 following a two-year committee-based planning process organized by the Back of the Yards Neighborhood Council in partnership with the University of Illinois at Chicago Great Cities Institute. The plan proposed several objectives around economic development and employment:

- 1) Enhance the aesthetic and physical character of Back of the Yards' main commercial corridors (47th and Ashland Avenue) and develop a comprehensive branding strategy to draw in residents and visitors to the neighborhood's commercial core.

- 2) Attract new and diverse businesses which will offer a range of goods and services.
- 3) Connect Back of the Yards' existing and aspiring entrepreneurs to training, marketing, resource opportunities and each other to grow their businesses.

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 include a mix of residential, commercial, and public land uses in a walkable environment that is 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 those that are majority white. Development opportunities that exist within transit-rich yet historically under-invested communities are critical candidates for eTOD. To see the City of Chicago's recently released eTOD Policy Plan, visit chi.gov/etod.

The 47th/Justine development site presents the opportunity to serve as a demonstration of eTOD best practices, leveraging transit access to promote equitable development. For more on the benefits of eTOD and to see great examples, see resources from the Center for Neighborhood Technology ([https:// etod.cnt.org/](https://etod.cnt.org/)) and the Metropolitan Planning Council (<https://www.metroplanning.org/work/project/30/subpage/5>), and Elevated Chicago (<http://www.elevatedchicago.org/whats-etod/>).

2020 COMMUNITY PRIORITIES

Approach

- » To understand community priorities, a three-part approach was undertaken. First, past and ongoing plans were reviewed to identify recurring themes. While each plan examined Back of the Yards/New City from different perspectives, there were consistent mentions of housing, economic and workforce development, health and wellness, youth programs, and the renewal of community life.
- » Second, the initial findings were validated through a series of recent stakeholder outreach interviews. These listening sessions were intended to expand current understanding and to inform how potential development at the 47th/Justine RFP site could respond to the community priorities.
- » Finally, larger group sessions sought to present findings and gain meaningful community feedback. These sessions, including the monthly INVEST South/West Community Roundtables, a hands-on virtual visioning workshop were aimed at both 20th Ward-specific stakeholders and the broader Back of the Yards/New City Community.

PREVIOUS/ONGOING PLANS

Back of the Yards Quality of Life Plan: Our American Dream Starts Here (2014)

Chicago Green Healthy Neighborhoods (2014)

Back of the Yards Neighborhood Plan (2019)

INVEST South/West Community Engagement Event (2019)

RECENT STAKEHOLDER OUTREACH INTERVIEWS

Alderwoman Jeanette Taylor (20th Ward)

Alderman Raymond Lopez (15th Ward)

Back of the Yards Neighborhood Council

The Plant Chicago

Peace and Education Coalition

Local businesses

LARGER GROUP SESSIONS

November 20, 2020-New City/Back of the Yards INVEST South/West Community Roundtable

November 5, 2020- Follow-up workshop on 47th/Justine site

October 22, 2020- New City/Back of the Yards INVEST South/West Community Roundtable

October 15, 2020- 47th and Ashland Visioning Workshop

September 24, 2020- New City/Back of the Yards INVEST South/West Community Roundtable

2020 New City Community Priorities

AFFORDABLE HOUSING

Back of the Yards needs quality housing options that serve the community and available for a range of family sizes and income levels.

HEALTH & WELLNESS:

To improve health outcomes, the community would like to see expanded opportunities for mental health and medical services, while working to create more green spaces and developing broad based collaborations to reduce community violence.

EMPLOYMENT THROUGH WORKFORCE DEVELOPMENT

One of the community's highest priorities is creating jobs and employment opportunities for residents. Workforce development, job training, and computer courses support the creation of diverse jobs that pay a living wage. In addition, new development should seek to support the hiring of local residents and opportunities for local business growth.

LOCAL YOUTH PROGRAMMING

The community values access to holistic resources that support student and life success, impact academic achievement, and develop the emotional/social well-being of students. Developments should support youth development through programming and family-oriented amenities.

COMMUNITY SAFETY:

Crime reduction and gang intervention are major concerns and greatly impact community safety and quality of life. Creating youth development programs and increasing public safety are critical to community overall wellness.

SOCIAL SERVICES

A robust network of services for mental health, life skills, addiction counseling, and re-entry programs would make a difference in creating a more resilient community.

MARKET POTENTIAL

Demographic Trends

The population of Back of the Yards/New City has steadily declined for the past seven decades, from a high of just over 80,000 in 1940 to about 40,000 today. The community is also young, with 42 percent of residents ages 20 to 49 and 32% ages 19 and under. Just over 62% of New City residents are labor force participants, below the Chicago average of 67% and just over 17% were unemployed in 2018. COVID-era statistics are not available, but indications are that Back of the Yards/New City has seen increased levels of unemployment due to the ongoing effects of the pandemic.

At \$34,816, median household income in Back of the Yards/New City is 60% of the City of Chicago's median (\$55,198). Nearly 80% of housing units are occupied, compared to the citywide figure of 87.4%. Renters comprise 52% of the housing market share, while owners make up 28%. Around 24% of existing housing stock is single family, and approximately 43% are 2-flats and 23% are 3-4 units. Community housing stock is aged, with 54% built before 1940 and 30% built between 1940 and 1969.

The median sold price for a detached, single-family, 3 bedroom, 2 bathroom home is \$125,000. The median sold price for a multifamily, 2-4 unit property is \$129,500. The median rental price is \$850 with low rents around \$650 and highs at \$2500. The median rental rate per square foot is \$1.09 with lows around \$.80 per square foot. The median square footage of units is 800, the low end being 450 and the high end 1,800.

Retail Market Trends

Most of the existing retail establishments in Back of the Yards/New City are old storefronts. The exceptions are Yards Plaza, anchored by Food 4 Less, Aldi, which is directly across the street from the 47th/Justine RFP site and Fairplay, located on the easternmost boundary of the community at 46th and Halsted. These newer retail centers include local independents, but also chain retailers such as Family Dollar, Forman Mills, Subway, and Villa, showing that the area will support a range of retail uses.

There are about half a dozen storefront groceries such as Supermercado Granados, El Guero and Supermercado La Raza to name a few. Along Ashland and just west of Ashland along 47th Street exists well established local retail with significant car traffic on both 47th Street and Ashland Avenue. 47th Street also has a large amount of daily foot-traffic.

According to an ESRI Retail MarketPlace analysis, Back of the Yards/New City was oversupplied in furniture/home furnishings stores, grocery stores and building materials/supplies stores, but undersupplied in general merchandise (like Target or Walmart), electronics stores (like Best Buy) and hobby, book and music stores.

Anchor retail rents in Back of the Yards/New City range from \$12-\$26 per square foot triple net and small retail ranges from \$12-\$20 per square foot modified gross.

Gap Financing

With the low market leasing rates in New City, it is difficult for new market rate construction to compete with the existing market rents. The proposed development approach identifies building affordable housing as financially feasible due to the potential subsidies available. The goal is to create affordable housing products to support 60% AMI (average median income) where the Chicago median income is \$63,700 and 60% AMI is \$38,220 median household income. The estimated rent from affordable 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 Zones

TIF

Enterprise

IRS Opportunity Zones

New Market Tax Credits

Low Income Housing Tax Credits

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V. Development Guidelines

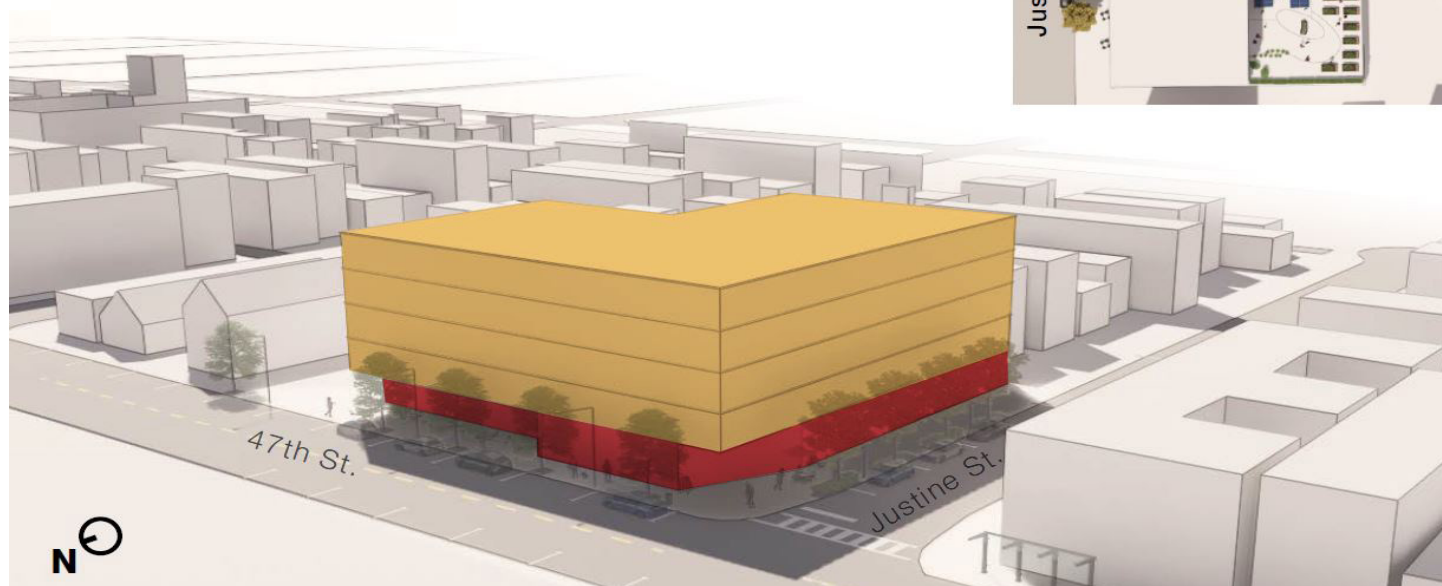
The Department of Planning and Development, in collaboration with the New City / Back of the Yards Community Roundtable and the Back of the Yards Neighborhood Council have created a future vision for the 47th and Justine site to strengthen the commercial corridor. The community has established goals and objectives for the neighborhood which are complemented by the City's plan of revitalizing valuable urban land which will support economic development for local residents and businesses while providing new opportunities to blend within its culture. Using the previous planning efforts created with the community as the foundation, the development goals for the 47th and Justine site are as follows.

Visioning | 47th & Justine

47,000 sqft **Residential** [50 units]

1,630 sqft **Ground Floor**

4,200 sqft **Green Space**



DEVELOPMENT VISION

Development Vision Statement

Future development at 47th and Justine will help to catalyze the commercial corridor by establishing a new mixed-use building that supports local talent and neighborhood revitalization. This development will create new retail space for local businesses, production space for local entrepreneurs and start-ups, and potential opportunities for job training partnerships. New housing available for a range of family sizes and income levels will provide opportunities for local families to upgrade and remain in the neighborhood.

Proposed Land Uses and Program

Proposed uses for the site have been informed by discussions with community stakeholders during a December 2019 kickoff event, monthly community roundtables, virtual community visioning workshops and a market analysis. Overall, stakeholders articulated a need for community serving spaces, local business resources and access to work training, housing that is accessible to local families and incomes, and space for local businesses and entrepreneurs. Proposed programs for the building include, but are not limited to:

- » Ground Level, Scenario 1: Commercial uses with potential combination of retail and office/ civic services including, but not limited to: neighborhood (non-chain) retail, restaurant, business services, office supplies, co-working, shared kitchen spaces with dining, and technical trade education.
- » Ground Level, Scenario 2: Open outdoor space with retail including, but not limited to: an anchor national chain retail and two-three storefronts for neighborhood (non-chain) retail.
- » Second Floor Program: Multi-family affordable residential with a mix of studios, 1, 2 bedroom and/or mixed unit types to meet building need of 50 minimum for site. Second level program options should explore a split floor to accommodate office space independent and/or connected to office space on ground level.
- » Upper Floors Program: Multi-family affordable residential with a mix of studios, 1, 2 and 3 bedroom units as required to meet a total building need of 50 minimum for site.

URBAN DESIGN PRINCIPLES

Design Vision

The design strategy for the 47th and Justine site should strengthen the commercial corridor by extending active uses and neighborhood retail options east of Ashland Avenue. Developing this site should also aim to engage existing local talent, and support local entrepreneurs and small businesses. The site design should also reinforce the walkable nature of 47th Street, given its prime location close to the key intersection of 47th Street and Ashland Avenue, and its proximity to several public transit options.

HOUSING

The 47th and Justine site will offer a mixed range of affordable housing unit options to reflect the various family housing needs of the community. The design approach should incorporate sustainable practices, including but not limited to: high-quality easily maintainable materials, energy efficient glazing/lighting, solar shading, equitable access to natural light, thermal mass performance analysis to minimize heating/cooling costs for residents and options for building solar paneling. The exterior façade should promote a safe, welcoming, creative, and aesthetically pleasant composition of void to

mass.

The site is intended to reinforce a sense of place for residents while creating an environment where people want to live, work and visit. The housing component of this project will bring new residents, foot traffic and opportunities for future development to serve their needs.

RETAIL & SERVICE

Ground floor retail should prioritize local businesses over national chains. The design of this site should focus on re-establishing the street wall, but also provide an open and inviting facade. The streetscape should be transparent and directly accessible with the public and outdoor amenities. Refer to the City of Chicago Neighborhood Guidelines on implementation strategies. Rental spaces should be a mix of leasable areas, but primarily smaller to accommodate local businesses. In a program scenario where an anchor national chain retailer is incorporated, provide street front options of flexible leasing layouts for the changing needs to expand or downsize as markets change.

OPEN SPACE

Public, shared open space should be incorporated into ground floor uses to activate the pedestrian realm with outdoor seating, dining spaces, water features, or similar.

PUBLIC ART

Public art should be considered on-site to celebrate the local history and culture. Local artists should be engaged whenever possible.

PEDESTRIAN CONNECTIVITY

In order to maintain and reinforce 47th Street as a prime, pedestrian-oriented retail street, development at 47th and Justine should prioritize a vibrant, attractive and comfortable public realm. Proposed development should consider vegetation, sunlight, lighting, security, and overall walking experience at the ground level. The ground level should engage the street, with visible entrances that are well-articulated and inviting. Design should incorporate trees and landscaping to soften hard urban edges, vary paving materials to distinguish public and private space, provide pedestrian amenities such as seating, and adhere to the City of Chicago's Complete Streets standards and Neighborhood Design Guidelines.

VEHICULAR CIRCULATION & PARKING

The development of the 47th and Justine site should provide safe access to parking that supports new housing, retail and business uses while preserving a walkable public realm. The proposal should consider leveraging shared parking opportunities with adjacent properties, such as the Aldi and Fifth/Third bank across the street to the north.

Interior parking solutions should consider an underground model, with parking located under the ground level, and/or uncovered surface parking in the rear. Any uncovered parking solution that is

proposed should incorporate landscaping and on-site storm water management solutions and prioritize a safe and comfortable pedestrian realm.

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 socioeconomic 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. 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.



Figure 10: Proposed mixed-use development in context with scale of existing buildings near key intersection of 47th and Ashland.



Figure 11: *Rendering of potential development scenario*

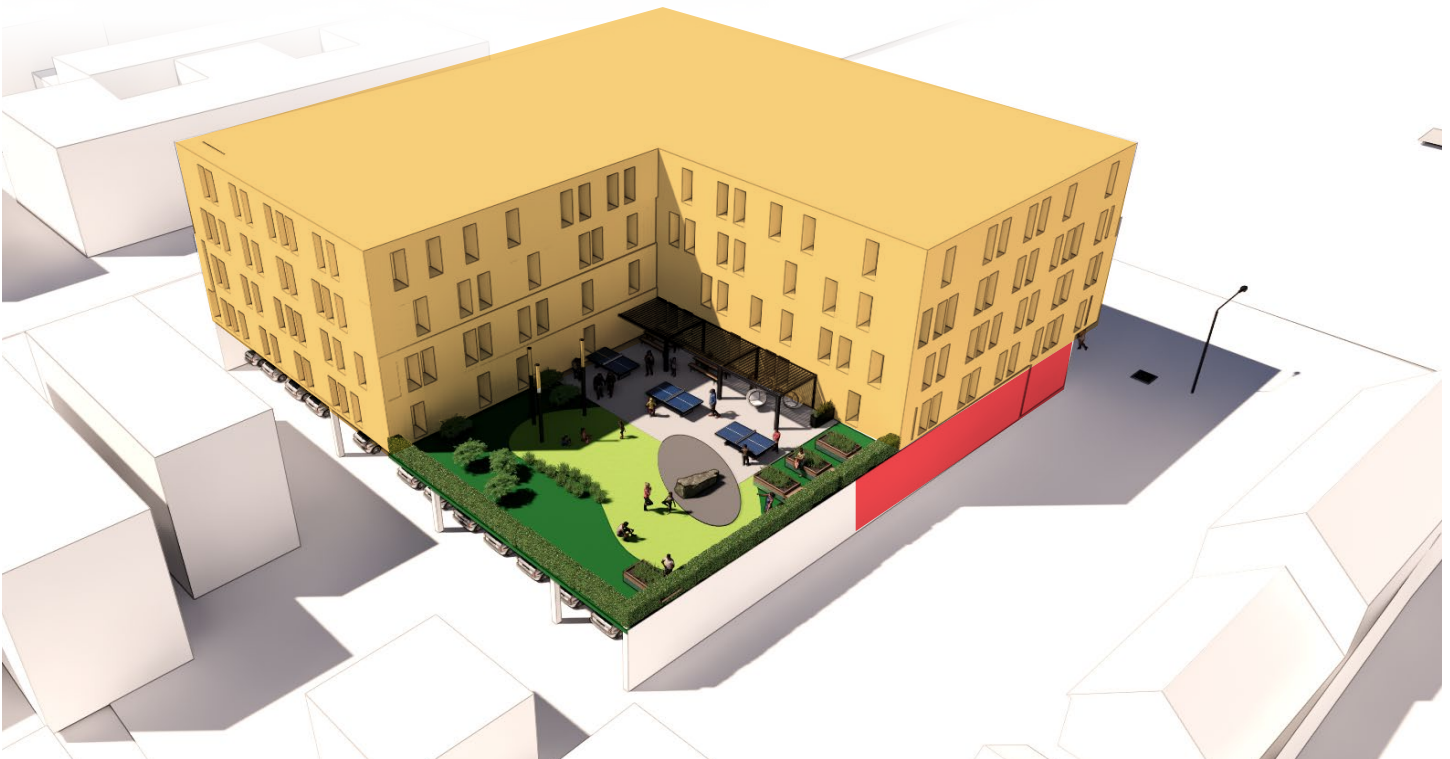


Figure 12: *Massing with green space*

VI. Finance & Development Incentives

FINANCIAL PRO FORMA

Development Program

Based on the development concept, the City has modeled near-term development on the site and would anticipate the construction of a 53,070-square-foot, multi-story (5 and under) mixed-use building with ground floor commercial and affordable residential housing units on the upper floors.

A 46,770-square-foot, 50-unit LIHTC-funded affordable (60% AMI) residential building was modeled for the site. To the extent possible, tuck-under surface parking is anticipated for this transit-served site.

1515 W. 47th Street		
Use	Square Feet	Units
Commercial	6,300 sf	
Residential	38,975 sf	50 units
Total Built SF	46,770 sf	

Funding Implications

Given the market conditions in New City, it is difficult for new construction to achieve financial feasibility without significant financial assistance. The proposed development approach identifies building affordable housing as financially feasible due to the potential subsidies available.

The goal is to create affordable housing products to support 60% AMI (area median income) where the Chicago median income is \$63,700 and 60% AMI is \$38,220. The estimated rent from affordable housing will not cover the construction and operating costs, creating a financial gap. Financial incentives (subsidies, incentives, grants, loans, and land write-downs) are being reviewed to fill that financial gap. The preferred development concept was analyzed to determine the amount of combined City financing needed to complete the project.. As shown in the pro forma table on the following page the anticipated “non-serviceable gap” for the site is:

» **\$6,350,830**

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

Financial Pro Forma

SOURCES

	1515 W. 47th Street	
Debt Capacity	\$3,400,271	24%
Equity	\$538,567	4%
LIHTC - 4%	\$3,747,693	27%
Non Servicable Gap	\$6,350,830	45%
Total	\$14,037,361	100%

USES

Hard Cost	\$10,488,000	75%
<i>Commercial</i>	\$1,134,000	11%
<i>Residential</i>	\$9,354,000	89%-
Soft Cost	\$2,173,611	15%
<i>Commercial</i>	\$258,032	12%
<i>Residential</i>	\$1,915,579	88%
Total	\$14,037,361	100%

OPERATING PRO FORMA

Gross Rentable Revenue	\$693,616
Effective Rental Income	\$623,328
Total Operating Expenses	\$(300,188)
Net Operating Income (NOI)	\$323,140
"All In" DCR	1.20
Debt Payment	\$(269,283)
Cash Flow after Debt	\$53,857

DEVELOPMENT INCENTIVES

Federal Incentives

Respondents are encouraged to consider federal development incentives in their proposals:

OPPORTUNITY ZONE

The subject property is in a census tract that has been designated an opportunity zone. Opportunity zones are designed to spur economic development by providing tax benefits to investors. First, investors can defer tax on any prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026.

If the QOF investment is held for longer than 5 years, there is a 10% exclusion of the deferred gain. If held for more than 7 years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at least ten years, the investor is eligible for an increase in basis of the QOF investment equal to its fair market value on the date that the QOF investment is sold or exchanged.

Cook County Incentives

Respondents can choose any single Cook County Tax Incentive Classification from the following:

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 (10%) percent of fair market value for the first ten years, fifteen (15%) percent for the eleventh year, and twenty (20%) percent for the twelfth year. The assessment returns to the full 25 percent (25%) level in the thirteenth 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.

City Incentives

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

ENTERPRISE ZONE

The subject property is located in Enterprise Zone 2. 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/taxassistance/Documents/ezqa%202014.pdf>

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 39% of the initial investment. The credit is distributed over seven 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. 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 10 units that receive TIF assistance must set aside 10 percent of the units for sale to or occupancy by households with incomes no greater than 60 percent of the Chicago Area Median Income for rental developments, or no greater than 100 percent of the Chicago AMI for for-sale developments, and 10 percent of the units for sale to or occupancy by households with incomes no greater than 50 percent of the Chicago Area Median Income for rental developments, or no greater than 80 percent of the Chicago AMI for for-sale developments. Non-residential developments or residential developments of less than 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, pronounced "LIE-TEK," is a public-private partnership in which investors provide equity for low income rental properties in exchange for a federal tax credit over several decades. LIHTC is the most significant resource for creating affordable housing in the United States today. Without the equity, affordable rental housing projects do not generate sufficient funds to work financially. The City of Chicago Department of Housing (DOH) receives a limited number of these housing tax credits to allocate based on its population.

To help direct federal affordable housing resources to where it is most needed, the City develops a Qualified Allocation Plan (QAP). Published biennially, the QAP sets forth the rules under which the City offers LIHTC and describes the selection criteria and application requirements for receiving these federal tax credits and tax-exempt bonds. The most recent QAP was released in 2019 and the final selected LIHTC projects were announced in 2020. The next QAP is expected to be published in 2021.

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 management and staff. Please use the linked intake form, found here: <https://webapps1.chicago.gov/eforms/housingdevelopment>.

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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

An informational conference will be held on January 21, 2021, at 2 p.m. 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. 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. In addition, questions should be directed to Sonya Eldridge, Southwest Region Planner / Project Manager - at sonya.eldridge@cityofchicago.org.

GOOD FAITH DEPOSIT

All responses must include a Good Faith Deposit of 10% of the current appraised value (TBD) in the form of a cashier's check or certified check made payable to the City of Chicago. DPD is currently awaiting a new appraisal for this site and will provide the updated appraised values on the INVEST South/West website. Proposals submitted with an improper form of deposit or an insufficient dollar amount may be disqualified. Deposits will be returned to all non-selected respondents.

All respondents must complete and submit the Offer to Purchase form, which is provided in the appendix.

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 and five copies of the proposal must be submitted, along with an electronic version on CD-ROM or 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 appendix, 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. 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.

- c. 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.
- d. 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.
- e. A description of experience redeveloping sites with environmental contamination, including remediation performed and NFRs obtained from IEPA.

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 and Neighborhood Design Guidelines 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 revised 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 Package B1, respondents will need to follow the submittal requirements established by the Commission on Chicago Landmarks (see Appendix)
- h.** For proposals that include Package C, respondents should indicate their vision for long-term development across the entire Package C site

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 appendix. 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 appendix).
- 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 appendix 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.
- b. Offer to Purchase to be signed and dated by the authorized representative of the

respondent. (A Good Faith Deposit in the proper amount and in the proper form must accompany the submission. See Section VI.)

SUBMISSION ADDRESS AND DEADLINE

The original and five copies of the proposal, as well as a USB drive or CD-ROM 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., March 30, 2021 via FedEx, UPS or DHL delivery services. 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 Room 1000
121 N. LaSalle St.
Chicago, IL 60602
Attention: Sonya Eldridge

The outside of each envelope must be labeled as follows:

Request for Proposals
For the Purchase and Development of
1515 W. 47th St.
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 Alderpeople)
- » 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 Chicago¹. 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)

¹ 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:

4. The City of Chicago will review all submissions according to required criteria and feasibility.
5. The Department of Planning and Development will engage community members and Alderpeople via the INVEST South/West Neighborhood Roundtables on a short-list of proposal submissions. Community members will have the opportunity to ask the bidders/bidding teams questions about their (sanitized) proposals and provide feedback.
6. The City of Chicago will make a final determination of the chosen submission based on evaluation criteria described above.

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.

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Acknowledgments

New City INVEST South/West Roundtable

As part of the INVEST South/West Initiative, a New City Community Roundtable was assembled by the Department of Planning and Development (DPD). This group of stakeholders includes local Aldermen, community organizations, institutional leaders, business owners, and residents. This group also participated in the October 2020 Visioning Workshop and the follow-up workshop in early November, which helped shape the ultimate development vision for the site. To-date, the following stakeholder groups have participated and DPD is grateful for their input:

- » The Office of Ald. Jeanette Taylor, 20th Ward
- » The Office of Ald. Raymond Lopez, 15th Ward
- » Back of the Yards Neighborhood Council
- » Peace and Education Coalition
- » 20th Ward Community Planning Committee
- » The Plant Chicago
- » Local Initiatives Support Corporation (LISC)
- » Matanky Realty
- » Local businesses
- » Local residents
- » Local schools

20th Ward Community Planning Team

In addition to incorporating input from the New City ISW Community Roundtable, the 20th Ward Community Team recently developed a set of values to guide development in their community. Provided by the Writing Committee, these values have been embedded in the RFP and are used by 20th Ward Community Planning Team members to make decisions around development in the ward.

- » Cecilia De Mello
- » Genora Stone
- » Angela Kolacinski

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 New City CCAC team is summarized below.

- » Kelly O'Brien, Executive Director - Chicago Central Area Committee (CCAC)
- » Lamar Johnson Collaborative (LJC) - TEAM LEAD - Urban Planning & Design
- » Sam Schwartz - Transportation
- » Compass - Market Analysis
- » Landmark Development - Real Estate Analysis

