

Developer Request for Qualifications (RFQ):

NEIGHBORHOOD REBUILD PROGRAM

The Chicago Neighborhood Rebuild Pilot (“Rebuild Pilot”) is a collaborative effort between the City of Chicago, Chicago Community Loan Fund (CCLF), Cook County Land Bank Authority (CCLBA) and Emerson Collective Chicago CRED to facilitate the acquisition and redevelopment of single family and 2-flat vacant properties for new homeowners in Chicago’s higher crime community areas within the 7th, 10th and 11th Police Districts.

RFQ:

The Chicago Neighborhood Rebuild Pilot is designed for the dual purposes of providing high quality, newly rehabbed homes to qualified owner-occupants and employing local residents with multiple barriers to employment through the process. The purpose of the RFQ is to find, educate and fund local single family and 2-flat developers who live and work in the communities targeted by the program. Successful respondents must demonstrate that they are located in the communities that they are seeking to build. Respondents must also demonstrate that they are interested in developing owner-occupied homes in the communities within the 7th, 10th and 11th Police Districts (Target Area). This RFQ will facilitate the selection of developers with the experience and capacity necessary to successfully develop 1-2 unit parcels within these communities. The Rebuild Pilot is focused on stabilizing the housing stock and improving overall neighborhood conditions.

CCLBA and other partners have in possession, several single family and 2-flat vacant properties, which will provide the major pipeline for the Chicago Neighborhood Rebuild Pilot. We anticipate that additional sources may be utilized in the acquisition of vacant properties. Developer’s selected through the RFQ, would acquire the property from CCLBA and other sources as necessary and provide a scope of work for the rehabilitation of the property for homeownership purposes. Successful respondents will acquire, rehab and sell each property. Respondents will also need to demonstrate how they might utilize one to two workforce trainees on site as part of their project.

The Developer’s obligations are the development of 1-2 unit properties, construction and sale of those units to qualified homeowners, and the execution of activities (i.e. plans, permits, financing) that are normally a part of a development process.

The Chicago Neighborhood Rebuild Pilot RFQ seeks local Developers (including not-for-profit and/or faith-based organizations) with strong experience in rehabilitation and sale of single family and 2-flat properties, and a familiarity with overall South and West Side community areas. While it is the program’s preference to identify developers with the financial capacity to provide proposals for clusters of 2-3 properties within the targeted Police Districts, to ensure an equitable process, respondents may provide proposals for one or more properties.

REHABILITATION:

All rehabilitated Chicago Neighborhood Rebuild Pilot properties must meet local codes and zoning ordinances. Plans should be of good design that will enhance the quality of life for Chicago residents. All rehabilitated projects must address the exterior masonry/siding and front facade of the property to enhance the overall beautification of the property and surrounding streetscape.

DEVELOPER RFQ PROGRAM THRESHOLD REQUIREMENTS:

- A developer (or at least the principals of the development entity) must have a minimum of two (2) years of experience in the successful redevelopment of single family and 2-flat, for sale properties.
- A developer must have owned, financed and developed at least two single family and 2-flat residential developments in the past five years.
- A developer must have proof of financial capacity to undertake the project(s) at the time of submission for their RFQ. (Financing available to participants through CCLF is subject to a 10 % minimum equity contribution per rehab project)
- A developer must demonstrate the capacity to meet the overall deadline for the rehab of the subject property by submitting a development schedule, taking into consideration, acquisition, permitting, rehabilitation, marketing, and sale of the 1 – to 2-unit property.
- A developer (including NFP and/or faith-based organizations) must be a small enterprise, which is local to the target areas of the program.

“Local” or “Neighborhood Developer” means some or all of the following: company principals are residents of, company’s principal business offices are located within, and/or a substantial portion of the company’s projects are located within the Target Area, and a substantial portion of labor and materials are sourced by the developer within the area.

SELECTION PROCESS OVERVIEW AND SELECTION CRITERIA:

Eligible proposals will be evaluated by Chicago Neighborhood Rebuild Pilot RFQ Committee comprised of CCLF, City and CCLBA staff, who will evaluate the merits of each proposal based upon the applicants' demonstrated capacity and experience, existing or neighboring developments within the 7th, 10th and 11th Chicago Police Districts, community neighborhood impact/involvement, willingness to integrate local at risk residents from our workforce development program managed by the Rebuild Workforce Partner. Specific Evaluation criteria will include but not be limited to:

1. # of Single Family rehabs completed (Demonstrating that you did obtain permits)
2. How many were located in the target area of the 7th, 10th and 11th police districts
3. Quality of the construction (we may conduct site visits)
4. Balance Sheet/Financials
5. Individual or business entity, principal team
6. Who are your team members / Partners (construction, legal, maintenance, bookkeeping)
7. Do you currently have your business and/or GC license, appropriate insurance, are you bonded.
8. Source of financing for your business and projects
9. Do you have a physical office? If so, where is it located?
10. Evidence of capacity to provide the required 10% equity toward program financing
11. Demonstration of experience selling residential property or working with workforce programs

We expect all components to be accurate and complete. However, additional weight will be given to proposals that have comprehensive community engagement and impact plans, that include facilitating the work force development component of the program for local at risk residents that is to be managed by the rebuild workforce partner but would support the rehabilitation of the Developer's property.

Once a pool of local developers meeting the selection criteria are selected, CCLF will schedule a general seminar for all successful respondents to go through the details of property acquisition, loan requirements, bidding and transfer of property once acquired. For the purposes of developing under the Chicago Neighborhood Rebuild Pilot, a Deed Restriction will be recorded to ensure the development threshold requirements are met. Each selected developer is not guaranteed a winning bid on a property.

CCLF's target date for all RFQ selections will be no later than **10/30/17**.

BIDDING AND SCOPING PROCESS

- Target properties for rehab will be acquired by the Rebuild Program, and preliminary scopes of work and rehab construction costs estimates will be prepared. These estimates will be used to prepare bid solicitations to be provided to the group successful respondents to the RFQ (Qualified Participating Developers), from time to time as properties are acquired for the program. Developers will competitively bid, as part of a process which will endeavor to ensure all participants get projects/properties. Each selected developer is not guaranteed a winning bid on a property.
- Properties will be acquired by the Developers, rehabbed and sold to home buyers by them.
- A developer must have the ability to close within 45 days and the closing cannot be contingent on financing, except when the Developer anticipates receiving project financing from CCLF which is recommended. [Expressly for this program, the CCLF fixed interest rate is 5%, interest only, with 2 points loan fee (which can be deducted from loan proceeds). Application fee is \$150 for not-for-profit Developers and \$250 for for-profit Developers.
 - Developer must satisfy CCLF's underwriting criteria.
 - Note: If a developer is using cash for purchase of rehab, the full amount must be deposited as construction escrow at closing.
- A developer may be required to obtain a Residential Real Estate Developer License.
- A developer must provide proof of funds and/or financing commitments (see above sections).
- A developer must provide proof of insurance per the standards indicated below:
 - Developer must carry property insurance for the value of the building and builders' risk coverage for the rehabilitation of the project.
 - General Liability Coverage of \$1,000,000 per occurrence and \$2,000,000 aggregate
 - CCLF must be shown as additional insured and loss payee. Special Condition: The insurer must indicate on the Certificate of Insurance that it agrees to defend, indemnify and hold harmless CCLF, its employees, directors, agents, servants and administrators from all complaints arising out of work or duties performed under this RFQ.
- The rehabilitation work performed must be within the scope of the permit issued for the premises.
- Developer fee will be earned in sales proceeds
- A developer shall not have (individually or through any corporate entity, corporation, partnership, limited partnership, or LLC) any outstanding debt currently due and owing to the City of Chicago.
- A developer shall not have (individually or through any corporate entity, corporation, partnership, limited partnership, or LLC), any interest in any property listed on the City of Chicago's problem landlord list, or scofflaw list (found on the Department of Building's website).
- A developer must not have defaulted on a prior CCLF loan.

RFQ OUTLINE

Applicants must submit the following documents:

- ☐ Brief narrative stating interest in program, development capacity and ability to incorporate the community into their project, specifically willingness and ability to integrate a disconnected youth and ex-offender work force development program managed by another party onto the construction site
- ☐ List of single family and 2-flat residential developments financed and developed in the past two years including complete address, total development costs, permit # and status.
- ☐ For the two most recent development projects, please provide a development schedule to include the acquisition, permitting, rehab, marketing and sales information, and before and after pictures.
- ☐ Corporate/organizational profile, biographies/resumes of key principals, and list of previous development projects.
- ☐ Proof of financial capacity (for 10% equity requirement on CCLF financing). Acceptable forms can include evidence of existing lines of credit, investor commitments, cash on hand (bank account), Balance Sheet, Financial Statements.
- ☐ Team: GC (license), Attorney (License), Broker (License)
- ☐ Insurance information (General Liability, Builders Risk Carrier)

Evidence identifying applicant as a “Neighborhood Developer” (“Local” or “Neighborhood Developer” means some or all of the following: company principals are residents of, company’s principal business offices are located within, and/or a substantial portion of the company’s projects are located within the Target Area, and a substantial portion of labor and materials are sourced by the developer within community areas of 7th 10th and 11th Police districts. <https://home.chicagopolice.org/community/community-map/>

- ☐ A completed PFS statement (Please see attachment D)

RFQ SUBMISSION REQUIREMENTS

One (2) original copy and four (4) hard copies of the proposal can be mailed or delivered to:

ROBERT TUCKER
COO and EVP-PROGRAMS
CHICAGO COMMUNITY LOAN FUND
29 E. MADISON STREET, SUITE 1700
CHICAGO, ILLINOIS 60602

Electronic versions are acceptable, and should be emailed to: rtucker@cclfcchicago.org

A confirmation email will be sent to confirm receipt of all electronic RFQ packets. It is the responsibility of the developer to ensure the RFQ has been received.

Due Date: Responses shall be received on or before October 9, 2017

Responses received after this time will not be accepted.

For questions, please contact:

Lycrecia Parks
312.252.0440, ext. 103
lparks@cclfcchicago.org

ATTACHMENT A: DESIGN STANDARDS

GENERAL

These standards are intended to guide the respondent in developing the scope of work needed for the Chicago Neighborhood Rebuild Pilot. The standards are written for a single-family cottage or bungalow style house. When applying the standards to multifamily buildings, consider the standards for a single home as applying to each unit in the building, as well as to the building as a whole.

SITE

LANDSCAPING: Trees to be trimmed so as to have no branches closer than 3' to any roof. Shrubs to be pruned to neat, clean look; front lawns to be resodded to leave no bare spots, rear lawns to be cleaned, raked and re-seeded. Shrubs are to be added to the front yard as needed to create curb appeal.

A garage must have sound, leak-free roof, operable overhead door, service door, roof vents, a vented window and scraped and painted siding and trim (tuckpoint as necessary, if brick). If more is needed, the garage should be demolished and a 5' chain link fence with double parking gate and pedestrian gate should be installed to access concrete pad to provide secure off-street parking.

FENCES: Repair existing fences where possible. If fences are deemed to be beyond repair, new fence to be installed to close front and rear yards.

CONCRETE WALKS: To be free of cracks having vertical displacement greater than ½". If possible, selectively replace sections to achieve crack-free condition. All walks to slope away from the house.

EXTERIOR

EXTERIOR: All rehabilitated Chicago Neighborhood Rebuild Pilot projects must meet local codes and zoning ordinances. Plans should be of good design that will enhance the quality of life for residents of the targeted communities in this program. **All rehabilitated projects must address the exterior masonry/siding and or front façade of the property to enhance the overall beautification of the property and surrounding streetscape.**

ROOF: Free of leaks. No roll roofing on enclosed, heated space. Gutter and downspout to be leak-free, rust-free condition: with downspouts discharging a minimum of 3' from the building onto concrete splash blocks to divert water from the foundation. Soffits and fascia to be repaired (replace rotted sections) and painted. Flat roofs are to be inspected with special attention to the condition of coping tiles, and parapet walls. All roofs not being redone are to be inspected and certified by a licensed roofing contractor. It is expected that roofing materials should have a life expectancy of 10 years.

WALLS: Frame building to have exterior siding and trim in good condition. Existing wood siding and trim to be scraped and painted or covered with new siding after replacing all rotted/missing sections. Brick buildings to be tuck-pointed as needed. Lintels are to be replaced as needed. Any graffiti to be removed.

WINDOWS: If existing windows are to be kept, they are to be repaired to fully operable, free of broken/cracked glazing, and lockable; exterior frames and sashes to be painted with exterior quality semi-gloss latex. New aluminum triple-track storm windows to be installed when existing windows are irreparable. If windows are replaced, new double glazed thermo-pane are to be used. Basement windows to be repaired, painted, and have security bars installed or replaced with vented glass block units.

DOORS: If existing doors are to be kept, they are to be repaired to fully operable, weather-stripped and have new single cylinder deadbolt and entry locksets installed (keyed alike). Front and rear replacement doors should be solid core wood or insulated steel units, pre-hung and fully weather-stripped, with single cylinder deadbolt and entry locksets (keyed alike). Front doors must have decorative light windows. If decorative light windows are not provided at the rear door, it should be flush with peep sight. Exterior basement doors to be solid core wood, or insulated steel doors, fully weather-stripped with single cylinder deadbolt and entry lockset (keyed alike) and painted or stained on all 6 sides.

PORCHES: Existing wood porches to be retained are to be repaired to sound condition, scraped, or painted or stained. New wood porches to be built of pressure treated lumber and twice coated with water seal. Concrete porches to be in sound, crack free condition: Patch where necessary or replace. Scrape and paint metal rails with rust inhibiting primer and paint.

INTERIOR

INTERIOR: In addition to utilizing quality, and durable materials throughout the property, developers must provide basic system upgrades, as necessary, to include plumbing, electrical upgrades and HVAC that are high quality, easy to maintain, and affordable for the end user. **It is expected that all major systems should provide a life expectancy of 10 years.**

WALLS/CEILINGS: To be patched to achieve smooth, sound condition. Primed and painted with 2 finish coats of satin latex.

TRIMWORK: Replace missing sections with new millwork of same profile as existing. If existing trim work is stained, clean and apply fresh coat of clear finish, otherwise paint with room. New vinyl base in kitchens and baths where necessary. All windows to be supplied with horizontal blinds to completely cover all window openings from the interior.

DOORS: All interior doors to be fully operable. Bath doors to have privacy locksets

CLOSET: All interior closets should have, at a minimum a rod and one shelf.

KITCHEN: All kitchens to have at least 6' of base and wall cabinets with stainless steel double bowl sink (minimum 8" depth), and single handle faucet.

BATHROOMS: All main baths to have toilet, vanity with sink and faucet, medicine cabinet with mirror, tub sound finish, showerhead, ceramic tile tub surround, and accessory package (toilet seat, 24" towel bars, toilet paper dispenser, soap dish, toothbrush holder and shower rod). Standard is at least one bath for every three bedrooms.

FLOORING: Typically carpet bedroom areas; ceramic tile in kitchens and entryways/foyers, and baths (when budget allows). Hardwood floor may be finished if in good condition. Regardless of floor finish, all floors should be repaired as necessary to provide a solid and level surface free of tripping hazards prior to finish installation.

ATTICS: When budget and existing structure, fenestration and stair access allows, some finishing work may be done to add bedroom space; all other standards for interior work will apply to new attic work.

BASEMENTS: Replacement of all damaged joists, posts and beams. Other work, such as partition removal for nonbearing and damaged walls. Patching of wall/floor cracks and structural repairs as dictated by conditions to meet standard set for exterior concrete walks. Basement floors to have floor drains appropriate for the appliances and uses in the space.

CRAWL SPACES: Repair all leaks. Seal all exterior openings. Provide interior access (minimum 3' wide in one direction) for repair with trap door into heated area. Provide 6 mil polyethylene vapor barrier over entire crawl, lapped 6" at seams, and covered by minimum of 1" of rounded pea gravel.

MECHANICAL SYSTEMS

PLUMBING: All drains are to be rodded, catch basin and grease traps to be cleaned. Water supply lines and gas lines to be inspected by a licensed plumber, with repair made to achieve a leak free, code compliant system. Replace galvanized water piping when possible. Clean and tune existing hot water heater. New 40-gallon hot water heater to be installed if not existing. Water heaters should have at minimum 2-year guarantee. Laundry tub and washer/dryer hook-up to be installed if not existing. System not being worked on to be certified by a licensed plumber. **All plumbing/water heater systems should provide a life expectancy of at least 10 years.**

HEATING/COOLING: Clean and tune existing heating plant and distribution systems where possible. If replacement is necessary, install new heating unit with a minimum AFUE of 90%. If venting into an existing chimney, install a liner, properly flashed and connected. System to comply with all applicable codes and be certified by a licensed heating contractor. All systems to be, at minimum, A/C ready, with a recommended controllable AC system. If possible, install central AC in all units. **All heating/cooling systems should provide a life expectancy of at least 10 years.**

ELECTRICAL: All single-family homes should have a minimum 100-amp service. Properties with 3 or more units should have a minimum 200-amp service. Distribution, outlets, and fixtures should all be grounded in compliance with applicable codes. Ground Fault Interrupt Circuits (GFCIs) are to be installed in kitchens, baths, laundries, garages and exterior outlets as required by code. All circuits should be labeled at the main panel. Doorbell for front and rear to be activated or installed new. Hardwired smoke detectors with battery back-ups will be installed on each level, including basements. Plug-in carbon monoxide detectors are to be installed around the heating units. Include telephone jacks in at least two locations, three, if unit has two levels. Systems not to be worked on are to be certified by a licensed electrician.

MISCELLANEOUS

HOUSE NUMBERS: New numbers to be installed at front of building, visible from the street and at rear of the property garage.

MAILBOX/SLOT: A mailbox/slot shall exist or be installed new.

ATTACHMENT C: AREA MEDIAN INCOME CHART

Household Size	Area Median Income Limits 2017 (Effective April 14, 2017)						
	50%	60%	80%	100%	120%	140%	
1	\$27,650	\$33,180	\$44,250	\$55,300	\$66,360	\$77,420	
2	\$31,600	\$37,920	\$50,600	\$63,200	\$75,840	\$88,480	
3	\$35,550	\$42,680	\$56,900	\$71,100	\$85,320	\$99,540	
4	\$39,500	\$47,400	\$63,200	\$79,000	\$94,800	\$110,600	
5	\$42,700	\$51,240	\$68,300	\$85,400	\$102,480	\$119,560	
6	\$45,850	\$55,020	\$73,350	\$91,700	\$110,040	\$128,380	
7	\$49,000	\$58,800	\$78,400	\$98,000	\$117,600	\$137,200	
8	\$52,150	\$62,580	\$83,450	\$104,300	\$125,160	\$146,020	

ATTACHMENT D: PFS – PERSONAL FINANCIAL STATEMENT

PERSONAL FINANCIAL STATEMENT

AS OF: _____

Name: _____ Date of Birth _____

Address: _____ SSN or TIN. _____

_____ Residence Phone _____

Position or Occupation _____

Business Name _____

Business Address _____ Business Phone _____

This is a(n) check box ☐ Individual financial Statement. ☐ Joint financial statement with spouse. If Joint, complete the following

Spouse _____ Date of Birth _____

SSN or TIN _____

Position or Occupation _____

Business Name _____

Business Address _____ Business Phone _____

* List all amounts in dollars.

ASSETS	AMOUNT
Deposits in Banks & Other Financial Inst (From Sch 1 pg 2)	
Cash Value of Life Insurance (From Sch 2 pg 2)	
Notes and Accounts Receivable	
Marketable Stocks & Bonds (Sch 3 pg 2)	
Stocks in Closely Held Corporations (Sch 4 pg 2)	
Assets of Proprietorships	
Assets in Partnerships & Joint Ventures	
Vehicles, Boats, Machinery, & Equipment (Sch 5 pg 2)	
Wholly Owned Real Estate (Sch 6 pg 2)	
Partially Owned Real Estate (Sch 7 pg 3)	
Vested Interest in Pension/Retirement Accts (Sch 8 pg 3)	
Personal Property Furniture etc.	
TOTAL ASSETS	\$0

LIABILITIES AND NET WORTH	AMOUNT
Other Loans Payable (Sch 9 pg 3)	
Loans on Life Insurance (Sch 2 pg 3)	
Taxes Due - Income	
Credit Card or Accounts Payable	
Liabilities of Proprietorships	
Liab of Partnerships/Joint Ventures	
Loans on Vehcl, Boats, Mach, & Equip (Sch 5 pg 2)	
Loans on Wholly Owned Real Estate (Sch 6 pg 3)	
Total Liabilities	\$0
Net Worth	\$0
TOTAL LIABILITIES & NET WORTH	\$0

ATTACHMENT D: PFS – PERSONAL FINANCIAL STATEMENT P.2

Schedule 5 - VEHICLES, BOATS, MACHINERY, AND EQUIPMENT

DESCRIPTION			YR ACQ	COST	MARKET VALUE	LOAN BALANCE, IF ANY	LOAN PAYABLE TO	PAYMENT AMOUNT	PAYMENT FREQUENCY	ORIGINAL TERM(in Mths)
YR	MAKE	MODEL								
TOTAL					\$0	\$0				

Schedule 8 - VESTED INTEREST IN PENSION/RETIREMENT ACCOUNTS

ACCOUNT TYPE	IN NAME OF	INVESTED WITH	MARKET VALUE
Pension		Harel Insurance	\$15,000
			\$0
			\$0
			\$0
TOTAL			\$15,000

Schedule 9 - OTHER LOAN PAYABLES

NAME OF LENDER	ORIGINAL DATE	ORIGINAL AMOUNT	LOAN BALANCE	REPAYMENT TERMS	PAYMENT AMOUNT	COLLATERAL PLEDGED	OTHER COMAKERS ENDORSERS
			\$0				

ATTACHMENT D: PFS – PERSONAL FINANCIAL STATEMENT P. 3

Name: _____ Date: _____

SOURCE OF INCOME	
FOR YEAR ENDED _____ (Attach a copy of your most recent Income Tax Return and K-1's)	
Salaries - Yours	
Salaries - Your spouses, if applicable	
Bonuses & Commissions	
Dividends	
Interest	
Net Profits from:	
Rental Property	
Proprietorships	
Partnerships	
Joint Ventures	
Other Income: (Alimony, child support or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this debt)	
TOTAL INCOME	\$0

CONTINGENT LIABILITIES	
Are you indirectly liable for obligations of others? _____ If yes, list and describe. If the obligation is for a business or if you need additional space, list and describe on an attachment.	
Name of Borrower _____ Total Amount Owed _____ Lender: _____ Description _____	
Name of Borrower _____ Total Amount Owed _____ Lender: _____ Description _____	
Total Amount as endorser, comaker, or guarantor.	
PERSONAL INFORMATION	
Number of Dependents _____ 0 Ages _____ Are you obligated to pay alimony, child support, or separate maintenance payments? If so, provide details:	
Are you a defendant in any suits or legal actions? If so, describe:	
Have you ever declared bankruptcy or had any judgments recorded against you? If so, explain circumstances. (Please include dates, location, amounts)	
Do you have a will? If so, who is the executor? _____	
Do you have disability insurance? If so, what is the monthly amounts? What years are covered?	