

Request for Qualifications

Redevelopment Opportunity:

Lorain Avenue Affordable Housing



RFQ Schedule:

RFQ Released:

August 29, 2024

Virtual Information Session:

September 6, 2024 | 1 PM (RSVP <u>Here</u>)

Questions Due:

September 11, 2024

RFQ Submissions Due:

October 1, 2024

Short List Notifications:

October 16, 2024

Final Selection:

November 1, 2024

CONTACT

<u>AssetRedevelopment@</u> <u>clevelandohio.gov</u>

REQUEST FOR QUALIFICATIONS

Lorain Avenue Affordable Housing Redevelopment Opportunity

1.3 Acres of Land Available for Redevelopment 4242 Lorain Avenue Cleveland, Ohio 44113



FOR RELEASE August 29, 2024



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<u>City of Cleveland Mission Statement</u>

We are committed to improving the quality of life in the City of Cleveland by strengthening our neighborhoods, delivering superior services, embracing the diversity of our citizens, and making Cleveland a desirable, safe city in which to live, work, raise a family, shop, study, play and grow old.

<u>Department of Community Development Vision Statement</u>

The Department of Community Development envisions a Cleveland where stakeholders are empowered to build the pathway to equity. This vision is realized by creating quality housing and vibrant neighborhoods that serve as the foundation for generational wealth and community prosperity.





Letter from Director Alyssa Hernandez

Dear Project Teams:

On behalf of the City of Cleveland, the Department of Community Development is pleased to present this Request for Qualifications seeking professional real estate development teams to deliver place-based, high-quality affordable housing units to Cleveland's Ohio City neighborhood.



Cleveland 2030: A Housing Equity Plan is our

Department's north star in ensuring that all Clevelanders – renters, homeowners, and those who are unhoused – have access to a safe, healthy, and affordable home in a vibrant neighborhood. We are pleased to partner with Ohio City, Inc. and Ward 3 Councilmember Kerry McCormack to deliver on that promise at the former McCafferty Health Center Site. Simultaneously, through outreach including our Community Values Survey, we look forward to ensuring this project is rooted in community and continues the site's long-time legacy of providing public service not only by creating housing options for our neighbors of varied incomes but also by retaining ground-floor space for nonprofit and/or social service uses.

Thank you for your interest in this Request for Qualifications process. We look forward to answering your questions along the way and to reviewing your submissions in the weeks to come.

Sincerely,

Alyssa Hernandez

Director of Community Development, City of Cleveland





Letter from Councilmember Kerry McCormack

Dear Project Teams,

I want to thank all of the public health professionals who have served the Cleveland community from the McCafferty Health Center for decades. Their work has touched the lives of many people in need of medical services in our neighborhoods.

As we move forward, I am excited about the future of this site continuing to serve a public purpose by providing affordable housing and social services to the neighborhood. I appreciate the hard work of City staff and look forward to future community engagement to ensure this is the best project possible.

Sincerely,

Kerry McCormack City of Cleveland Councilman, Ward 3





Letter from Ohio City Inc.

Dear Project Teams,

The 4242 Lorain Avenue site presents a unique and exciting opportunity on a prominent corridor in Ohio City.

These 1.3 acres are situated within the thriving Lorain Avenue neighborhood. With the recent growth of market-rate apartments and small businesses along the corridor, and the ongoing development of the Lorain Midway to improve safety for all transit users, especially bicycles, this location is poised to further invigorate the area. Nearby amenities include the Carnegie West Library branch, the MetroHealth Ohio City Health Center, and Greenwood Park, which features a pool and playground. Additionally, the site is less than a mile from the West Side Market and Dave's Market, both of which accept SNAP benefits. Conveniently, there is an RTA bus stop for the 22 located at this address.

Our latest strategic plan prioritizes affordable housing as a key development goal, particularly along major corridors like Lorain Avenue. These 1.5 acres are strategically located within a burgeoning neighborhood, providing easy access to green spaces, groceries, public transit, and nonprofit resource centers. This presents a significant opportunity to replace an underutilized health center with a development that promotes urban density, transit-oriented development, and, most importantly, affordable housing in Ohio City.

We encourage you to review this opportunity and consider contributing to a more accessible and equitable Cleveland right here in Ohio City!

Sincerely,

Jane Platten

Interim Executive Director of Ohio City Inc.



Lorain Avenue Affordable Housing Redevelopment Opportunity: Context

Opportunity

The City of Cleveland ("City"), in partnership with the Councilmember Kerry McCormack and Ohio City, Inc. ("OCI"), are releasing a Request for Qualifications ("RFQ") seeking professional real estate development teams to reinvest in the Thomas F. McCafferty Health Center site to provide affordable housing in Cleveland's Ohio City neighborhood. Teams are invited to submit their qualifications, alongside brief site-specific redevelopment concepts for consideration by an evaluation team comprised of representatives from the City and OCI. Upon selection, development teams will be invited to commence due diligence for the site. The RFQ and selection process will be facilitated by the City of Cleveland. The City is permitted to accept or reject any or all submissions, or to discontinue the RFQ process at any time.

The Lorain Avenue Affordable Housing Redevelopment Opportunity creates an important opportunity to build upon investment in Cleveland's historic, vibrant, and thriving Ohio City neighborhood while addressing the growing need for affordable housing. This need is evident not only through studies at the local, state and national levels, but has been long articulated through the Councilman's vision, Ohio City's Strategic Plan and the Cleveland 2030 Housing Equity Plan. The preferred redevelopment project will complement the surrounding neighborhood, building off existing assets and strengths; address current affordable housing needs paired with nonprofit and/or social services; and will bring a community-centered investment to fruition ideally within two years.

The selected project team(s) will be responsible for leading the development process, including creating a site plan and design development package, securing project financing, managing all permitting submittals and approvals, assuming all costs, and administering construction on the site leading to a Certificate of Occupancy. The project team(s) must be committed to working collaboratively with the City and neighborhood partners and meeting project benchmarks, and will be responsible for delivering a community and stakeholder engagement process throughout the design and development of the project site. Community partners, including Ohio City Inc., will support the selected Teams' engagement efforts.



Recognizing Housing Cost Burden in Ohio City

The Center for Community Solutions highlights that about 1 in 3 households in Ohio City live in unaffordable housing, meaning their housing costs exceed 30% of their gross household income. More specifically, about 38.9% of renter-occupied households are living in unaffordable housing, and 19.8% of owner-occupied households living in unaffordable housing. At the City level, 51.7% of renter-occupied households and 26.0% of owner-occupied households live in unaffordable housing. These numbers demonstrate the need for greater access to affordable housing, especially for renters.

The American Community Survey also idenifies similar trends, confirming the need for affordable housing. Data from a yearly survey conducted by the U.S. Census Bureau was used to create a map that visualizes housing cost data as a percentage of household income by census tract. The McCafferty site is located in census tract 1035, where nearly 40% of all renter households surveyed were spending 30% or more of their income on rent. In adjacent census tracts (1038 and 1036.02), that percentage increases to 45% and 52% respectively. Housing cost percentages were lower for owner-occupied households, but burdens still exist. To access the map, click here.

Site Overview

Site Details

Owner: City of Cleveland

PPN: 003-34-034

Address: 4242 Lorain Avenue, Cleveland,

OH 44113

Location Context: Northeast corner of

Lorgin Ave. and W. 44th St.

Planned ROW Dedication: In coordination with the Lorain Midway project, the City plans to dedicate a portion of the site to



the Lorain Avenue Public ROW (see Figure 1). This area will run along the site's existing 395-foot-long Lorain Avenue frontage line and extend 18 feet into the property, containing approximately 7,000 sf (0.16 acres). This will effectively widen the Lorain Avenue ROW width from 66 to 84 feet, providing the space necessary for the sidewalk, bikeway, RTA shelter, landscaping, and other streetscape amenities. Size: As a result of the planned POW dedication, approximately 1.32 acres.

¹ https://www.communitysolutions.com/resources/cleveland-wards-2021



Shape: Trapezoid

Location Context: Northeast corner of Lorain Ave. and W. 44th St.

Frontage: As a result of the planned ROW dedication, the property's frontages will be approximately 384 feet along Lorain Ave, 187 feet along West 44th Street, and 316 feet along Fulton Court.

Additional Information: The approximate 19K square foot McCafferty Health Center Building, constructed in 1972, remains at the site.

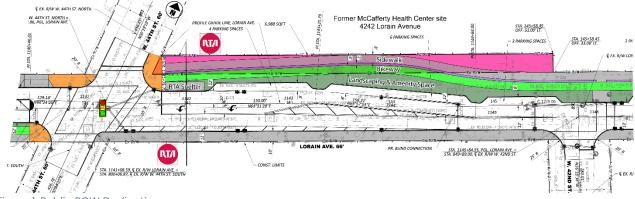


Figure 1: Public ROW Dedication

Design Review

The site is located in the Historic Ohio
City Design Review Region. It is also
situated in the Lorain Avenue Local
Landmark District and the Lorain
Avenue Commercial National Register
Historic District. New construction
proposals will be required to go
through the City's Landmarks
Commission for project approvals.
Project Teams can learn more about



the design review process and requirements here: <u>Cleveland</u> <u>Landmarks Commission</u>.

Zoning

The site is currently zoned LR-D3 in a Local Retail Use District. Per the zoning code, retail businesses for local or neighborhood needs including but not limited to restaurants, grocery stores, service establishments, business offices, and charitable institutions are permitted. More information on Cleveland's Zoning Code and allowable buildings and uses can be found here. Development Team(s) will work with the City's planning staff on any necessary zoning changes, appeals or variances during the design and due diligence phase of the project.

The site is also in a Pedestrian Retail Overlay (PRO) District. The PRO is established to support and maintain the form, walkability and economic vitality of historic commercial/retail shopping districts and any proposed project will be held to these guidelines. Lastly, the site is also located in a newly-established Transit Oriented Development Zone, immediately adjacent to a high-frequency transit stop. Projects will therefore be required to create a Transportation Demand Management (TDM) Plan as part of the entitlements process. TDM Plans aim to make it easier for residents, tenants, employees, and visitors to get around by sustainable transportation modes including transit, walking and biking. Project Teams can learn more <u>here</u>.

Utilities

The City of Cleveland, Water Division (CWD) will work with the development team to add new water connections to the existing main once a development site plan is completed. At least 2,000 GPM Fire Flow is currently available at water mains surrounding the building, with up to 9,000 GPM Fire Flow available nearby. Developers will need to complete a commercial service application and can learn more here: CWD Construction Permits.

Cleveland Public Power (CPP) has 12kV + 2.4kV in underground lines along

Lorain, and 2.4kV in the overhead distribution poles on W 44th and Fulton Court. 2.4kV cables also run underground from Fulton Court to a transformer inside the existing Health Center. It is anticipated that CPP will have capacity to support a new project at this location, and CPP will work with the development team to discuss options for providing electrical service.

The City of Cleveland's Division of Water Pollution Control (WPC) will provide information on existing and proposed sewers/discharge. Existing public sewers in the area are combined; there are no public sewers or associated easements on the property. Existing public sewers are expected to be able to accommodate all storm and sanitary flow generated by a new development; WPC may require stormwater management based on the amount of sewer discharge associated with a project.

Northeast Ohio Regional Sewer District (NEORSD) may review and comment on proposed development plans for the site specific to stormwater management. NEORSD can also be contacted regarding potential incentives related to green infrastructure and fee credits. Overall, projects that reduce the square footage of impervious pavement that previously existed on the site are preferred.



Additional Site Due Diligence

All utility information should be confirmed directly with the agency. Engineering analysis, environmental studies, test borings and other due diligence will be the responsibility of the selected developer.

Ohio City Neighborhood

Ohio City has a wealth of cultural institutions and rich history as a diverse and entrepreneurial neighborhood with passionate residents and anchors like the West Side Market, Lutheran Hospital, and Saint Ignatius High School. Originally its own city established in 1836, Ohio City was annexed into Cleveland proper in 1854. The first owners and caretakers of the land were the Erie and Kaskaskia Nations². Through the 19th and 20th centuries, the neighborhood was made up of migrants from New England, Germany, Hungary, and Ireland. By the 1970s, there were over 25,000 people and 15 ethnic groups in the neighborhood, including Hispanic-Americans, Asian-Americans, and Native Americans³.

Ohio City is home to nearly 10,000 residents, over 300 small businesses, and 100+ nonprofit organizations. The neighborhood is recognized for its historic housing stock, walkability, and connection to public transit and a growing network of bike and pedestrian trails. Residents and visitors alike enjoy Ohio City for its plethora of public art, vibrant green spaces, and welcoming community. Since 2017, there has been more than \$1 billion in development including over 2,500 units of housing and more than 100 new businesses. In addition to the historic housing stock and new apartment buildings, Ohio City also contains some of the nation's oldest public housing, at Lakeview Estates.

Building from Existing Assets

This asset map outlines neighborhood assets within a 1-mile radius surrounding the site. This map may be used to provide context of existing resources within the area and supplement the information in this RFQ. Existing neighborhood assets are not limited to those shown on this map.

WEST EIGHTES WARE STORM TO THE MONT

https://www.google.com/maps/d/u/0/edit?mid=lwxPCsTShhxptde5FqpRfl4mpAaz2J4M&usp=sharing

² Native Land Digital. https://native-land.ca/

³ Ohio City Incorporated's Website https://www.ohiocity.org/history

Cleveland Midway - Lorain Avenue Segment

The Cleveland Midway is an exciting investment well underway throughout Cleveland that plans to provide the City with a resilient and equitable transportation system. The plan envisions connected bikeways across the City that separate people riding bikes from vehicles using landscaping, curbs, or other physical barriers and will create a safer connection for cyclists, pedestrians, and vehicular traffic, making urban streets safe and comfortable for users of all ages and abilities.

The Lorain Avenue segment of the Cleveland Midway would stretch 1.8 miles from West 20th Street to West 65th Street. It will connect existing bike lanes on Lorain Ave. west of W. 65th St. with the shared-use path on the Hope Memorial Bridge leading into Downtown. In addition to the bikeway, sectional improvements of the road would include new pavement, curb, sidewalk, and driveway aprons, ADA-compliant ramps at all locations, new water lines, traffic signal improvements, and new pavement markings. The separated bikeway would be installed next to the sidewalk with a buffer from car traffic. The Preliminary Design Phase is currently underway including community engagement, a feasibility study, conceptual design, and cost estimates. To learn more, visit the <u>Cleveland Midway website</u>.

Transportation and Connectivity⁴

- Public Transit: A high-frequency (every 15 minutes) transit line runs along both Lorain Avenue and Detroit Avenue. The site is also a 15-minute walk from both the W 65th Lorain and W 25th Stations of the Red Line Light Rail System.⁵
- Lorain Avenue: The Ohio Department of Transportation recorded the annual average daily traffic count (AADT) along Lorain Avenue as 9,074 in 2023⁶.
- Detroit Avenue: On the north end of the Ohio City neighborhood, the major commercial corridor of Detroit Avenue starts in Downtown Cleveland and runs west through several neighborhoods including Detroit-Shoreway and the Gordon Square Arts District, even into the neighboring suburbs of Lakewood and Rocky River. The AADT of Detroit Ave. north of the site was 9,521 in 2023⁷.
- West 25th Street: A major commercial corridor that runs along the eastern part of Ohio City through the Tremont and Clark Fulton Neighborhoods and boasts dozens of small businesses. The Ohio City sections of the road have an AADT from 9,407 to 14,876⁸.

⁸ Transportation Data Management System (ms2soft.com)



⁴ https://odot.public.ms2soft.com/TDMS.UI Core/trafficviewer

⁵ https://www.riderta.com/systemmap?routes=5531

⁶ Transportation Data Management System (ms2soft.com)

⁷ Transportation Data Management System (ms2soft.com)

- Interstate-90: The site is located less than half a mile north of I-90, providing easy access from Ohio City to the eastern side of Cleveland, including, the Cleveland Clinic main campus, Case Western Reserve University and arts and cultural institutions at University Circle. On the western side, I-90 links Ohio City to surrounding neighborhoods and suburbs such as Lakewood and Rocky River, both under a 15-minute drive. As of 2023, On-and Off-Ramps from I-90 to Lorain Avenue and the streets directly south of the site have AADT's ranging from 5,704 to 7,306, with about a 123,000 AADT on the interstate in general⁹.
- Trails: The Red Line Greenway and Ohio & Erie Canal Towpath Trail are multipurpose recreational trails that traverse through Ohio City and follow in nearby neighborhoods. The Lakefront Bikeway runs along Lake Erie and creates connections to unmatched natural resources including Edgewater Beach and the Cuyahoga Valley National Park. Investments are planned to add more dedicated bikeways to both Lorain and Detroit Avenues that link to these existing trails. These are part of a county-wide plan for an interconnected system of greenways.¹⁰

Resident Demographics¹¹

The population of Ohio City is 8,389 consisting of 1,493 (17.8%) residents under the age of 18; 6,021 (71.8%) ages 18–64; and 875 (10.4%) over the age of 65. The racial and ethnic makeup consists of 60.4% White, 28.1% African American/Black, 2.1% Asian-American/Pacific Islander, 9.4% Other race reported, and 14.6% Hispanic/Latino (of any race). The Median Household Income is \$40,170 with a labor force participation rate of 68.3%. The poverty rate of Ohio City is 29.3%.

McCafferty Community Values Survey

The City and Ohio City Incorporated (the local community development corporation) collaboratively released an engagement survey on July 1, 2024. The survey seeks to gather information about community values, existing assets, community needs, and the challenges experienced with accessing affordable housing. The hope is for the feedback received to be used by the selected



⁹ Transportation Data Management System (ms2soft.com)



¹⁰ https://www.countyplanning.us/projects/cuyahoga-greenways/cuyahoga-greenways-plan/

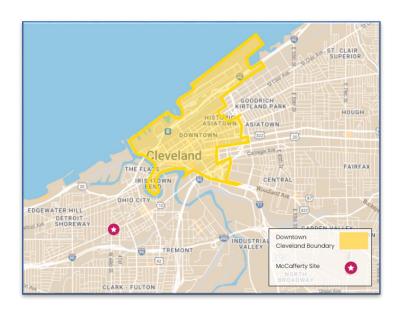
¹¹ Demographic information was retrieved from The Center for Community Solutions and the US Census Bureau. https://www.communitysolutions.com/resources/community-fact-sheets/cleveland-neighborhoods-and-wards/

development team to start from a place-based perspective as they continue engaging the community and begin drafting designs. The survey and feedback received to date can found be found here.

Investing in Cleveland, OH

The site is located two miles from Cleveland's downtown core. Regional and national assets including Lake Erie, the Rock & Roll Hall of Fame and three professional sports venues are within a ten-minute drive from the site, while "Eds & Meds" institutions including the Cleveland Clinic, University Hospitals, Case Western Reserve University and arts and culture institutions at University Circle are all less than eight miles away. Each of these assets are easily accessible by various modes of transportation including public transit infrastructure and Ohio City's direct access to Interstate-90 and the newly opened Opportunity Corridor.

As of the 2020 Census, the population of the City of Cleveland is 372,624 residents.¹² The population of Cuyahoga County is 1,264,817.¹³ Median household income in the County is \$55,105, while the City's is \$33,678. As of 2019, 197,421 private, primary jobs were located in the City with 53.5% of the workforce aged 30 – 54 years. 55.5% of workers employed in the City earned more than \$3,333 per month.¹⁴



Downtown Cleveland has experienced 62% population growth since 2010. In that time, nearly \$9 billion in investment has transformed the central business district into a diverse and thriving urban neighborhood. A 2023
Downtown Cleveland Economic Development Report, as well as recent market research and housing studies, are available through Downtown Cleveland, Inc. here. An interactive map

highlighting investments in Cleveland's Central Businesses District and surrounding neighborhoods can be accessed <u>here</u>. Additionally, the Center for Cleveland has put

¹⁴ United States Census Bureau OnTheMap, Cleveland city, Ohio – Work Area Profile Analysis as of 2019.



¹² United States Census Bureau Quick Facts, Cleveland city, Ohio – Census Data as of April 1, 2020.

¹³ United States Census Bureau Quick Facts, Cuyahoga County, Ohio – Census Data as of April 1, 2020.

together a list of private-sector real estate projects underway throughout the City of Cleveland, including Ohio City. To learn more about these projects, <u>click here</u>.

Incentive Toolkit

Through the Departments of Community Development and Economic Development, the City of Cleveland can provide subsidy resources to support a successful redevelopment project at the project site. Tools listed below are designed to reduce cost and risk to a development team and improve efficiency and quality of a project through the pre-development, construction and closeout phases. Project Teams will be responsible for submitting applications to each incentive or entering into direct negotiation with the City as needed. The availability of any incentive is contingent upon application and approval by the applicable governing bodies and may or may not be available at the time of application.

01

REDUCED LAND VALUE: Through this competitive process and in compliance with the Ohio Revised Code, the value of land may be negotiated below fair market value. Special consideration will be given to affordable housing projects and projects that align with Cleveland's 2030 Housing Plan. Value is subject to approval by Cleveland City Council and the City's Board of Control.

02

RESIDENTIAL TAX ABATEMENT: Parcels are located in a "Market Rate" zone. Affordable housing projects receive 100% abatement. To learn more, view the graphic below or visit <u>Residential Tax Abatement's</u> webpage.

Effective Jan 1, 2024	Single	e-Family	Multi	-Family
	New Construction	Rehabilitation (Remodel)	New Construction	Rehabilitation (Remodel)
CRA 1- Market Rate	Abatement 85%	Abatement 100%	Abatement 85%	Abatement 100%
	Term 15 Years	Term 15 Years	Term 15 Years	Term 15 Years
	Unit Cap \$350,000	Unit Cap \$450,000	Unit Cap NA	Unit Cap NA
	CBA Req. NA	CBA Req. NA	CBA Req. Yes	CBA Req. Yes
	Set-Aside NA	Set-Aside NA	Set-Aside 25%	Set-Aside 25%
	Contracting Req. NA	Contracting Req. NA	Contracting Req. Yes	Contracting Req. Yes
	Green Building Reg. Yes	Green Building Reg. Yes	Green Building Reg. Yes	Green Building Reg. Yes



03

TAX INCREMENT FINANCING (TIF): The City will be willing to discuss the utilization of non-school tax increment financing following the expiration of residential tax abatement. Click here to learn more about the City of Cleveland's TIF Strategy.

04

CONSTRUCTION GAP FINANCING: This program may subsidize up to \$75,000 per unit of total development and construction costs. It is available to both new construction and rehabilitation projects and prioritizes projects that make a strong, positive visual impact in a neighborhood. To learn more, visit Housing Development's webpage.

05

HOUSING TRUST FUND COMPETITIVE FUNDING: Loans and grants are available to support affordable housing projects that serve low- and moderate-income households, including market-rate projects that contain affordable housing units. This program can provide support for projects in the form a low interest, soft loan for 20% of the total development costs of a given project (8% for LIHTC projects). An annual RFP through the City's Department of Community Development is circulated to determine which projects will receive funding. To learn more, visit Housing Development's webpage.

06

9% LOW-INCOME HOUSING TAX CREDITS (LIHTC): The <u>Ohio Housing</u>
Finance Agency (OHFA) administers 9% LIHTC to support communities in creating and preserving affordable housing throughout Ohio. The OHFA <u>Property Locator Search Tool</u> assists applicants in identifying competitiveness of sites intending to apply. This development site is located in the Opportunity Index Category of "Very High" and yields a score of 93.

Lorain Avenue Affordable Housing Redevelopment Opportunity: Scope

Development Requirements

The selected Project Team(s) will be responsible for all aspects of the project development, adhering to all City approval processes. Through project conceptualization, the selected Project Team(s) will be required to collaborate with City and community partners in the design, negotiation and execution of the following project components:

- **GROUND LEASE.** The development site will be offered to a developer as a long-term ground lease, with the City maintaining ownership of the land while the developer(s) enter into a long-term lease to construct, manage and own the development. Cleveland City Council must legislatively approve ground leases. The cost of land may be negotiated below fair market value with special consideration for affordable housing projects and projects that align with <u>Cleveland's 2030 Housing Equity Plan</u>.
- AFFORDABLE HOUSING. A non-negotiable use of this site will be affordable
 housing. This growing need in the Ohio City neighborhood has been
 articulated through the Councilman's vision, Ohio City's Strategic Plan and
 the Cleveland 2030 Equity Housing Plan. Team(s) will be responsible for
 reviewing these plans to guide their vision for the site.
- **NON-PROFIT/SOCIAL SERVICE SPACE.** Team(s) must designate ground floor space for nonprofit or social services that support neighborhood residents. Services offered should prioritize low-income individuals and families.
- PUBLIC AMENITY SPACE. Team(s) will be responsible for designing, constructing and maintaining an amenity space that provides opportunities for the public to gather. The amenity space should be collaboratively designed with input from residents.
- **ENGAGEMENT & COMMUNITY COLLABORATION.** Team(s) must address community priorities articulated through the Community Values Survey and additional, past engagement completed by Ohio City Inc. and Councilman McCormack. Teams will be responsible for developing and delivering a comprehensive community and stakeholder engagement process throughout the design and development phases to inform the final proposed project(s).
- **CSB/MBE/FBE PARTICIPATION.** The City of Cleveland is firmly committed to assisting Minority Business Enterprises (MBEs), Female Business Enterprises



- (FBEs), and Cleveland-area Small Businesses (CSBs) by providing and enhancing economic opportunities in City contracts. The successful Team(s) for this RFQ will share that commitment.
- Development Teams will be required to enter into a Community Benefits
 Agreement. Other City Design Requirements & Regulations Apply.

Development Preferences

- Public Health & the Built Environment: In keeping with the legacy of the site as a public health center, the City of Cleveland has a preference for any new development to intentionally incorporate features of the built environment that contribute to the health and wellness of the surrounding community. This collaboration between the City's Department of Community Development and the Department of Public Health's Division of Health Equity and Social Justice highlights our belief that development projects hold the potential to strengthen communities, combat inequality and improve public health outcomes. Simple examples may include tree cover to reduce "heat islands," and improve air quality, public art features to improve mood and sense of community, and/or using sustainable building materials. The ULI Developing Resilience Toolkit provides additional strategies and ideas. We look forward to reviewing project teams' creative approaches to incorporating positive public health components to this project's vision and design.
- **District Parking Solution:** During stakeholder engagement for the Lorain–Midway Project, a desire for district parking was identified. Project teams are encouraged to consider opportunities for small-scale district parking solutions as part of the project design.

Land Value

The City of Cleveland intends to make the land available for ground lease following a due diligence process with the selected Development Team(s). A recent appraisal report established the following value conclusions for the subject property, as of May 15, 2024:

Market Value "As Vacant Land" \$2,300,000

Market Value "As Is" \$2,050,000

Estimated Market Rent (Land) \$190,000/year

Cost of land may be negotiated below fair market value with special consideration for affordable housing projects that are aligned with the Cleveland 2030 Housing



Equity Plan, but is subject to approval by Cleveland City Council and the Board of Control.

RFQ Schedule

The City anticipates it will, but neither promises nor is obligated to, process submissions received according to the following schedule:

City of Cleveland and Ohio City Incorporated Release	7/1/2024
Community Values Survey.	Survey ongoing
City of Cleveland Releases RFQ.	8/29/2024
Virtual Information Session.	9/6/2024
RSVP via <u>THIS LINK</u>	at 1 PM EST
Questions Due.	9/11/2024
Submit Questions via email to <u>AssetRedevelopment@clevelandohio.gov</u>	
FAQ Responses Published.	9/16/2024
Submissions Due.	10/1/2024
Submit via email to <u>AssetRedevelopment@clevelandohio.gov</u>	by 4 pm EST
Evaluation Period.	10/1-11/1/2024
Short List Notifications (if necessary).	10/16/2024
Finalist Presentations (if necessary).	10/21-10/25
Final Selection.	11/1/2024

Submission Process

Development Teams are invited to submit Qualifications for the Lorain Avenue Affordable Housing Redevelopment Opportunity. Qualifications shall be sent electronically and formatted in a searchable .pdf format. All pages shall be 8.5 x 11 inches. Font shall be no smaller than 10 point. Submissions may not exceed 25 pages in length.

Submissions must be emailed to AssetRedevelopment@clevelandohio.gov no later than October 1, 2024 at 4 PM EST. Only emailed, PDF submissions will be accepted. When emailing submissions, use "Lorain Avenue Affordable Housing RFQ" followed by the Development Team Name in the subject line.

Evaluation Process

An Evaluation Team comprised of representatives from the City of Cleveland, Ohio City Inc., and Cleveland City Council will review all submissions and rank them based on the Evaluation Criteria described below. If necessary, a shortlist of no more than three project teams will be invited to interview.



Evaluation Criteria

Points	Category	Content
	Meets Project Criteria	Is this an affordable housing project? Only project visions incorporating affordable housing (100% AMI and below and pursuing LIHTC) will be reviewed
	Contact Information	 Project Team Contact Information 3 References with Contact Information (references cannot be from OCI, City of Cleveland employees, or Councilmembers)
5	Cover Letter	 Statement of Interest Design a Mission Statement that will guide your Team's work should you be selected for this project
15	Project Team Information	 5 pts: Provide an Overview of each firm represented on the project team and their proposed role 5 pts: Provide Key Team Member Resumes with headshots. Outline their responsibilities related to this project. 5 pts: Exemplify Team's approach to Diversity, Equity, Inclusion and Belonging. For example, is diversity reflected in team leadership? Does the project create the opportunity for minority and/or emerging real estate developers to participate?
20	Project Vision	 5 pts: Describe the Team's vision for the site 5 pts: Include proposed income thresholds and unit mixes 10 pts: Describe how the project will align with and implement components of relevant plans/initiatives such as the 2030 Housing Equity Plan, Cleveland Climate Action Plan, Health Equity, TOD/TDM, Vision Zero, and 15-Minute City
30	Benefit to the Neighborhood and Engagement Strategy	 10 pts: Highlight two examples of Equitable Development strategies that the Team has implemented into completed projects 10 pts: Identify the Team's Equitable Development Strategy. Outline how the community will benefit from this project in any or all of the following areas: housing, health (personal and public), education, employment (short-term project employment), economic (long-term economic impact), community safety, and arts/culture 10 pts: Provide an engagement strategy with a timeline including clear benchmarks and deliverables outlining how the Team plans to engage residents and stakeholders in meaningful, collaborative engagement that informs the design and details of the project
45 (15 per project)	Completed Projects of Similar Scope & Complexity	Outline 3 completed projects of similar scope and complexity, including the following details for each project: (15 total points per completed project)



	Completed Projects of Similar Scope & Complexity (cont.)	•	 3 pts: Describe the Team's specific role on the project; Include images of completed project 6 pts: Highlight innovative practices in construction, sustainability, social impact, financing, public health, etc. 6 pts: Provide the capital stack including evidence of specific sources of funding the Team secured (source name, amount, date,
20	Financial Capacity	•	commitment/award letters) 10 pts: Identify the project's potential sources of funding 10 pts: Provide evidence of Team's creditworthiness and the amount of equity the Team intends to bring to the project
10	Project Schedule	•	 5 pts: Present a project schedule including but not limited to design development, engagement, funding applications, design reviews, permitting, and construction phasing 5 pts: Outline clear benchmarks and deliverables for the first three months following project team selection including stakeholders you anticipate working with
5	Challenges	•	5 pts: Outline 2 challenges the Team anticipates. Provide solutions to how the Team may approach or overcome them

Post-Selection Process

The selected Project Team(s) will have the opportunity to enter into a Memorandum of Understanding (MOU) and 12-month Site Access Agreement with the City within 60 days of final selection through the RFQ process. Details of the post-selection process for each development site will be finalized in the MOU.

Generally, it is anticipated that project teams will perform due diligence, at their own cost, for up to twelve months and will include site due diligence, community engagement, conceptual design, financial feasibility, and financing strategy. At the end of the 12-month Due Diligence Period, the City of Cleveland and Project Team(s) will determine if the project is feasible and can proceed into additional predevelopment work, or be terminated.

Project Team(s) will be fully responsible for completing the Final Design, Financing, Construction Plans, Permitting, and Construction for the project. Generally, sites are anticipated to proceed with transfer and/or execution of a development agreement or ground lease following the project team securing at least 75% of their total project funding; receiving final design review and zoning approvals; and legislative approval from Cleveland City Council and associated required administrative approvals.



Contact Information

The Lorain Avenue Affordable Housing RFQ is being facilitated by the City of Cleveland's Department of Community Development. Other Departments are also engaged in the process. Questions and inquiries related to the Lorain Avenue Affordable Housing RFQ should be directed to AssetRedevelopment@clevelandohio.gov.

Developer Feedback Survey

Whether or not you plan to submit qualifications, please consider offering feedback through our <u>Developer</u> <u>Feedback Survey</u>. This survey will take no more than 10-minutes, and is an effective avenue for our team to continue refining our RFP/Q process to produce equitable development opportunities.



Disclaimers

<u>Communications</u> - Project Teams considering responding to this RFQ are required to conduct preparation of their submissions with professional integrity and are prohibited from communicating with any member of City staff, the Evaluation Team, or other project representatives outside of the formal process outlined in this RFQ.

<u>Expenses</u> - The City accepts no liability for the costs and expenses incurred by firms responding to this RFQ.

<u>City Rights</u> - The City reserves the right to cancel the RFQ process at any time and reject any and all submissions. The City shall have no liability to any firm arising out of such cancellation or rejection. The City reserves the right to waive minor variations in the selection process. The City reserves the right to contact references who are not listed in the firm's submission and investigate the qualifications of the firms or individuals identified in the submission.

<u>Public Disclosure</u> - All documentation and submittals provided to the City may be considered public documents under applicable laws and may be subject to disclosure. Firms recognize and agree that the City will not be responsible or liable in any way for any loss firms may suffer from the lawful disclosure of information or materials to third parties.

