

**REQUEST FOR QUALIFICATIONS
FOR HOUSING IMPLEMENTATION ENTITY
FOR CHOICE NEIGHBORHOODS PROGRAM GRANT
OPPORTUNITY
1/26/16**



Deadlines

RFQ issue date: January 26, 2016

Pre Proposal Conference: February 5, 2016

Deadline for questions: February 17, 2016 – 5:00 pm Eastern Standard Time

Response to questions: February 19, 2016 – 5:00 pm Eastern Standard Time

RFQ deadline: February 24, 2016 – 5:00 pm Eastern Standard Time

Selection of shortlist candidates: March 7, 2016

Interviews: March 21, 2016

Final selection of Housing Implementation Entity: April 1, 2016

CITY OF DETROIT
HOUSING IMPLEMENTATION ENTITY RFQ
TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
PART I INTRODUCTION	2
PART II OVERALL PROJECT – NEIGHBORHOOD VISION	6
PART III RELATED COMMUNITY DEVELOPMENT INITIATIVES	8
PART IV HUD CHOICE NEIGHBORHOODS PROGRAM INITIATIVE	9
PART V METHOD OF SELECTION	12
Part VI TARGET SITES AND PRELIMINARY PROGRAM	13
PART VII CITY (LEAD APPLICANT) AND DETROIT HOUSING COMMISSION (CO – APPLICANT) ROLES AND RESPONSIBILITIES	16
VIII DEVELOPER ROLES AND RESPONSIBILITIES	22
PART IX SUBMISSION REQUIREMENTS	28
PART X PROCUREMENT PROCESS	33
PART XI GENERAL CONDITIONS	36

ATTACHMENTS

Attachment I – Section 3 Clause
Attachment II – Non-Discrimination
Attachment III – (CD):
Attachment IV – Choice Neighborhood Map
Attachment V – Investment Chart
24 CFR Part 905 subpart F;
HUD Cost Controls and Safe Harbor Stds.,
Fair Housing Laws & Presidential Executive Orders,
Model form: Regulatory & Operating Agreement,
MSHDA-Std. of Design,
Office of Fair Housing & Equal Opportunity,
HUD FORMS: HUD 5369-B&C; HUD 5370-C; HUD 2530
Choice Neighborhoods Map

Executive Summary of Solicitation

The City of Detroit (the “City” and/or “Lead Applicant”) and the Detroit Housing Commission (“DHC” and/or “Co-Applicant”) are working together to apply for a HUD Choice Neighborhoods Implementation Grant (the “Choice Grant”). The Choice Grant allows local communities to leverage up to \$30,000,000 in federal grant funding to support the transformation of a locally planned and geographic area inclusive of a severely distressed housing site into a vibrant, mixed-income, and mixed-use community. To achieve these goals, the City and DHC must develop a comprehensive neighborhood revitalization strategy, or Transformation Plan.

The City and DHC are currently in the process of creating this Transformation Plan for the redevelopment of specific sites located in Detroit’s historic Brush Park and Eastern Market neighborhood. The selected neighborhood is adjacent to the central business district and is generally bounded by Woodward, the Chrysler Fisher Freeway, Mack Avenue, Gratiot and St. Aubin (the “Detroit Choice Neighborhood Site”). The Detroit Choice Neighborhood Site has been outlined on the attached map. (Attachment IV).

The Choice Neighborhoods’ transformation planning process has commenced at the same time as the issuance of this RFQ. The Developer selected will be a key stakeholder during the planning process and its contributions will be critical to the success of the Transformation Plan. The City of Detroit intends to submit a Choice Grant application in the Spring of 2016. The developer or developers selected will be the Housing Implementation Entity (HIE). The HIE will be responsible for implementing the Housing component of the Transformation Plan and will ultimately be at-risk and financially responsible for developing the housing and the long-term asset management of the housing program. The City is committed to the transformation of the Detroit Choice Neighborhood Site with or without a Choice Grant. Therefore, the successful HIE should have a multi-faceted approach to implementation. Additionally, it is required that the HIE complete a comprehensive and feasible redevelopment Master Plan that can be completed in multiple construction phases within a five-year time period.

The City is requesting qualification statements from experienced developers to develop a mixed-use, mixed-income program that assists in the coordination of other critical community improvement components of the Transformation Plan. The successful respondent will: 1) demonstrate a strong track record in delivering quality projects on time, 2) have significant mixed-use development expertise coupled with a commitment to creating quality well designed affordable housing, 3) social equity and sustainability, 4) commitment to design, 5) expertise in place making, and 6) experience in engaging with a range of stakeholders in the civic engagement processes.

Inquiries regarding this solicitation should be submitted in writing and directed to:

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PART I. – INTRODUCTION

1.1 Brush Park

Brush Park is one of the oldest historic neighborhoods in Detroit. Today it encompasses 24 blocks in Midtown, bounded by Mack to the north, Woodward Avenue to the west, and the Fisher Service Drive to the east and the south. The area remained relatively stable until the 1960's, when the Brush Park neighborhood began to deteriorate substantially, experiencing a high incidence of vacancy, crime, and abandonment with subsequent demolition. Since the mid 1990's the City of Detroit has initiated an aggressive campaign in order to save the remaining historic properties, and to promote residential infill of the vacant land left by demolition. Work included total new roadway construction, new sidewalks, sewers, water mains, and street and pedestrian lighting in order to replace and upgrade the aging 100-year-old infrastructure. The City has invested a total of \$39 million in Brush Park over the last 13 years inclusive of infrastructure, demolition, acquisition, and historic rehabilitation.

Brush Park is strategically located in Midtown, Detroit's fastest developing area and the largest employment center. Brush Park, a once elegant and now sparse neighborhood, is in the midst of reinvestment with three new housing and commercial developments that will add more than 1,000 residents to the historic community just north of downtown Detroit providing a unique opportunity for employees in these adjacent employment centers to live in a new vibrant mixed-use, walkable urban environment. Current planned developments in Brush Park include:

- The Brush Park Project (Brush Park Development Company Phase 1 LLC (“BPDC”) is intended to be a mixed-use development that spans 8.4 acres. The project anticipates the creation of approximately 325-450 residential units and 8,000-20,000 SF of retail and/or commercial space; and includes the preservation of four historic mansions.
- The Scott at Brush Park (Woodward and Erskine, LLC) is now under construction and will provide a new mixed-use development on a 2.6-acre parcel of vacant land on the corner of Woodward Avenue and Erskine Street. The five-story building will include 200 market-rate apartments, a 300-space parking deck and 15,000 square-feet of ground floor retail space.
- The Brewster Wheeler project (Spar Bar LLC) is an adaptive reuse project that will convert a historic sporting facility into a new restaurant and community center. To the south of the project, the City plans to develop multi-family housing. This 6.2 acre site is located directly north of the Frederick Douglass Homes Site.

In addition to these Brush Park development sites, there are a number of projects and initiatives in and around this district that are helping to usher in this neighborhood revitalization (Attachment V). These current infill plans for mixed-income; mixed-use development serves as a catalyst for redevelopment of the former Frederick Douglass Homes site and allows the market for true income mixing.

1.2 The Frederick Douglass Homes Site

Located just east of Brush Park, the now demolished Frederick Douglass Apartments, which stood immediately to the south of the Brewster Project, began construction in 1942 with the completion of apartment rowhouses, two 6-story mid-rises, and six 14-story high rises between

1952 and 1955. The apartments housed anywhere between 8,000 and 10,000 residents, during its peak capacity.

The Frederick Douglass Homes were dedicated by First Lady Eleanor Roosevelt as the first public housing project built strictly for black families. It was said to have been built specifically for the "working poor." The Detroit Housing Commission (DHC) required an employed parent for each family before establishing tenancy. After operating for more than 50 years, in 2008, the Housing and Urban Development Department (HUD) approved DHC to relocate the remaining residents of the physically obsolete structures. After DHC's unsuccessful attempts to dispose of the property with the vacant structures as-is, DHC was awarded emergency grant funding from HUD to demolish all remaining buildings on the Frederick Douglass Homes site in September 2013. DHC completed this demolition after an extensive historical & architectural investigation was completed, and all required abatement measures were undertaken. The demolition of all building structures was completed in October, 2014.

As the Frederick Douglass Homes site is the qualifying severely distressed housing that the Choice Grant eligibility will be based upon, it is considered to be the priority location for the development of replacement housing in the Transformation Plan being formulated in pursuit of a Choice Grant.

The Frederick Douglass Homes Site is located in an area of Detroit historically known as Black Bottom and represents the largest residentially zoned site within Midtown Detroit. The transformation of this site will provide a unique opportunity to incorporate all the Choice Grant goals for redevelopment in the area that that will positively impact the residential market and connect the adjacent areas, such as Eastern Market, into one identifiable neighborhood. The goal of DHC is in harmony with that of the Choice Grant, which is to design and build the site in a way that is inclusive, involving resident participation, and with an excellent design that enriches and is compatible with the surrounding neighborhood.

1.3 Eastern Market District

Eastern Market District is a historical working food district with thousands of employees in wholesale trade, retail trade and manufacturing. The district is the largest open-air market and the largest continuously-operating historic public market district in the United States. More than 150 food and specialty businesses are located within the market district selling all types of goods including produce, meat, spices, jams, flowers, and poultry. The market has been operating in its current location since 1891 and the Eastern Market Historic District was added to the National Registry of Historic Places in 1978.

Eastern Market Corporation (EMC) is the non-profit corporation that operates the market on behalf of the City of Detroit that still owns the land and market shed structures. EMC has operated the market under a management and promotion agreement with the City of Detroit since 2006. The agreement empowers EMC to develop, maintain, manage, and promote Eastern Market and to serve as the official community and economic development organization for the Eastern Market District. Since 2008, more than \$40 million in new investment has taken place, \$17 million has been invested in building renovations of market sheds, and more than \$5 million has been invested in the Eastern Market District infrastructure and business expansion. EMC has developed a master plan for future mixed-use buildings and modern food processing facilities to build upon the market's positive reach in the city and provide opportunities to expand food related industries and residential projects in a truly unique urban environment.

The Market identity over the decades has always been identified as a place of food centered enterprise in the context of a vibrant open air market, surrounded by bustling wholesale food industry. As shifts in the global economy and new, mostly residential, development projects occurring all over the downtown and spreading towards Eastern Market, there are concerns that historic businesses and the core identity of the District as a center of food based employment may be displaced through gentrification.

Changes within the food industry include new federal food safety regulations, consolidation, and a burgeoning local food movement and in order to keep pace with these changes the traditional building fabric of the warehouses in much of the District no longer fit with the scale of trucking, shipping and processing called for in large scale food manufacturing. These shifting scales require a new vision for integrating infrastructure, modern facilities and re-purposing the traditional building stock of the District.

This new vision has been articulated in “Eastern Market 2025 Economic Development Strategy” a ten year plan for future of the Eastern Market District in response to the above conditions. EM 2025 calls for a denser mixed-use market district core while expanding the district boundaries to the east and north-east where largely vacant underutilized land will be assembled and developed into “Eastern Market Food Innovation Zone,” a modern light-industrial food district.

EMC currently has five sheds (Shed 2, Shed 3, Shed 4, Shed 5 and Shed 6) that conduct markets with more than 500 transient vendors participating in its year-round Saturday Market and seasonal Tuesday, Sunday, and Wholesale Markets. Eastern Market District is particularly busy on Saturdays, where as many as 40,000 customers select from a wide array of produce, value-added foods, and non-food items.

EMC has a number of ongoing projects that will be a part of the neighborhood revitalization efforts including:

1.3.1 Detroit Regional Food Accelerator Project – The Detroit Regional Food Accelerator (DRFA) Project is the conversion of a 104,000 square foot former Detroit Water & Sewer Department facility into a multi-tenant facility for food processors. The DRFA Project is intended to attract innovative food processors to occupy up to 90,000 square feet while the balance of space will be configured as EMC’s White Box + Space - ready to move into space - for food businesses currently incubating in the robust ecosystem created to support value-added food producers in Detroit. EMC has raised \$1.2 million from foundation and corporate sources to support the White Box + Space component of the project. The DRFA Project will have a huge economic impact and boon to the City, as food processing is the part of the food system with the greatest potential for new jobs and the food sector is unique among cluster business groups because it can create the widest range of jobs from low skilled through highly skilled. The DRFA Project is expected to create 250 new jobs.

1.3.2 EM Food Innovation Zone – EMC is looking to expand the current Eastern Market District to create space for food processors and distributors to expand or locate. The EM Food Innovation Zone is expected to bring 850 to 1,200 jobs in the first five years. In addition to the innovation of new modern food processing facilities, EMC is focused on a new in-city food district that is integrated within the overall Eastern Market District with sustainable development practices that include

complete streets, open green spaces, and storm water management practices. The current Eastern Market District occupies approximately 315 acres. The expansion would add approximately 100-150 acres to the east and north-east in what are currently large tracts of vacant and underutilized land owned by the City. EMC is already seeing that as food processing moves to newer more modern facilities, the older buildings around the Dequindre Cut have been made available for residential and other mixed-use development creating opportunities for residential and other uses.

1.3.3 Detroit Market Garden – As Detroit emerges as a national hub for urban agriculture, the Detroit Market Garden located on Orleans Street between Erskine and Wilkins is a pioneering example of small-scale food enterprise that is part of the local economy. Created by Greening of Detroit with a \$1 million grant from the Community Foundation for Southeast Michigan, the Detroit Market Garden began making an impact on a 3-acre sized plot that, in addition to growing fresh produce, flowers and herbs, (sold at Eastern Market and to area restaurants and distributed to food banks), also includes a six-month paid apprenticeship program to build local skills in food production.

1.3.4 Shed 4 Mixed-use Project – The Shed 4 project will replace the current open-air Shed 4 with an enclosed market hall along with up to 60 units of mixed-income housing on upper floors. Developing mixed-income, mixed-use project dedicated to workforce housing will densify the market core. The Shed 4 project will sustain and enhance the economic diversity in the district and will provide a new revenue stream that will support the future viability of Eastern Market Corporation.

PART II. – OVERALL PROJECT – NEIGHBORHOOD VISION

It is the goal of the City and DHC to establish this Detroit Choice Neighborhood Site in order to repair the impact of urban renewal projects on the destruction of the city's near east side African American neighborhoods of Paradise Valley and Black Bottom. While those historic thriving communities cannot be brought back, there is a unique opportunity to repair the tear in the urban fabric created by the construction of the I-75 freeway by reknitting the neighborhoods through targeted physical development and the introduction of new programs. A Choice Neighborhoods compliant Transformation Plan ensures that equitable development occurs, so as near downtown neighborhoods are revitalized, there continues to be an opportunity for low-income families to live in quality affordable housing with access to education and quality of life supports to ensure these families benefit from new investment.

As significant public and private investments in Midtown and its adjoining neighborhoods continue to unfold, there is pressure for the City to adjust the overwhelming number of struggling outer neighborhoods. A Transformation Plan is an opportunity to link investments occurring in Brush Park and Eastern Market towards the edges of Forest Park and McDougall Hunt neighborhoods.

2.1 The Detroit Choice Neighborhood Site is poised for redevelopment. This site is under considerable market pressure and presents a tremendous opportunity for transformative investment. Emerging as a site of significant importance, the City of Detroit will lead a transformation planning process that will provide an inclusionary approach to the creation of a mixed-use, walkable community, incorporating sound urban design and established neighborhood development principles to become a model for Detroit in the 21st Century. The plan will offer a variety of uses and interesting typologies of varied architectural styles aimed to attract a mix of incomes and a diverse range of household sizes. Although the scale of the plan is indeed to be pedestrian oriented, this does not eliminate the potential to provide some vertical density within the Detroit Choice Neighborhood Site, provided that these structures are designed with proper form and function within the neighborhood context and be placed in relationship to adequate open space. The Transformation Plan will also offer amenities for non-motorized and shared transportation options and will address connectivity challenges this site provides. The Detroit Choice Neighborhood Site is envisioned to become a catalytic neighborhood founded on key goals including:

- 2.1.1** Fostering social inclusion – Create a truly mixed income, culturally diverse neighborhood that can offer quality housing for current and future residents.
- 2.1.2** Create Residential Density – In order to improve street life, walkability, and support an increase in population. The intent is to attract developers, achieve a critical mass of residents, and provide the foundation for a dense and livable residential neighborhood with nearby services and amenities. The Proposed Development Plan will allow for approximately 40 UPA.
- 2.1.3** Commitment to sustainability – Green building, stormwater management, energy production.
- 2.1.4** Local economic engine – Support and build on Detroit's' Eastern Market as an economic engine providing opportunities for new job growth and supporting a vibrant local food based economy.

- 2.1.5** Introduce neighborhood scale retail uses to support a walkable district and meet the needs of future residents.
- 2.1.6** Connectivity – Build on the walkable and bikeable proximity of neighborhood amenities. This will be done by creating priority walking streets and biking infrastructure to connect to major employment centers, entertainment and cultural destinations, transit facilities and existing greenways. Connected walkable communities create a neighborhood that supports healthy lifestyle choices, with a focus on innovative solutions to the connectivity challenges this site demands.
- 2.1.7** Neighborhood Identity – Utilize the public realm and new development to create a cohesive neighborhood character that becomes a destination.
- 2.1.8** Pedestrian scale – Offering building form, landscaping, and lighting oriented to the pedestrian scale, while building upon character of the existing urban fabric, where present
- 2.1.9** Urban design – Creation of a dense, walkable, urban environment components include wide walkable paths, complete streets, useable open space, and visually interesting street edges established through landscape design, building design and uninterrupted continuity of buildings. Limit surface parking lots and design parking to limit its impact on the pedestrian realm.
- 2.1.10** Health and Wellness – Provide access to healthy foods, a safe pedestrian environment that connects residents to a range of recreation options including trails, parks and community and cultural gathering spaces

2.2 A Choice Neighborhoods compliant Housing Strategy Plan ensures that equitable development occurs so that as near downtown neighborhoods are revitalized, there continues to be an opportunity for low-income families to live in quality affordable housing with access to education and quality of life supports that ensure these families benefit from the new investment.

While there is an opportunity to shape the final vision for this portion of Midtown Detroit, the City and its partners envision a dense, walkable mixed-use district that builds off of the distinct attributes and history of the district, which includes Brush Park, the Frederick Douglass Site and Eastern Market, in order to create a Choice Neighborhood that is truly urban and truly Detroit.

PART III. RELATED COMMUNITY DEVELOPMENT INITIATIVES

Under the City's leadership, its agencies and its philanthropic community, Midtown and Downtown Detroit are seeing an unprecedented level of public and private investments, paving the way for people and businesses to reestablish Detroit's urban core.

3.1 Midtown Renaissance – Redevelopment of the Midtown neighborhood provides market certainty for investment in Brush Park. Wayne State University and the Detroit Medical Center anchor Midtown and complement the growth and vitality of Eastern Market and the economic resurgence of Downtown to the south.

3.2 New Red Wings Arena Redevelopment Area – In the southwest boundary of Midtown, a \$650 million mixed-use, transit-oriented entertainment district is planned within walking distance of the Detroit Choice Neighborhood Site.

3.3 New M1 Light Rail – The opening of new rail transit will run through the core of Midtown and will be located at the western edge of the Brush Park along Woodward Avenue. The M1 Light Rail positions residents in the area better access to jobs and services along the corridor.

3.4 Link Detroit – is a multi-faceted \$24.8 million non-motorized infrastructure project that links Detroit's core investments while enhancing non-motorized and multimodal connections. The bike-pedestrians network includes street-scaping, lighting, and bike lanes. The improvements include the extension of the Dequindre Cut from Gratiot to Mack Avenue with additional greenway extension of the Midtown Loop through Eastern Market along the north side of Wilkins, which runs through and between Brush Park. The Frederick Douglass and Brewster site connects to Midtown along John R. Street, and the City of Hamtramck to the north along St. Aubin.

PART IV. – HUD CHOICE NEIGHBORHOODS PROGRAM INITIATIVE

4.1 Choice Neighborhoods Introduction

Choice Neighborhoods is HUD’s signature place-based initiative and is a central element of the White House’s Promise-Zones Initiative, which builds upon a federal partnership to transform high-poverty neighborhoods into places of opportunity and economic growth. The Choice Grant allows successful applicants to potentially leverage \$30,000,000 in federal grant funding to support the transformation of the Detroit Choice Neighborhood housing sites, and the adjoining areas of Brush Park and Eastern Market, into a vibrant, mixed-income, and mixed-use community. If received, the Choice Grant will also be used to leverage additional investment within the Detroit Choice Neighborhood.

The Choice Grant supports locally driven strategies to address struggling neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation. Local leaders, residents, and stakeholders, such as public housing authorities, cities, schools, police, business owners, nonprofits, and private developers, come together to create and implement a plan that transforms distressed Public and or HUD Assisted housing and addresses the challenges in the surrounding neighborhood. The Choice Grant is designed to catalyze critical improvements of neighborhood assets, including vacant property, housing, services and schools. The Choice Grant is focused on three core goals:

- 1. Housing:** Replace distressed public and assisted housing with high-quality mixed-income housing that is well-managed and responsive to the needs of the surrounding neighborhood;
- 2. People:** Improve educational outcomes and intergenerational mobility for youth with services and supports delivered directly to youth and their families; and
- 3. Neighborhood:** Create the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good schools, and commercial activity, that are important to families’ choices about their community.

To achieve these core goals, communities must develop a Transformation Plan. This Transformation Plan will become the guiding document for the revitalization of the public and/or assisted housing units, while simultaneously directing the transformation of the surrounding neighborhood and positive outcomes for families. To successfully implement the Transformation Plan, applicants will need to work with public and private agencies, organizations (including philanthropic organizations), and individuals to gather and leverage resources needed to support the financial sustainability of the plan.

The primary focus of the HIE will be:

- Achieving the Housing Goal by transforming the target sites into a mixed income, mixed-use neighborhood that serves will serve as a connection to Brush Park, the Frederick Douglass Homes Site and Eastern Market into a comprehensive high quality community.
- Coordination of the Housing Goal with the People and Neighborhood Goals. The City, DHC and their community partners will be preparing programs and commitments to

address the above listed People and Neighborhood core goals in coordination with the HIE selected to provide Choice Neighborhood Housing.

4.2 Choice Neighborhoods Program Requirements

Respondents to this RFQ are strongly encouraged to examine the most recent Choice Grant NOFAs, as well as, the proposed program parameters outlined below in order to reply with strategies that are not only responsive to HUD priorities, but also in line with the market environment to ensure the successful redevelopment of the target sites and defined neighborhoods.

The Transformation Plan to be developed in consultation with the procured HIE shall be consistent with the following minimum requirements of the Choice Neighborhoods Program (the “Program”):

- 4.2.1** One-for-one bedroom replacement. Replace DHC Asset Management Project No. 5 (Amp) 5 (224 units) one-for-one with public housing units (i.e., residents pay no more than 30% of income for rent) on and off the original site, to the greatest extent possible in mixed-income settings within the Detroit Choice Neighborhood Site.
- 4.2.2** Mixed-income developments. Create new units to reflect a new, economically viable mixed-income community that includes residential and, if feasible, non-residential uses. The new community should include a mixture of deeply subsidized, affordable and market rate rental and/or homeownership units as determined to be viable and advantageous to the overall development effort. The subsidized and affordable units should be mixed across all building types and located throughout the sites. Community facilities and commercial development components of the Transformation Plan will be determined during the planning process and in consultation with the Developer.
- 4.2.3** High quality design. Create a sustainable new community of high quality design that meets or exceeds industry standards and incorporates state-of-the-art energy conservation and green practices in a LEED-certifiable project (HUD requires LEED ND verifiability). The designs of the residential and non-residential components should be respectful of the historic massing and scale of this section of the Midtown/Brush Park neighborhood context, when the historic urban fabric is present and still intact.
- 4.2.4** Leverage resources. Pursue funding sources appropriate for the redevelopment program and leverage CNI Program funding (if awarded) and city-owned land, maximizing the efficiency and effectiveness of public resources. Work collaboratively with local, state and federal agencies to identify a variety of resources to support housing and any non-residential components of the Transformation Plan, including the acquisition of additional real property. These resources should include but not be limited to tax credits, bond financing, CDBG/HOME funds, the Michigan State Housing Development Authority (MSHDA) program funds, private mortgages, etc.
- 4.2.5** Neighborhood Integration. Create a diverse community that is incorporated into the surrounding neighborhoods, of Brush Park, Brewster Homes and Eastern Market that strengthens the economic vitality of the area, and supports the

functions of daily life including education, recreation, retail and community facilities.

- 4.2.6** Support development of human capital. In collaboration with the Choice Program Goal #2 People Plan partners, develop a human services delivery system to help meet the needs of the residents of the new community and the surrounding neighborhood, including training and employment opportunities as well as community and supportive service programs for public housing residents. The People Plan Implementation Entity will be responsible for the human services delivery system. However, the HIE is expected to maximize job opportunities through a robust Section 3 program and to incorporate the supportive services programs into the long-term operations of the new community, together with securing any necessary funding commitments for such services.
- 4.2.7** Develop and provide financial commitments for the first phase by the time of Choice Grant submission.
- 4.2.8** Develop the entire Choice Neighborhoods program within a 5 year time period.
- 4.2.9** Additional programmatic requirements are subject to the next HUD Choice Neighborhoods Implementation Grant Notice of Funding Availability (NOFA).
- 4.2.10** Based upon the release of prior Choice Neighborhoods' NOFA, it is expected that the 2016 Choice Neighborhoods' NOFA is to be released to the public in the Spring of 2016. Respondents will have 2 months approximately to finalize the Transformation Plan and submit a Choice Grant application.

PART V. – METHOD OF SELECTION

The City is utilizing a Qualifications-Based Selection (QBS) method of procurement through this Request for Qualifications (RFQ) solicitation. Under this method, the respondent's compensation will not be used as an evaluation factor. Responses will be evaluated by a City evaluation committee utilizing the evaluation criteria outlined in Part X of this RFQ. Based upon the committee evaluation, the City will determine if there are one or more respondents that may be capable of providing the services described in this RFQ and that have a reasonable chance of award (the competitive range). The City may in its sole discretion; either enter negotiations with the highest-ranked respondent in the competitive range or request additional information and/or presentations/interviews with the respondents considered to be in the competitive range. The evaluation committee will then re-evaluate the competitive range firms based on their original proposals and the additional information provided.

The City will then negotiate key business terms with top ranked respondent, with the intention of reaching agreement on fair and reasonable terms. If agreement cannot be reached in a timely manner that jeopardizes the City's Choice Neighborhoods Implementation Grant submission, the City will terminate negotiations with this respondent and proceed to the next-highest rated respondent until agreement is reached on business terms determined to be fair and reasonable. Once negotiations have been terminated with a respondent, the City will not go back to that respondent for additional negotiations.

The City also may, in its sole discretion, determine that it will be in the best interest of the City and/or the redevelopment project to contract with multiple respondents through this solicitation process.

If an award is made through this solicitation, all team members identified in the response to this RFQ will also be considered approved. Each respondent to this RFQ is expected to propose a team capable of providing all required design, financing, development, and management services. Proposers must (and the successful respondent will) evidence prior successful experience in implementing mixed finance redevelopment projects in partnership with housing authorities and HUD.

The selected HIE and/or Development Partner(s) will be required to comply with all applicable HUD regulations pertaining to procurement of contractor and technical services and identity of interests. The HIE and/or Development Partner(s) will also be required to follow a competitive solicitation process that is approved by the City.

Part VI. – TARGET SITES AND PRELIMINARY PROGRAM

6.1 City Owned Target Sites:

3480 Russell St. – 2.5 Acres of land bounded by Russell St., Erskine, and Riopelle.

- The City currently owns 3480 Russell Street. The City requests that the HIE develop a mixed-used project that includes at least 80 mixed-income units. The City will consider offers to purchase this property.

Shed 4 – Approximately .9 Acres (39,450 Sq. Ft.) that includes an existing open-air structure bounded by Russell St., Alfred St., Division Street, and an easterly alley adjacent to a City-owned parking garage.

- EMC will serve as co-developer to the HIE in the development of the Shed 4 project. Currently, EMC has commitment of \$1 Million in grant funds and solidified a \$1 Million loan to finance the development of Shed 4. To ensure Shed 4 is developed in accordance with their objectives, EMC is currently and actively engaged in solidifying additional financial commitments, and is prepared to serve as a conduit for tax credit benefits that may require non-profit participation.

The Shed 4 project will replace the current open-air Shed 4 with an enclosed Market Hall. Developing a mixed-use project dedicated to mixed-income housing will densify the market core. The Shed 4 project will sustain and enhance the economic diversity in the district, and will provide a new revenue stream that will support the future viability of EMC. The project should also strive for the highest possible energy efficiency performance and include stormwater management technology components.

The HIE shall assist in providing a financial structure for the Shed 4 project that will generate revenue that supports service debt while maintaining a reasonable rate of return on investment. EMC will own and operate the commercial component of Shed 4's market space and will work in conjunction with the HIE to establish a mutually acceptable design approach for the entire Shed 4 project.

6.2 DHC owned Target Site:

Frederick Douglass Homes Site – DHC currently owns the Douglass site, which is governed by a Declaration of Trust between DHC and HUD. This 22 acre site (approximate size including existing right of way) is located at the northwest corner of the Chrysler Freeway (I-75) and the Fisher Freeway (I-375) and is bounded by Wilkins on the north, I-75 on the east; I-375 on the south to Wilfred and Beaubien Street on the west. The Frederick Douglass Homes site is located just north of downtown Detroit; adjacent to the Brush Park Historic District neighborhood; and within walking distance of Eastern Market, the M1 Light Rail stop, Whole Foods Market, the Central Business District, the Detroit Medical Center and Wayne State University, Ford Field, Comerica Park and the Detroit Red Wings Arena redevelopment district. The vacant Frederick Douglass Homes site is graded and seeded and minimal public roads and storm drainage infrastructure remain in place.

- The City and DHC request a development plan that transforms this site and the surrounding neighborhood into a large scale development that complements the activities currently underway or planned in the area. DHC envisions a new mixed use development that will include a mix of medium and high density affordable and market rate rental and/or homeownership units, as well as associated community and open space that will be the center of a major transformation of the adjoining neighborhoods. DHC also encourages and will consider offers to acquire the Douglass Homes site.

6.3 Target Site Conditions:

The HIE will be selected through the City’s RFQ process. The HIE will be responsible for the development of the Target Sites listed above. The HIE is responsible for implementing the Housing component of the Transformation Plan and will ultimately be at-risk and financially responsible for developing the housing and the long-term asset management of the housing program.

The terms and conditions of the Development Agreement for the **3480 Russell Street** site and the **Shed 4** site will be negotiated and approved by the City.

The terms and conditions of the Development Agreement for the **Frederick Douglass Homes** site will be negotiated and approved by DHC.

In the event the City is not awarded a Choice Grant, DHC has the option to remove the Frederick Douglass Homes Site from consideration.

6.4 Brush Park Development Company Phase 1 LLC /Brush Park Project

BPDC intends to develop a mixed-use project that spans 8.4 acres (the “Brush Park Project”). The Brush Park Project is generally bounded by Edmund, Beaubien, Division and Woodward. (Attachment IV). The Brush Park Project anticipates the creation of approximately 325-450 residential units. It is anticipated that between 65% and 85% of the units offered will be for rent and between 15% and 35% will be for sale. 20% of the rental units will be dedicated to households that earn a maximum of 80% of the Area Median Income or less (“Affordable Units”). BPDC intends to place a significant portion of the affordable units in one multi-family building that will be primarily dedicated to elderly residents (the “Brush Park Elderly Development”). The Brush Park Elderly Development is located within the Detroit Choice Neighborhood Site and will be the first phase of Detroit’s Choice Neighborhoods Housing Program upon execution of a joint venture agreement between BPDC or an affiliate and the HIE, in a form and content satisfactory to BPDC.

6.5 Preliminary Detroit Choice Neighborhoods Housing Program

- Provide at least 500 units of mixed-income housing units that will include a mix intended to replace a minimum of 224 replacement units to not only support the City’s housing goals, but also maximize scoring for a future Choice Neighborhoods Implementation Grant Application.
- A density of 40 units per acre.
- Bedroom mix to meet replacement housing units and meet market demand.

- d. At least 1 acre of programmable open space.
- e. Neighborhood scale retail to meet the needs of future residents (30,000 – 45,000 square feet).
- f. Parking resources adequate for the development of this scale of development and designed to promote a walkable multi-modal neighborhood with opportunities for a district level parking strategy.
- g. Respectful of local historic assets and the rich African-American heritage in the city.
- h. Integration within a working Eastern Market Food District.

PART VII. – CITY (LEAD APPLICANT) AND DETROIT HOUSING COMMISSION (CO – APPLICANT) ROLES AND RESPONSIBILITIES

7.1 City Role

The City is the Lead Applicant of the Choice Implementation Grant application. The Lead Applicant is responsible for overseeing and coordinating all elements of the Choice Neighborhoods Transformation Plan and is accountable to HUD to complete the work proposed in the application, as amended with HUD approval. The City will also serve as grant manager of Choice Grant funds if awarded.

The City will select the HIE according to the terms outlined in Part X. Please note, the acquisition and conveyance of 3480 Russell St. and Shed 4 are subject to City Council approval.

Additional City responsibilities include, but are not limited to:

7.1.1 General

- a. Lead Applicant – As the Lead Applicant, the City will be responsible for overseeing and coordinating all elements of the Choice Neighborhood Transformation Plan and will be responsible to HUD to complete the work proposed in the application. To the extent any such documents or evidentiaries are within the particular knowledge or responsibility of the HIE or Development Partner(s), the City will expect the HIE and/or its Development Partner(s) to be principally responsible for preparing such documents and evidentiaries as the City may direct.
- b. Land Owner/Site Control – The City is the current owner of 3480 Russell St. and Shed 4, and will provide site control to the HIE. The City intends to negotiate the terms of the sale, lease or other conveyance method for City owned sites with the HIE and/or Development Partner(s) through a Development Agreement.
- c. Manager of Choice Grant funds – As Lead Applicant, the City will be responsible for allocating Choice Grant funds to all Choice Neighborhood related activity.
- d. Transformation Plan Lead – The City has and will continue to lead the Transformation Plan process. This includes communication and management of anchor institutions, Choice Neighborhood partners, community meetings, community stakeholders, City departments and City representatives.
- e. All Property will be sold “AS IS”. Respondents are hereby notified that the City has not investigated the environmental condition of any of the City owned properties available in this RFQ. The City of Detroit makes absolutely no warranty or representation regarding the environmental condition of the City owned sites offered within this RFQ.

7.1.2 Predevelopment

- a. Zoning approvals.
- b. Site plan approvals.
- c. Liaison between the HIE and City Council.
- d. Facilitate City development process by obtaining approvals from various City Departments.
- e. Schedule all public meetings, and track and coordinate with community stakeholders.
- f. Coordination of land acquisition.
- g. Construction permits.
- h. Site/Unit Designs – The City will approve HIE’s design of City owned sites. This includes building designs and floor plans.
- i. Performance Monitoring – The provision of Choice Grant funds, other City of Detroit sources (Predevelopment Loans if applicable) requires that Lead establish performance measures that assure consistent performance throughout the various project documents. City of Detroit will review performance on these measures throughout the life of the development.

7.1.3 Financing

- a. Funding – The City shall make available and give priority to the HIE for City grant funds (including HOME and CDBG).

7.1.5 Contract Management

- a. Payment Processing – The City may review/approve all payments made utilizing City funding sources.
- b. Contract Amendments – The City will review all project-related contract amendments and deliverables as outlined in the terms and conditions of the Master Development Agreement for City owned property. Under terms of the Choice Neighborhood Grant, changes to any principals of the agreement are subject to HUD approvals.
- c. Approval of Deliverables – City of Detroit will review City owned project-related deliverables including but not limited to design documents, studies and construction to ensure compliance with the terms and conditions of the associated contracts and the Master Development Agreement.

7.1.6 Master Developer and Development Partner(s) Oversight

- a. Procurement Approval – City of Detroit will monitor the various Master Developer and Development Partner(s)/HIE procurements for the project to ensure they are in compliance with the terms and conditions described in the Master Developer Agreement.
- b. Monitor Master Developer and Development Partner(s)'s/HIE Compliance with Section 3 – the City will monitor the Master Developer and Development Partner(s)'s plans and efforts for reaching Section 3 goals and objectives.
- c. Inspection by City – The City reserves for itself and its authorized agents, the right enter the property to inspect City owned property and any work in progress for the purpose of protecting or furthering the City's interest.

7.2 Role of the Detroit Housing Commission

DHC is a Michigan public body corporate organized as a housing agency and operating under the Michigan Housing Facilities Act, MCL 125.653 et seq. Prior to August 2004, DHC was a department of the City of Detroit. Its mission is to provide quality affordable housing for low-to moderate-income families, and to make public housing in Detroit a “housing of choice.” DHC manages 17 sites of family and elderly public housing developments totaling approximately 3,700 units under an Annual Contributions Contract (ACC) with HUD. DHC also administers approximately 6,000 Vouchers under the Housing Choice Voucher Program in five counties in metropolitan Detroit.

A five-person Board of Commissioners, authorized by State law and appointed by the Mayor of the City of Detroit, is responsible for the development of housing policy and the authorization of expenditures. Operations and recommendations regarding planning strategies made to the Board of Commissioners and the Mayor are the responsibility of the Executive Director. Conveyance of the Frederick Douglass Homes site is subject to the approval of Board of Commissioners and HUD.

DHC's level of participation throughout the development process will be determined by the terms and conditions negotiated with the selected HIE and will be fully described in the resulting Master Development Agreement. At a minimum, DHC's level of participation will include all activities necessary to include compliance with applicable HUD regulatory requirements and the terms and conditions agreed to in the Master Development Agreement. DHC will participate in the Transformation Plan process. DHC will make the Frederick Douglass Home site available to the HIE for the Transformation Plan process.

The selected Developer should not anticipate DHC providing any capital funding for construction of the new development, unless new sources of funds are made available to DHC and or the City. To assist with the financial viability of the new development, DHC is willing to provide HUD operating subsidy for all public housing units developed and/or a limited number of Project-Based (HCVP) vouchers.

DHC currently owns the Frederick Douglass Home site. The following responsibilities pertain to the Frederick Douglass Home site and HCVP/replacement units only.

7.2.1 General

- a. Land Owner/Site Control of the Frederick Douglass Home Site – DHC is the current owner of the Frederick Douglass Homes site. DHC has conditional HUD approval to dispose of the site for redevelopment and plans to convey site control to the HIE. DHC intends to negotiate the terms of the sale and/or long term ground lease or other conveyance method for the total site (under a total site sale scenario only) with the HIE and/or its Development Partner(s) and secure HUD approval of the terms and conditions.
- b. HUD Contact – DHC will be responsible for all communication with HUD related to the development of the Douglass Homes Site or related to the development of offsite replacement affordable housing, which includes the submission and approval of program and evidentiary documents to obtain all HUD approvals including, but not limited to, land disposition, review of construction plans and mixed-finance budget approvals. To the extent any such documents or evidentiaries are within the particular knowledge or responsibility of the HIE or Development Partner(s), DHC will expect the HIE and/or its Development Partner(s) to be principally responsible for preparing such documents and evidentiaries as DHC may direct.
- c. Monitoring the Lease-up of HUD Subsidized Units – DHC will monitor the Developer’s lease-up to eligible applicants on public housing waitlists to ensure compliance with a DHC approved Admissions and Continued Occupancy Plan (ACOP), the project Management Plan and other applicable regulations and agreements required when HUD is providing financial subsidy. There are no formal commitments for any current or former DHC residents to have a preference for leasing units on the redeveloped site.

7.2.2 **Pre-Development**

- a. Due Diligence – DHC may be involved in all aspects of due diligence activities that pertain to the Frederick Douglass Homes site and off-site replacement units and will assist with coordination with the City agencies and other entities as appropriate.
- b. Site/Unit Designs –DHC may be involved in all of the design processes to finalize site plan activities that pertain to the Douglass Homes Site and off-site replacement units including the building designs and floor plans. Also, DHC will review and submit when required to HUD for review and approval of the construction drawings and specifications and related costs.
- c. Performance Monitoring – The provision of Choice Grant funds, another City of Detroit sources (Predevelopment Loans if applicable) requires that DHC establishes performance measures that assure consistent performance throughout the various project documents. City of Detroit will review performance on these measures throughout the life of the development.

7.2.3 **Financing**

- a. Predevelopment Funding – At the time of issuance of this RFQ, City of Detroit has not identified sources of funding for predevelopment activities. If City provides predevelopment funding for the project that is an interest-bearing loan, the loan will be subject to DHC and HUD approval and expected to be repaid at financial closing.
- b. Provide Development Funding – DHC does not anticipate providing the Developer with any capital funding for this project.
- c. Provide Operating Subsidies – DHC will seek HUD approval to provide financial contributions toward the continuing operation of the housing units reserved for public housing eligible residents, in the form of federal operating subsidies from HUD. DHC will retain the maximum allowable portion of the operating subsidy received from HUD to offset the costs to DHC to monitor and carry out its asset management functions.
- d. Approve Lender or Equity Solicitation and Terms – DHC intends to participate in the development of solicitation documents for financing development on the Frederick Douglass Homes Site and off-site replacement units. DHC may also participate in negotiations with the selected investors and lenders of the HIE and approve the final terms and conditions of the equity or loan agreements.

7.2.4 **HIE and Development Partner(s) Oversight**

- a. Asset Manager – DHC will have asset management responsibilities related to any units subsidize via operating subsidies; (Public Housing Units via Annual Contribution Contract (ACC) and/or Housing Choice Voucher Project Based Voucher Program); ACC/PBV units, as well as all other units (if proposed) in which DHC or its affiliate have an ownership interest. DHC will monitor HIE and Development Partner(s) compliance with applicable evidentiary documents.
- b. Procurement Approval – DHC will monitor the various HIE and Development Partner(s) procurements for the project to ensure they are in compliance with the terms and conditions described in the Master Developer Agreement.
- c. Monitor HIE and Development Partner(s)'s Compliance with Section 3 – DHC will monitor the HIE and Development Partner(s)'s plans and efforts for reaching Section 3 goals and objectives.
- d. (If Applicable) Monitor HIE and Development Partner(s)'s Compliance MBE/WBE Contracting Goals – DHC will monitor the HIE and Development Partner(s)'s plans and efforts for reaching eligible Minority Business Enterprises (DBE), and Women Business Enterprises (WBE) goals and objectives.
- e. Inspection by Landowner – The Landowner reserves for itself, it's authorized agents, and HUD and its authorized agents, the right enter the

property to inspect the Project and any work in progress for the purpose of protecting or furthering the Landowner's and/or HUD's interest.

7.2.5 **Contract Administration**

- a. Payment Processing – DHC may review/approve all other payments made utilizing other funding sources in accordance with the terms and conditions of the Master Development Agreement, as related to replacement housing units.
- b. Contract Amendments – DHC will review all project-related contract amendments and deliverables as outlined in the terms and conditions of the Master Development Agreement, as related to replacement housing units.
- b. Approval of Deliverables – DHC will review all project-related deliverables including but not limited to design documents, studies and construction to ensure compliance with the terms and conditions of the associated contracts and the Master Development Agreement, as related to replacement housing units.

VIII. – Developer Roles and Responsibilities

8.1 Development Strategy and Methodology

The HIE will be a key stakeholder/participant in the Transformation Plan process. The HIE's contributions will be critical to the development and success of a Choice Implementation Grant application. Therefore, the City requires the HIE's close participation throughout the Transformation Plan process when developing the Target Sites listed above. The HIE is responsible for implementing the Housing component of the Transformation Plan and will ultimately be at-risk and financially responsible for developing the housing and the long-term asset management of the housing program. The HIE will be responsible for ensuring that the redevelopment plan is approved, financed and implemented in a timely fashion.

Additionally, the selected HIE will be responsible for developing and implementing a redevelopment plan that can attract mixed-income residents into the community, and integrate the new development into the surrounding neighborhood. The HIE and/or Development Partner(s) will be expected to; assemble and manage a team of qualified individuals, affiliates, subcontractors and consultants necessary to prepare a viable redevelopment plan for the Target Sites listed in Part VI of this RFQ; assemble the financing necessary to fund the new development; obtain City and DHC approval of redevelopment plans; and provide qualified professional project and property management services to operate the development.

The selected HIE will be required to evaluate and consider a variety and mix of possible uses for the site including, but not limited to, affordable rental and for-sale housing, market rate rental and for-sale housing, as well as related amenities and compatible commercial uses.

Based on selection committee evaluations, the City may, in its sole discretion, determine that it will be in the best interest of the City and/or the redevelopment project to contract with multiple developers through this solicitation process.

8.2.1 General:

- a. **Oversee and Implement Redevelopment Efforts –** Provide the necessary staffing, expertise, supervision and guarantees to implement all aspects of the redevelopment fully and expeditiously as required by the Master Development Agreement.
- b. **Hire and Manage Consultants and Contractors Necessary for Planning and Implementation –** The HIE and Development Partner(s) will procure other consultants and/or contractors and coordinate all tasks necessary for the implementation of the redevelopment plan. At a minimum, the HIE and Development Partner(s) will need to procure, oversee and manage all consultants necessary to complete funding applications, master planning, architectural, environmental review, market analysis, geo-technical studies, civil, mechanical and electrical engineering, and any other activities deemed necessary to implement the project by the HIE and Development Partner(s), the City and DHC.

The HIE will solicit development proposals, as needed from private for-profit and non-profit developers for designated properties in/of the Transformation Plan, if applicable. Analyze various development proposals for feasibility.

- c. Maintain Communication Regarding Project Progress with the City, DHC, HUD, all key stakeholders and the larger public – the City will establish a regular schedule of team meetings, in which the HIE and Development Partner(s) will participate. Moreover, the HIE and Development Partner(s) will be responsible for submitting monthly progress reports to the City , in such formats and media as the might direct, detailing project progress and milestones achieved; updated critical path schedule; budget status and projections; Section 3 and M/WBE participation and other information deemed relevant by the City.
- d. Develop and Maintain Quality Control Measures – The HIE and Development Partner(s) is responsible for ensuring the Project is implemented and managed with the highest quality standards. The HIE and Development Partner(s) will be required to implement quality assurance and control measures to ensure effective performance by all parties in all aspects of the program.
- e. Develop and Maintain a Detailed Development Schedule and Critical Path Schedule – Develop and maintain a detailed schedule of events, predicated on financing deadlines that include pre-development activities, construction start, project stabilization and permanent loan close. Develop a Critical Path Schedule for all phases of construction, and lease-up and stabilization.
- f. Foster Resident Involvement in Project Implementation – Facilitates and foster the involvement of public housing and other neighborhood residents in the design and implementation of the redevelopment plans. In cooperation with DHC, keep residents informed of the status of the revitalization, assist in providing job opportunities for residents during and after implementation, and assist/encourage resident businesses.
- g. Be Responsive to Local Community, Neighborhood, and Governmental Interests – Promote and maintain good relations with community and neighborhood groups, and federal, state and local governments.
- h. Compliance with Laws, Rules and Regulations – The HIE and Development Partner(s) will comply with all applicable Federal, State, and local laws, rules and regulations. The HIE and Development Partner(s) will also establish systems and manage all Development Team Members proposed as well as all contractors, consultants and others providing service during the redevelopment effort to ensure their compliance with applicable Federal, State, and local laws, rules and regulations.
- i. MDE/WBE/DBE Opportunities – The HIE and Development Partner(s) will take affirmative steps necessary to assure that minority, women-owned and disadvantaged business enterprises are used to the greatest extent feasible consistent with Presidential Executive Orders 11625, 12138 and 12432. The selected respondent(s) and Development Partner(s) shall have a viable program in place to assure the goals are met or exceeded. A monthly report (or on other agreed to schedule) shall be provided to DHC by the HIE and Development Partner(s) to accurately demonstrate the level of effort and compliance.

- j. Resident/Local Employment and Contracting – The HIE and Development Partner(s) shall develop and implement a comprehensive Section 3 Program consistent with DHC's Section 3 hiring requirements, as well as meeting other policy objectives aimed at improving the economic circumstances of individuals, households and companies in Detroit. Applicable City of Detroit Executive Orders and all City of Detroit Ordinances will apply to this transaction. See Attachment I for more explicit discussion and explanation of Section 3 Requirements. See Attachment VI for City of Detroit Executive
- k. HIE shall negotiate in good faith to enter into a joint venture agreement with BPDC or its affiliate for the development of the Brush Park Elderly Development, prior to the Choice Neighborhoods Implementation Grant submission and on terms acceptable to BPDC or its affiliate, that recognizes that the Brush Park Elderly Development is the first phase of Detroit's Choice Neighborhoods Housing Program.
- l. HIE shall negotiate in good faith and enter into a partnership agreement (MOU, joint venture, or other sufficient document) with EMC prior to the Choice Neighborhoods Implementation Grant submission specifically for the Shed 4 project. This agreement shall identify the partnership between the HIE and EMC, identify any sub-developers, adhere to Choice Neighborhood guidelines, and generally describe the Shed 4 mixed-use program.

In consideration of the intimate knowledge and experience of EMC in the operation of the Market and its users and visitors, and the knowledge of EMC with respect to the overall plan and configuration of the Market, the success of the Market, stakeholder engagement-based planning and fund raising history and capability demonstrated by EMC, the partnership or similar agreement contemplated by this Section 8.2.1(l) shall give EMC, among other rights, such as:

- The right to participate in the development of Shed 4, including the review and approval of the designs and programming for the development of Shed 4, and
- The right to receive developer fees for its role in the development of Shed 4.

If the HIE and EMC are unable to agree upon the plans and project details for Shed 4, then the City and the HEI reserve the right to select a sub-developer that is reasonably acceptable to EMC for the Shed 4 project.

- m. The HIE will be expected to pursue all necessary steps that pertain to development of the target sites identified in this request and secure funding in compliance with the Choice Grant NOFA yet to be released. The City and DHC require Developer to determine the approach to establishing agreements (and related documents) with the partners in the Choice Transformation Area that assures all standards of mixed finance development are taken into consideration, and as the Housing Implementation Entity, long term control mechanisms the Developer will have pertaining to each phase.

8.2.2 Planning / Pre-Development:

- a. Prepare Feasibility Assessments, Market Analyzes and Appraisals – The HIE and Development Partner(s) will manage the preparation of the feasibility assessments, market analyzes and appraisals necessary to develop a viable redevelopment approach.
- b. Assist DHC to obtain HUD final disposition approval – DHC will be submitting to the HUD Special Applications Center the specific terms and conditions for final approval. Information the HIE and Development Partner(s) is required to provide about projects details shall be complete and timely to assist DHC as necessary.
- c. Prepare Redevelopment Plans – In consultation with the City of Detroit and DHC, the residents, the community and other interested stakeholders, refine the plan for redevelopment consistent with program goals and may be acceptable to the City, DHC, HUD and the community.
- d. Obtain Environmental Clearances – In collaboration with the City and/or DHC, procure the consultants and prepare the necessary documents to obtain environmental clearances from all interested agencies, including HUD environmental review approval under 24 CFR Part 50 or 58, as applicable.
- e. Plans and Specifications – The HIE and Development Partner(s) will be responsible for the preparation of all construction Plans and Specifications necessary to implement the construction of the project. Plans and Specifications must comply with the requirements of all permitting and regulatory entities. Plans and Specifications must also be comprehensive and must meet or exceed industry standards of quality and energy efficiencies; inclusive of LEED ND. Plans and Specifications must also be of the highest-quality so that construction change orders and disputes are minimized. All Plans and Specifications will be subject to review and approval by HUD, the City of Detroit and DHC.
- f. Demonstrate compliance with HUD Site and Neighborhood Standards – In collaboration with DHC, document and demonstrate compliance of all proposed replacement housing with HUD Site and Neighborhoods Standards.

8.2.3 Financial and Leveraging Capacities:

- a. Produce an Overall Financing Plan – Produce an attainable financing plan for the overall redevelopment effort. The financing plan will reflect the goals of the master plan and/or Transformation Plan. The financing plan must demonstrate a sensitivity and approach to using DHC funds in the most efficient manner, maximizing leveraging of HUD, PHA or multi-family funds and other funding to the greatest extent possible. If a Choice Grant is received, the overall financing plan will be developed in conjunction with the Choice Neighborhoods' Transformation Plan and market analysis. The financing plan must demonstrate feasibility with or without a Choice Grant.
- b. HUD Mixed-Finance Proposal – Provide required information for the preparation of necessary Mixed-Finance Proposals and related documents (i.e., rental terms sheets, operating proformas and sources and uses budgets and other HUD

checklist items) required to obtain HUD approval of the project. Should the use of project based vouchers be proposed, provide all information required to be submitted in conjunction with the required Subsidy Layering Review.

- c. Financing Application(s) – In accordance with the Master Development Agreement, the HIE and Development Partner(s) will be required to pursue diligently and use best efforts to obtain all financing necessary to implement the redevelopment plans in a timely fashion, which may include, but not be limited to: tax credits; tax-exempt bonds; federal, state and local funds; and private debt.
- d. Maximize the Leveraging of Public and Private Resources – Maximize the leveraging of public and private resources by pursuing all reasonable sources of financing and utilizing a variety of partners and partnerships. Take full responsibility for securing all financing sources in a timely fashion. Coordinate discussion and negotiations with financial institutions and private partners.
- e. Obtain Equity Investment – Using an open and competitive process, obtain equity financing commitment with the best terms currently available as required by the Master Development Agreement and subject to City and/or DHC’s approval.
- f. Guarantees – In accordance with the Master Development Agreement, provide all guarantees required for the successful financing of the redevelopment effort, including completion guarantees, operating deficit guarantees, and tax credit adjuster or recapture guarantees and guarantees of performance under the Agreement.
- g. Operating Feasibility – As required in the Master Development Agreement, structure such reserves and other devices as will reasonably guarantee the long-term operating feasibility of the Project, utilizing no more subsidy than committed by DHC (as applicable and/or with respect to replacement public housing units, under a Choice Grant).
- h. Accounting/Financing – As to be provided for in the Master Development Agreement, maintain accounting records and ensure Project financing is available at the appropriate.

8.2.4 Phasing and Implementation:

- a. Due to the size of the Detroit Choice Neighborhood Site, in particular the Frederick Douglass Homes site, the HIE must provide a place making strategy for vacant space that will be underutilized during the phasing process.
- b. The Phasing Strategy must identify the goals of building a minimum of 500 units in the first five (5) years and future phases to build at the stated density of 40 UPA.

8.2.5 Construction:

- a. Hire Qualified General Contractors and Oversee Construction Activities – The HIE and Development Partner(s) will create and implement a competitive process for selecting the most qualified General Contractor. All such entities must have Michigan Residential Builders licenses and otherwise be licensed/authorize to do business in Michigan. During construction, the HIE and Development Partner(s)

shall provide oversight and management of construction activities by coordinating with all development team members and attending job-site meetings to ensure the expeditious implementation of construction activities. As regular onsite construction monitoring is critical to the success of the project; the HIE and Development Partner(s) must have a full-time onsite presence during the term of construction.

- b. Facilitate Necessary Site Improvements – Pursuant to the Agreement, the HIE and Development Partner(s) shall initiate and complete site work and infrastructure construction in collaboration with the City and/or the DHC, local and regional public utility agencies and other private utility.

8.2.6 Ownership and Asset Management:

- a. Organize Ownership Entity – Upon completion of the redevelopment plan and its acceptance by the City and/or the DHC, the selected HIE and Development Partner(s) will be expected to organize an ownership entity and structure approved by City and/or the DHC and the requirements of other financing entities for each development phase as proposed to be developed on the Douglass Homes Site and all off-site replacement units.
- b. Ensure the Short- and Long-Term Viability of the Redeveloped Project – The HIE and Development Partner(s) shall develop and implement marketing, re-occupancy, asset and property management plans that will ensure the short- and long-term viability of the Project.
- c. Market and Lease-up the Rental Units – The HIE and Development Partner(s) shall create and implement a marketing and lease-up strategy for the rental units to ensure that stabilized occupancy is achieved in compliance with all applicable financing and land use agreements. Such strategy will accommodate families on DHC properties eligible waitlists.
- d. Manage the Redeveloped Project – The HIE and Development Partner(s) is responsible for the management of all components of the redeveloped site to ensure compliance with all funding providers' requirements and all DHC & HUD requirements; and all applicable laws and regulations applicable to the development.

8.3 Payment for Choice Neighborhood's Implementation Grant Application:

- a. The HIE will be financially obligated to compensate WRT for 50% of the costs of submitting a Choice Grant application on a timely basis. The City estimates the cost of submitting a Choice Grant application between \$65,000 and \$85,000.

PART IX. – SUBMISSION REQUIREMENTS

All submissions must be delivered through BidSync. Bids can be accessed on the City of Detroit website and www.bidsync.com.

9.1 Cover Letter

Respondents should provide a 1-2 page cover letter that includes the following:

- a. Summary of key information about the firm and its qualifications.
- b. Description of other affiliates, subcontractors or consultants Team Members proposed for this engagement.
- c. Contact information for the primary contact person, including email/phone number.

9.2 Development Team Description

Provide general information regarding the lead respondent and the proposed development team members, including the following:

- a. Name of Respondent, point of contact, address, telephone and e-mail address.
- b. Description of the Respondent size, number of employees.
- c. Description of type, location, scheduled completion date and dollar value of projects currently in the process of being developed by the Respondent.
- d. Name of each Development Team member proposed, their role in the project, point of contact, address, telephone, and e-mail address.
- e. Provide an organizational chart of the development team.
- f. All entities that comprise the team must be identified including.
- g. Indicate whether the Respondent or any team member has ever been terminated from a contract, and if so, describe the circumstances.
- h. Indicate whether the Respondent or any team member has ever sued or been sued by a client, and if so, describe the circumstances and the outcomes.
- i. Indicate any Identity of Interest relationships between the Respondent and any proposed team member. Describe how the Respondent proposes to ensure each proposed team member with an identity of interest will provide the highest level of services to the project at a cost that would be equal to or below that which could be obtained on the open market.

9.3 Respondent and Proposed Team Experience

- a. Provide a summary of the Respondent's experience in the development of mixed-income/mixed-finance projects similar to what is requested in this solicitation.
- b. Provide details of the Respondent's experience with up to five of their most recent mixed-finance development. For each project, provide the following information:

- i) Housing Authority Name and contact information
 - ii) Summary of each Project including acreage, unit mix, funding sources and uses,
 - iii) Key milestone dates achieved including execution of MDA, financial closing, construction start, construction completion, achievement of 97% occupancy.
 - iv) Developer Fee split with Housing Authority Partner.
 - v) Percent of new hires that were Section 3 residents.
 - vi) Percent of construction contract dollars awarded to Section 3 businesses.
 - vii) Percent of total development dollars awarded to DBE, MBE or WBE businesses.
- c. Provide a description of each proposed team member's prior experience with projects of similar scope and size.
 - d. Detail partners (separate entities) that make the Development Team that shows the ability to joint venture/partner or collaborate successfully.
 - e. Provide a narrative description of the team's previous experience in integrating community and supportive services into the overall development and maintenance of similar projects.
 - f. Provide a summary of the Respondent's experience with HUD HOPE VI, RAD, HUD's Choice Neighborhoods Initiative Program and other federally funded housing development programs.

9.4 Key Staffing

Provide information on up to 8 key staff of the Respondent and the proposed Development Team members, who would be integral to the redevelopment effort, including:

- a. Roles – Describe the roles of each of the proposed key staff of the Respondent and the proposed development team members who would be integral to the redevelopment effort.
- b. Availability – For each of the key staff identified above, provide a list of assigned projects currently under way or scheduled to begin in the next year and their planned completion dates.
- c. Resumes – Provide a resume for all principals of the Development Team and each of the key staff proposed.

9.5 Development Strategy and Methodology

Respondents must provide a preliminary conceptual vision for how they would approach the revitalization of the target site, city-owned parcels as well as any additional properties that the developer respondent might seek to incorporate into the Transformation Plan (via current

ownership, private acquisition, and/or co-development agreements). A specific plan is not required. The HIE's vision for and approach to creating holistic and sustainable communities is what is being sought.

The response Respondents must include their initial feasibility analysis for housing on the identified sites in the neighborhood. The analysis can be in narrative form; specific site designs or renderings are not required at this time but may be submitted for illustrative purposes. The narrative must provide the Development Team's respondent's initial reaction to the targeted sites, DHC's stated objectives, market conditions, and fully leveraging all of Downtown Detroit's ongoing and pending investments. The narrative should address how the Development Team respondent will accomplish the overall goals and objectives of the Project, the proposed income mix for the rental units, any homeownership units, community space, and/or commercial space, and proposed green aspects to the development plan.

- a. Provide a general description of the strategies and processes the firm will utilize to develop the master plan and achieve financial closing for Phase I of the project. Include a description of how the HIE and Development Partner(s)'s methodology will provide the most effective use of public and private resources and provide the most beneficial terms to DHC.
- b. Provide a general schedule for implementing the redevelopment program for the target sites that describes the estimated size and timing for each phase and major milestones.
- c. Provide a detailed step by step schedule for implementing Phase I of the project that indicates all of the components that will be considered for each phase.
- d. Provide a proposed predevelopment budget (including sources and uses) for Phase I of the project. Include a narrative to discuss each of the key assumptions used to prepare the predevelopment budget.
- e. Provide a proposed development budget, including sources and uses, for each phase of the project. Include a narrative to discuss each of the key assumptions used to prepare the budget.
- f. Provide an operating proforma for Phase I of the project, inclusive of reserves. Include a narrative to discuss each of the key assumptions used to prepare the proforma.
- g. Provide a separate operating proforma for public housing assisted units, inclusive of reserves and include a narrative to include each of the key assumptions used to prepare the proforma.
- h. Provide a description of any fees (other than Developer Fee) the firm would expect to receive during the development or operating periods. Fees listed in this section will be subject to approval by DHC through negotiations of the Master Development Agreement.

9.6 Design

- a. Please include a full written description and color images of no more than five (5) relevant projects that have been completed along with contact information (email and phone numbers) for the clients who engaged the respondent's team.
- b. A statement of design intent and philosophy that describes how the work samples are relevant to the approach

9.7 Ownership and Management of Properties

The Respondent must provide the capacity of an experienced property management firm for the management and operations of the development(s). The selected HIE will develop a Management Plan that complies with required operation and management principles and policies.

9.8 Financial Capacity and Leveraging Capacity

- a. Provide three concurrent years of the Respondent's most recent audited or Certified Public Accountant prepared financial statements from each member of the HIE and Development Partner(s)'s team who will be providing any guarantees in connection with the development and operation of the project. The statements must include an Income Statement as well as a Balance Sheet showing assets, liabilities and net worth of the entity. Financial statements should be placed in a separate sealed envelope marked "Confidential."

Please Note: While the City will seek to keep such information confidential, all information provided in response to this solicitation is subject State of Michigan FOIA requirements/laws.

- b. Provide a statement indicating who on the Respondent's team will be providing guarantees in connection with the development and operation of the development project, and indicate how the Respondent will honor all financial guarantees. The statement should include more than a reference to the Financial Statements.
- c. Describe experience with LIHTC and other affordable housing financing/funding instruments including FHA mortgage insurance programs, HOME, HOPE VI, Public Housing, and project-based Section 8. Demonstrate that the Respondent has the experience, knowledge and business relationships necessary to obtain the financing for HUD mixed finance projects. Additionally, describe successful experience in any of the following areas:
 - Prior role as a Master Developer or HIE in a planned redevelopment district
 - Development of mixed-use projects with housing and commercial components
 - Work in historic districts or with historic tax credits
 - Successful implementation of supportive services programs at affordable housing sites
 - Successful partnerships with community development corporations or other non-profit community-based groups
 - Successful implementation of innovative programs or designs in affordable housing.
- d. Describe how the Respondent will pursue financing for the redevelopment effort and leverage City/DHC resources (including land and HUD grant funds). Identify the

various funding sources that are appropriate for creating mixed-income developments and the developer's capacity to obtain LIHTC awards in Michigan.

9.9 DBE/MBE/WBE Participation Plans

- a. Describe the Respondent's prior experience providing employment and contracting opportunities with DBE/MBE/WBE firms.
- b. Provide Respondents plan for utilizing these types of firms and percentages of work expected to be provided to such firms.

9.10 Section 3 Experience Compliance Plan

- a. Describe the Respondent's prior experience providing employment and contracting opportunities for Section 3 Residents and businesses.
- b. Provide Respondent's plan for achieving or exceeding DHC's goals for utilization of Section 3 residents and businesses.
- c. Provide Respondent's plan for achieving or exceeding DHC's goals for utilization of Section 3 residents and businesses.

9.11 References

In addition to the bank references, five professional references must be submitted by the HIE from each of the following entities. References that are relevant to the scope of work as anticipated in this RFQ including one from a public sector entity and four from among the following entities are required:

- a. Construction and permanent lenders
- b. LIHTC limited partner investors
- c. General contractor on a comparable development
- d. State Housing Finance Authority, if available
- e. A community group or public housing resident group that worked with the Developer on a specific project

9.12 Forms

The respondent shall complete and include with this submission all forms attached and/or required to be attached hereto and throughout this RFQ, including but not limited to: HUD Form 5369-C, HUD Form 5370-B, HUD Form 5370-C Section I, HUD Form 2530, etc.

9.13 Community Engagement Approach

Describe your approach to community engagement during the planning and implementation processes in adequate detail to be able to be evaluated, using past experience of successful approaches.

PART X – PROCUREMENT PROCESS

10.1 RFQ Contact

Elizabeth C. Ayana Johnson
HUD Section 3 Compliance Officer
Office of Contracting and Procurement
2 Woodward Ave., 1008 CAYMC
Detroit, MI 48226
313-224-4616 Office
JohnsonEA@detroitmi.gov

10.2 RFQ Schedule

RFQ issued: January 26, 2016

Pre-Proposal Conference: February 5, 2016

Onsite pre-submission conference is not mandatory. The Pre-Proposal Conference will also be available through conference call. Respondents will be notified through BidSync the exact time and conference call-in number of the Pre-Proposal Conference.

Questions due February 17, 2016 (5:00 pm Eastern Standard Time)

All questions must be submitted in writing to the RFQ contact.

Response to questions: February 19, 2016

Onsite pre-submission conference is not mandatory.

Submittals due: February 24, 2016 (5:00 pm Eastern Standard Time)

Fax and e-mail copies will not be accepted. Any submissions received after the deadline will be considered non-responsive.

10.3 Submission

All submissions must be delivered through the City's Bid Sync program. If the respondent is chosen as a finalist, the City may request the respondent provide at least nine (9) original copies in three ring binders on 8x11 paper for presentation purposes.

10.4 Evaluation and Award Process

The City reserves the right to cancel this RFQ or to reject, in whole or in part, any and all submissions received in response to this RFQ upon its determination that such cancellation or rejection is in the best interest of the City. The City further reserves the right to waive any minor informality in any submissions received, if it is in the public interest. The decision as to who shall receive a contract award, or whether or not an award shall be made as a result of this RFQ, shall be at the City's absolute sole discretion.

Qualifications received in response to this solicitation may be evaluated using the evaluation criteria outlined below. During Stage I of the evaluation process, firms will be evaluated and scored by an Evaluation Committee based on the Evaluation Criteria as described at the end of

<ul style="list-style-type: none"> • The budgets provided indicate the Respondent’s commitment to ensuring the services proposed are necessary and the pricing proposed is reasonable. <p>c. Financial and Leverage Capacity</p> <ul style="list-style-type: none"> • Ability to obtain, structure, and implement financing for such projects. • The financial capacity (as HIE and Development Partner(s) and provider of guarantees) as evidenced by financial statements, the firm's most recent audit and bank references, and the HIE and Development Partner(s)'s discussion of how it intends to honor all guarantees should the need arise. <p>d. Related Design Intent and Philosophy</p> <p>The degree to which the respondent can demonstrate the team’s relevant architectural design experience that incorporates a philosophy of strong design principles.</p> <p>e. Section 3 Compliance Plan(s)</p> <p>Plans for addressing Section 3 requirements and quality of previous experience with Section 3 residents and businesses.</p> <p>f. WBE/MBE</p> <p>Extent to which DBE/MBE/WBE are included on the Development Partner(s)'s Team.</p>	<p>25</p> <p>15</p> <p>5</p> <p>5</p>
<p>TOTAL</p>	<p>100</p>

PART XI – GENERAL CONDITIONS

11.1 Conflict Of Interest

- a. The respondent warrants that to the best of its knowledge, belief and, except as otherwise disclosed, it does not have any organizational conflict of interest. Conflict of interest is defined as a situation in which the nature of work under this solicitation and the firm's organizational, financial, contractual or other interests are such that:
 - i) Respondent may have an unfair competitive advantage; or
 - ii) The respondent's objectivity in performing the work solicited may be impaired. In the event the respondent has an organizational conflict of interest as defined herein, the respondent shall disclose such conflict of interest fully in the Statement of Qualifications submission.
- b. The respondent agrees that if, after award, he, she or it, discovers an organizational conflict of interest with respect to this solicitation, he, she or it, shall make an immediate and full disclosure in writing to the General Manager-Purchasing. This shall include a description of the action, which the respondent has taken or intends to take to eliminate or neutralize the conflict. The City may, however, disqualify the respondent or if a contract has been entered into with the respondent, terminate said contract, in its sole discretion.
- c. In the event the respondent was aware of an organizational conflict of interest before the award of a contract and intentionally did not disclose the conflict to the General Manager-Purchasing, the City may disqualify the respondent.
- d. The provisions of Section 11 shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the respondent. The respondent shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.
- e. No member of or delegate to the U.S. Congress or Resident Commissioner shall be allowed to share any part of the contract awarded under this solicitation or to any benefit that may arise there from. This provision shall be construed to extend to any contract made with the successful respondent.
- f. No member, officer, or employee of the City, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the City was activated, and no other public official of such locality or localities who exercises an respect to the project, shall during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in any contract or the proceeds thereof resulting from this solicitation.
- g. No member, officer or employee of the respondent selected to perform the services described above shall, during the term of their contract, or for one year thereafter, have any interest direct or indirect, in any contract that they are responsible for procuring, managing or overseeing.

- h. The City reserves total discretion to determine the proper treatment of any conflict of interest disclosed under Section 7.1.

11.2 Cost Of Preparing the Statement of Qualifications

All costs incurred, directly or indirectly, in response to the Request for Qualifications shall be the sole responsibility of and shall be borne by the respondents.

11.3 Statement of Qualifications Tabulations/Notification

After the award is made, a list of firms submitting qualifications will be posted for review by interested parties on the ninth floor of the Coleman A. Young Building, located in the Housing Revitalization Department (Suite 908). The list will be posted for a period of ten (10) days. The list will be furnished upon written request only and will not be provided by telephone. A self-addressed stamped envelope must be included with the written request. Each unsuccessful vendor will be notified in writing promptly upon award. The notice shall identify the successful firm.

11.4 Form of Contract

The acceptance of the proposed firm's offer for the services specified herein will be made by issuance of a duly authorized Development Agreement prepared by the City. Vendors are cautioned to make no assumptions or accept any representations by a representative of the City concerning the award until a Development Agreement is negotiated and executed.

11.5 Government Restrictions

In the event any governmental restrictions may be imposed which would necessitate alteration of the material, quality, workmanship or performance of the goods or services offered., it shall be the responsibility of the successful firm to immediately notify the City in writing specifying the regulation which requires alteration. The City reserves the right to accept any such alternation, including any reasonable price adjustments occasioned thereby, or to cancel the contract at no expense to the City.

11.6 Non-Conformance to Conditions/Specifications/Scope of Services

Services will be inspected for compliance with specifications. Services not conforming to specifications may not be accepted at the firm's expense. Services not provided in accordance with the Scope of Services may result in the firm being found in default. In the event of default, all procurement cost may be charged against the firm. Any violations of these stipulations may result in the firm's name being removed from the City's Statement of Qualifications mailing list.

11.7 Assignment or Transfer

The successful firm shall not assign or transfer any interest in the contract, in whole or part, without written approval of the City. Claims for sums of money due, or to become due from the City pursuant to the contract, may be assigned to a bank, trust company or other financial institution. The City is hereby expressly relieved and absolved of any and all liability in the event a purported assignment or subcontracting is attempted in the absence of the firm obtaining the City's prior written consent the contract.

11.8 Availability Of Records

The Comptroller General of the United States, the Department of Housing and Urban Development (HUD), the City, and any duly authorized representative of each, shall have full and free access to, and the right to audit and to make excerpts and transcripts from, any and all pertinent books, records, documents, invoices, papers and the like, of the vendor, or in the possession of the firm, which shall relate to, or concern the performance of the contract.

11.9 Patents – Licenses And Royalties

The successful firm shall indemnify and save harmless the City of Detroit, the City and their employees from liability of any kind, including cost and expenses for or on account of any copyrighted, patented, or not patented invention, process or article manufactured or used in the performance of the contract, including its use by the City. If the vendor uses a design, device or material covered by letters, patent or copyright and understood that the proposal prices shall include all royalties or cost sing from the use of such design, device or materials involved in the work. Further, all residual rights to Patents, Licenses and Royalties (e.g. software and license to sue same purchased) shall revert to the City at the end of the Agreement.

11.10 Permits And Licenses

The successful firm shall obtain all permits and licenses that are required for performing its work. The firm shall pay all related fees and costs in connection with required permits and licenses. Proof of ownership shall be made on all software used in the execution of the contract. The firm will hold the City of Detroit and the City harmless for any violation of software licensing resulting from breaches by employees, owners and agents of the firm.

11.11 Taxes

The successful firm is responsible for all state and federal payroll and/or social security taxes. The firm shall hold the City harmless in every respect against tax liability.

11.12 Advertising

In submitting a Statement of Qualifications, the firm and their consultants agree not to use the results as a part of any commercial advertising.

11.13 Insurance

- a. Insurance – The selected firm shall maintain at its expense during the term of the Contract the following insurance.
 - i) Worker's Compensation Employer's Liability of \$500,000 per accident; \$500,000 each disease; and \$500,000 for each disease/each employee.
 - ii) Automobile Liability Insurance (covering all owned, hired and non-owned vehicles with personal and property protection insurance including residual liability insurance under Michigan No Fault Insurance Law) in an amount not less than \$5,000,000 per occurrence and \$5,000,000 aggregate.
 - iii) Professional Liability Insurance in the amount of \$1 million.
 - iv) General Liability Insurance in the amount of \$5,000,000 per occurrence and \$5,000,000 aggregate.

The City shall be named as additional insured on all policies.

- b. Waiver – The selected firm shall not hold the City of Detroit and/or DHC liable for any personal injury incurred by their respective employees, agents or consultants, contractors or subcontractors while working on this Project. The firm agrees to hold the City of Detroit and/or DHC harmless from any such claim by its employees, agents, consultants, contractors or subcontractors, unless a Court having jurisdiction finds there is gross negligence of an employee of the City while acting within the scope of their employment.
- c. Qualification – The insurance company covering the firm must be licensed to do business in the State of Michigan and have a Best's Guide rating of "A+" or higher.

11.14 Proof of Liability Insurance

The successful firm shall furnish to the City a certified copy of the policy or policies covering the work as required in the specifications as evidence that the insurance required will be maintained in force for the entire duration of the contract with the City. The City and/or DHC must be listed as an additional insured.** (Note any requirements for City of Detroit as additionally insured are only applicable with the award of the Choice Grant)

11.15 Standards of Conduct

The successful firm shall be responsible for maintaining satisfactory standards of its employee's competence, conduct, courtesy, appearance, honesty, and integrity. It shall be responsible for taking such disciplinary action with respect to any of its employees as may be necessary.

11.16 Removal of Employees

The City may request the successful firm to immediately remove from assignment to the City and/or dismiss any employee found unfit to perform duties due to one or more of the following reasons:

- a. Neglect of Duty.
- b. Disorderly conduct, use of abusive or offensive language, quarreling, intimidation by words or actions or fighting.
- c. Theft, vandalism, immoral conduct or any other criminal action.
- d. Selling, consuming, possessing, or being under the influence of intoxicants, including alcohol or illegal substances while on assignment at the City.

11.17 Supervision

The successful firm shall provide adequate competent supervision at all times during the performance of the contract. To that effect, a qualified consultant and one or more alternates shall be designated in writing to the City prior to contract start. The firm or his designated representative shall be readily available to meet with the City personnel. The successful firm shall provide the telephone numbers where its representatives) can be reached.

11.18 Performance Evaluation Meeting

The selected firm shall be readily available to meet with representatives of the City weekly the first month of the contract and as often as necessary to resolve any and all performance problems identified at these meetings.

11.19 Disputes

- a. Issues Causing Protest – Any respondent which disputes the reasonableness, necessity, or competitiveness, of the terms and conditions of this solicitation or who has been adversely affected by a decision concerning a notice of intended or actual award, may file a written notice of protest with the contact person listed in the solicitation.
- b. Filing the Protest – The respondent must first advise the contact person listed in the solicitation in writing within 48 hours after receipt of the bid solicitation or intended or actual notice of award of his intent to file a formal written notice with the contact person listed in the solicitation.
- c. Content of Formal Written Notice – The formal written notice should be printed, typewritten, or otherwise duplicated in legible form. The formal written notice of protest should contain the information that follows:
 - i) The name and address of the respondent filing the protest and an explanation of how his substantial interests have been affected by the bid solicitation or by the City's notice of intended or actual award.
 - ii) A statement of how and when the respondent filing the protest received notice of the bid solicitation or notice of intended or actual award.
 - (iii) (3) A statement of all issues of disputed material fact. If there are none, the protest must so indicate.
 - iv) (4) A concise statement of the ultimate facts alleged, as well as the City's policies, which entitle the respondent filing the protest to relief.
 - v) A demand for relief the respondent deems themselves entitled.
 - vi) Any other information which the respondent contends is material.
- d. Response to Protest – Upon receipt of a timely filed Notice of Protest and meeting the above requirements, the solicitation process, or award process will be stopped until the protest is resolved. The Executive Director, with the Division Director's recommendation, if deemed necessary, may set forth in writing particular facts and circumstances which require continuance of the solicitation process on an emergency without the above mentioned delay in order to avoid material increased costs or immediate or serious danger to health, safety or welfare. This written documentation will specifically detail the facts underlying the Executive Director's decision and will constitute final agency action.
- e. Informal Resolution – Upon receipt of the formal written notice of protest or intent to protest, the Review Team must attempt to resolve the protest on an informal basis. The Review Team will have seven (7) days after receipt of the formal written protest to resolve it through mutual agreement. If the protest is not resolved by mutual agreement within the required time, the formal written protest will be referred to the Executive Director.

- f. Resolution – The Executive Director may request such information pertaining to the matter, as he/she deems appropriate. Within seven (7) days of the date that the formal written protest is referred to him/her, the Executive Director will notify the Respondent making the protest his/her decision.

11.20 Federal, State And Local Reporting Compliance

The firm shall provide such financial and programmatic information as required by the City to comply with all Federal, State and local law reporting requirements.

11.21 Nondiscrimination

The firm agrees that it will abide by City ordinances and State laws incorporated by reference herein (See Attachment II)

11.22 Section 3 Clause

Every applicant, recipient, contracting party, contractor, and subcontractor shall incorporate or cause to be incorporated a "Section 3 Clause" in all contracts for work in connection with a Section 3 covered development. All Statement of Qualifications must also include a Compliance Plan for Section 3 requirements.

11.23 Project Personnel

Except as formally approved by the City, the key Statement of Qualifications shall be for the individuals who will actually complete the work, at the proposed levels of effort. Changes in staffing must be proposed in writing to the City and approved.

11.25 Notices

All written notices required to be given by either party under the terms of the con resulting from the contract award shall be addressed to the firm at their legal business residence as given in the contract. Written notices to the City shall be addressed as provided in the contract.

11.26 Cancellation

Irrespective of any default, hereunder the City may also at any time at its discretion cancel the contract in whole or in part. In the event of cancellation, the Firm shall be entitled receive equitable compensation for all work completed and accepted prior to such termination or cancellation as shall be indicated in the contract.

11.27 Laws

The contract shall be governed by the laws of the State of Michigan and applicable federal law.

11.28 Contract Documents

Written contract documents will be prepared by the City. Modifications may be adopted based on final negotiations and specific requirements of the contract under this particular RFQ.

11.29 Travel

All travel and miscellaneous expenses will be borne by the firm.

11.30 Holidays

Each year THE CITY observes the following Holidays. No service will be performed on these dates unless specifically approved by the City in writing.

- New Year's Day
- Good Friday Independence Day Veterans Day
- Day after Thanksgiving
- Christmas Day
- M.L. King's Birthday
- Memorial Day
- Labor Day
- Thanksgiving Day
- Christmas Eve
- New Year's Eve

11.31

Contract Award

The Contract for the selected Developer/Development Team for Douglass Homes as requested in the RFQ document shall be subject to the approval of the U.S. Department of Housing and Urban Development.

11.29 Freedom of Information Act Requests

To ensure that a competitive process is maintained throughout the process of evaluating proposals, any proposer who makes a request for a copy of the proposals of other proposers before DHC awards the contract shall be deemed ineligible for further consideration for award under this RFP.

ATTACHMENTS:

Attachment I – Section 3 Clause

Attachment II – Non-Discrimination

Attachment III – (CD):

Attachment IV – Choice Neighborhood Map

Attachment V – Investment Chart

24 CFR Part 905 subpart F;

HUD Cost Controls and Safe Harbor Stds.,

Fair Housing Laws & Presidential Executive Orders,

Model form: Regulatory & Operating Agreement,

MSHDA-Std. of Design,

Office of Fair Housing & Equal Opportunity,

HUD FORMS: HUD 5369-B&C; HUD 5370-C; HUD 2530

Choice Neighborhoods Map