

# **Request for Proposal**

Mantua Workforce Housing August 12, 2019

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#### Attachments:

- A. Mantua Urban Renewal Plan
- B. PRA Homebuyer Application Package
- C. Promise Zone Comprehensive Housing Strategy
- D. Property Application Form
- E. Homeownership Development Pro Forma
- F. City of Philadelphia Economic Opportunity Plan
- G. Certificate of Non-Indebtedness
- H. Campaign Disclosure Forms
- I. Tax Clearance and Conflict of Interest Form
- J. Declaration of Restrictive Covenants, Conditions and Restrictions
- K. Scoring Sheet

# 1. Application Process

The Philadelphia Redevelopment Authority ("PRA") is pleased to issue this Request for Proposals ("RFP") for the development of publicly owned parcels on the 3700 blocks of Haverford Avenue, Mount Vernon Street, and Wallace Street.

#### **Submission Deadline**

All applicants ("Applicants") must submit responses/proposals ("Proposals") no later than September 13, 2019, at 3:00 P.M.; absolutely no Proposals will be accepted after that time.

#### **Mandatory Prebid Meeting**

A pre-bid meeting will be held at PRA offices at 10:00 A.M. on August 27, 2019. <u>This meeting is mandatory and all Applicants must attend this meeting.</u> The names and contact information for all attendees at the pre-bid meeting will be posted on PRA's website as public information within two (2) business days of the pre-bid meeting.

#### **Questions and Request for Addition Information**

All questions and requests for additional information should be directed in writing to <a href="RFP@pra.phila.gov">RFP@pra.phila.gov</a> with the address of the property in the subject line. Questions will only be accepted until August 29, 2019 at 5:00 P.M. Questions and/or requests for additional information and the PRA's responses to them will be posted on the PRA website.

#### **Related Parties**

An Applicant, whether an individual or business entity, may submit only one Proposal response to this RFP. Individuals that are related to each other or business entities that are legally related to each other or to a common entity may not submit separate Proposals. The PRA, in its sole and absolute discretion, retains the right to reject any Proposal where:

- 1. Applicants or principals of Applicants are substantially similar or substantially related parties; or
- 2. The PRA has determined that the Applicant has violated these conditions or the spirit of these conditions.

#### **Submission Process**

Proposal submission will be accepted in either of the following:

- 1. Online Submission via PRA's website (https://www.philadelphiaredevelopmentauthority.org/); or
- 2. Hard Copy Submission Submit three (3) original copies of the Proposal and one electronic copy on a USB Flash Drive to the PRA via hand delivery or registered mail. Files on the USB Flash Drive may only be in Microsoft Word or Adobe PDF. Applicants may hand deliver or send Proposals via registered mail to:

Department of Real Estate & Development Finance Philadelphia Redevelopment Authority 1234 Market Street, 16th Floor Philadelphia, PA 19107

#### **Disqualification**

Proposals will be disqualified if:

- 1. They are submitted after the specified deadline;
- 2. They are submitted by some means other than the two formats listed above. For electronic Proposal submissions, the PRA website portal is the only means that will be accepted. Proposals sent via email, Dropbox or other electronic venues will be disqualified;
- 3. If the bid package is incomplete.

## **Bid Price**

The PRA will award this project to the Proposal that scores the highest according to the criteria explained below. Bid price is one of these criteria, though the project will not necessarily be awarded to the highest bidding Applicant. It is up to Applicants to engage in their own research to determine an appropriate and competitive bid price. Any price adjustments sought for community development projects must be in accordance with the City's Land Disposition Policies.

#### **Schedule**

The timeline for this Development Opportunity is as follows:

Notice of RFP Opportunity Posted	August 12, 2019
Pre-Bid Meeting	August 27, 2019, 10:00 AM
Questions and/or Requests for Additional Information Due within two (2) business days of the Pre-Bid meeting	August 29, 2019, 5:00 PM
Proposals Due	September 13, 2019, 3:00 PM
Applicant(s) Selected - (Estimate Only)	October 18, 2019

#### **Workforce Housing Credit Enhancement**

In order to assist in financing workforce housing projects, the Philadelphia Redevelopment Authority offers a Credit Enhancement for Workforce Housing, which provides up to a twenty-five percent (25%) guarantee on secured construction loans of up to three million dollars (\$3,000,000) of construction debt for eligible workforce housing projects. You can learn more about this product <a href="here">here</a>.

PRA reserves the right, in its sole discretion, to alter this schedule as it deems necessary or appropriate.

# 2. Introduction and Description of Project Site

PRA is soliciting proposals from Applicants for the scattered site development of workforce housing on parcels in West Philadelphia's Mantua neighborhood. The Project Site is approximately 27,000 square feet spread over



seventeen (17) vacant lot properties along the 3700 blocks of Haverford Avenue, Mount Vernon and Wallace Streets. The Project Site is composed of vacant lot properties owned by the City of Philadelphia Department of Public Property ("DPP"), PRA, and Philadelphia PRA ("PLB"); it does <u>not</u> include privately-owned land on these blocks. Properties under the ownership of the DPP and PLB will be transferred to the ownership of PRA prior to entering into a Redevelopment Agreement with the selected Applicant.

Although the Project Site is deemed a scattered site development for the purpose of this RFP, PRA considers this project as an integral part of current and future comprehensive redevelopment efforts within the target area. Therefore, PRA requires that all properties set forth within this RFP be incorporated within your final proposal. If one or more properties are not included as part of an Applicant's final proposed assemblage, the Applicant must provide a clear and concise statement explaining their rationale.

The PRA at its sole discretion may disqualify applications that only include a portion of the assemblage. The land that is within the Project Site is shown in the following list and map.

		Status			
Address	Ownership	Vacant Land	Zoning	SF	
3710 Haverford Avenue	DPP	х	RM-1	768	
3719 Haverford Avenue	PRA	x	RM-1	1615	
3721 Haverford Avenue	PRA	x	RM-1	1615	
3723 Haverford Avenue	PRA	х	RM-1	1615	
3725 Haverford Avenue	PRA	x	RM-1	1600	
3727 Haverford Avenue	PRA	х	RM-1	1600	
3729 Haverford Avenue	PRA	х	RM-1	1800	
3731 Haverford Avenue	PRA	х	RM-1	2900	
3733 Haverford Avenue	PRA	х	RM-1	2100	
3735 Haverford Avenue	PRA	х	RM-1	1740	
3737 Haverford Avenue	PRA	x	RM-1	1503	
3802 Haverford Avenue	PRA	х	RM-1	1274	
3726 Mt. Vernon Street	PRA	х	RSA-5	1305	
3712 Wallace Street	PRA	х	RSA-5	1347	
3714 Wallace Street	PLB	х	RSA-5	1376	
3740 Wallace Street	PRA	х	RSA-5	1408	
3742 Wallace Street	PRA	Х	RSA-5	1449	
Vacant Land					
	TOTAL	17	TOTAL SQ FT	27,015	

<sup>\*</sup>Estimated square footage based on data from Office of Property Assessment (OPA)



The Project Site is located in City Council District 3 and the area includes the following six (6) Registered Community Organizations (RCOs):

- 1. Mantua Civic Association
- 2. Drexel Area Property Association
- 3. Parkside Area Community Association
- 4. People's Emergency Center CDC
- 5. West Philly Pride
- 6. 24<sup>th</sup> Democratic Ward

According to the Zoning Code, "If there is more than one RCO whose registered boundaries include the applicant's property, the district council member whose district includes the applicant's property shall select one of those RCOs as the Coordinating RCO, or may select two or more RCOs whose registered boundaries include the applicant's property to serve jointly as the Coordinating RCO."

The Project Site is within the Philadelphia Promise Zone. Promise Zones are high poverty communities where the federal government partners with local leaders to increase economic activity, improve educational opportunities, leverage private investment, reduce violent crime, enhance public health and address other priorities identified by the community. The twenty two (22) Promise Zones come with federal benefits including preference for certain competitive federal grant programs and technical assistance from federal agencies.

The Key community partners around the Promise Zone initiative include the Mayor's Office of Community Empowerment and Opportunity (CEO), Drexel University, Mt. Vernon Manor, Philadelphia LISC, People's Emergency Center, Philadelphia School District, PRA, Philadelphia Commerce Department, PHA, Philadelphia Zoo, Pennsylvania Horticultural Society, Philadelphia Works, Inc. and University City District.

The current zoning at the Project Site is a combination of both single and multi-family Residential Uses (RM-1 and RSA-5) as listed on the previous page. The permitted uses for RSA-5 include single family dwellings to accommodate low density residential building while permitted uses for RM-1 include single family, two-family, or multi-family dwellings to accommodate moderate to high density residential buildings. If your proposed project will require a change in zoning, please indicate as such in the Executive Summary narrative.

#### **About Mantua**

The Mantua neighborhood is generally bounded by Spring Garden Avenue to the South, Mantua Avenue on the East and North, and 40th Street and Lancaster Avenue on the West. To the east are Amtrak and other rail lines, and the Schuylkill Expressway (I-76). To the north are the Philadelphia Zoo, Fairmount Park and the Centennial District, and to the South are the Powelton Village neighborhood, Drexel University, and the Lancaster Avenue business district.

The area is well served by public transportation; SEPTA's bus routes 30, 31, 38, 40 and 43 stop on adjacent blocks providing access to both Center City and destinations in West Philadelphia, as well as connections with the Market/Frankford line, SEPTA regional rail and Amtrak service throughout the Northeast Corridor at 30<sup>th</sup> Street Station.

The public schools that service Mantua are Morton McMichael School (K-8) and West Philadelphia High School (9-12) as well as several charter schools in the neighborhood such as the Belmont Charter School. There are major institutions of higher education in the immediate area including the University of

Pennsylvania, Drexel University, Philadelphia University of the Sciences, and the West Regional Center of Community College of Philadelphia.

There are a number of recreation facilities located in Mantua including the Mantua Haverford Community Center, the West Philadelphia Community Center, and the Boys and Girls Club. The Wright Recreation Center also houses the area's public library branch.

Several hospitals are less than two miles from Mantua including the Hospital of the University of Pennsylvania, Penn Presbyterian Hospital, Children's Hospital of Philadelphia and the VA Hospital. These educational, medical, and recreational entities contribute to a large pool of jobs and services, yet the area has long suffered from a feeling of being near but still disconnected from some of these institutions.

Lancaster Avenue between 34th and 48th Streets is the commercial corridor that links Mantua to other West Philadelphia neighborhoods. The corridor has an array of shops including restaurants, apparel stores, and service establishments. The closest supermarkets to Mantua and Belmont are the Fresh Grocer Market located at 40<sup>th</sup> and Walnut Streets and Aldi Supermarket located at 4421 Market Street. There are many corner convenience stores and a small number of restaurants, bars and takeout restaurants throughout Mantua; however few venues for purchasing fresh food and produce.

		Zip Code 19104	City
Population Growth	(2000-2016)	11.35%	2.79%
Median Age	(2016)	24.6	34
Median Household Income	(2016)	\$22,659	\$39,770
Average Household Size	(2016)	2.6	2.59
Residential Sales			
Median Sales Price	(2016 Q3)	\$37,464	\$120,958
Sales Price Change	(2015 Q3 -2016 Q3)	-37.77%	10.16%
Sales Number Change	(2015 Q3 -2016 Q3)	20.83%	16.62%
Vacancy			
Residential	(2016 Q3)	3.84%	2.56%
Commercial	(2016 Q3)	7.54%	8.32%

<sup>\*</sup> Source: Policy Map

# 3. Scope of Work

PRA is soliciting proposals for a developer to construct workforce housing on the Project Site. The goal of this Request for Proposals (RFP) is to facilitate the development of workforce housing homeownership as follows:

- To promote the development of housing that will be affordable to households with incomes between 80%-120% of the area-wide median;
- To increase the availability of housing in close proximity to Center City Philadelphia, so that workers whose income cannot support the high cost of housing that is located in Center City, are not priced out of housing opportunities close to the employment center;
- To reduce the commute distance for employees who work in Center City who otherwise would live elsewhere.

Development proposals must provide workforce housing to income eligible households at 80%-120% AMI as defined under federal guidelines. Proposals should be consistent with the major goals of the Philadelphia City Planning Commission West District Plan (Philadelphia2035) and the Promise Zone Comprehensive Housing Strategy (Attachment C) by including providing housing in locations that connect residents directly to (a) downtown employment opportunities, (b) public transit and (c) basic services.

All sales of the completed units will be subject to the attached Declaration of Restrictive Covenants, Conditions and Restrictions in (Attachment I).

## Sale in As-Is Condition

Applicants are solely responsible for all due diligence, including all pre-development costs which may include but are not limited to engineering, structural, geo-technical planning and environmental studies required for rehabilitation and construction on the Project Site. The PRA makes no warranty or representation concerning the existence of any structural deficiencies, geo-technical deficiencies and/or environmental contamination on the Project Site, or upon any adjoining land or improvements. The PRA is not now or at any time hereafter under any circumstance responsible for any of such conditions or for the analysis, care or remedy thereof. The Project Site will be transferred in its "as-is" condition with the selected Applicant solely responsible for all structural, geo-technical and environmental repairs, stabilization and/or remediation required for construction on the Project Site. PRA, the City and Department of Public Property shall not be obligated to make any investments or repairs in this asset, outside of maintenance to streets and utilities that may be part of the City's normal course of business. Any plans submitted pursuant to this RFP should consider and address the foregoing obligations and requirements.

#### **Homebuyer Eligibility & Approval**

Development of workforce housing on the Project Site requires that all homebuyers receive a PRA soft-second mortgage secured in a second lien position. In executing the agreement of sale to purchase, all homebuyers must submit a PRA Homebuyer Application (Attachment B) for the soft-second mortgage.

The PRA soft-second mortgage will require all homebuyers to submit the following information for approval (See Attachment B):

- Homebuyer Income Eligibility Form
- Declaration of Evidence of Citizenship or Eligible Immigration Status
- Conflict of Interest Disclosure Form
- Copies of current pay stubs (30 days)
- Copies IRS 1040 Forms, and W-2 forms (last 2 years)
- Verification of Employment
- Certification of Zero Income for every household member with no income
- Current bank statements (60 days)
- Other documentation as required by PRA in connection with the PRA soft-second mortgage application.

# 4. Proposal Submission Requirements

Responses to this Request for Proposals must contain the information described below and conform to the following format:

## A. Executive Summary

A written narrative of the proposed development should be provided in the form of a cover letter addressed to Bradley Vassallo, Senior Development Specialist. The narrative should be no longer than two (2) pages in length and should concisely summarize and describe the proposed development. At a minimum, it should seek to address all of the evaluation criteria and state the bid price.

Applicants must also submit a complete Property Application Package Form (Attachment D).

#### B. Financial Summary

Applicants must demonstrate the development team's capacity to carry out the proposed development, as well as the financial feasibility of the proposed project within current market conditions. Submissions must provide:

- A written narrative of the project financing plan.
- Project financials including development budget(s), sources/uses, assumptions, and operating proforma(s) demonstrating feasibility through predevelopment, construction, and exit.
- Evidence of the development team's capacity to finance the total cost of the development project
  as outlined in the Property Application Package Form. Evidence should include signed letter(s) of
  interest and/or preliminary term sheets from prospective financing sources that include terms of
  financing, that reference this specific project, and that reference the pertinent amount of financing
  as listed on the project budget. Please provide written evidence of interest from as many sources
  listed on project sources/uses budget as possible.
- Any other information that may support the Applicant's financial position and financial viability of the proposed project.

## C. Development Plans

The proposed rehab should take into consideration the local context and provide for an attractive, well-designed development that enhances the quality of the built environment and improves the overall quality and physical appearance of the community. All Proposals must indicate what entitlements they may be seeking, including, but not limited to, zoning, easements, exceptions from public entities, street changes, and/or utility alterations (new or relocated). Renovation should be sensitive to the building's historic context and preserve the building's facade. PRA encourages Applicants to incorporate sustainable, "green" design features and building materials. Applicants should consider building performance objectives and building design guidelines that integrate energy efficiency.

Plans submission should include but are not limited to:

- Detailed scope of work with corresponding budgets.
- Site plan showing extent of proposed development with different project components clearly labeled.
- Scaled floor plans.
- Elevations and renderings as appropriate.
- Description of building and finish materials.

#### D. Development Schedule and Milestones

Please include as detailed a schedule as possible broken out into a predevelopment schedule and postclosing construction schedule. In the predevelopment schedule please list important milestones and dates, beginning with due diligence activity, securing required government approvals, and financing commitments. Please provide an anticipated closing date. In the post-closing schedule, include, at a minimum, a schedule showing critical milestones such as construction commencement and completion deadlines.

#### E. Applicant Team Qualifications

Please provide a narrative that outlines the experience of the development team, overall approach and tasks to complete the work and quality control process. In the narrative please provide past relevant experience of the team including past performance and record of successful completion of similar projects by team members, particularly with the City of Philadelphia, and on publicly owned land (if applicable).

Applicants must submit audited Financial Statement for last two (2) fiscal years (if audited statements are not available, please provide internally prepared statements including income statements and balance sheets);

The Proposal must contain information regarding any litigation (pending or threatened) in which the development entity or any members of the development team are involved and any judgments that have been rendered against the Applicant entity or any member of the development team that may affect the ability to successfully execute the proposed project for the properties.

#### F. Population Served

Proposals must indicate an estimate of the number of housing units to be sold to each income level.

Applicants must provide estimates based on the following income categories: >80% AMI, <100% AMI. A sales and affordability analysis for each price point must be provided in the budget section of the proposal.

#### G. Social Impact Narrative

Applicants should include a narrative explaining the project's social impact – for the purpose of this RFP, defined as the way that the physical project may have a positive effect on people and communities.

Such impact should be described and quantified with relevant metrics such as the approximate number of people to be served by the project or its social impact component. Applicants are encouraged to think creatively and to seek input and/or partnerships from community-based organizations. Applicants may choose to engage a consultant to assist in developing their social impact approach and methodology for impact assessment. Examples of social impact may include (but are not limited to):

- Creating or retaining permanent (non-construction) jobs for local, diverse, lower-income individuals, including contribution or participation in job readiness and training programs.
- Providing access to quality pre-K and afterschool care.
- Providing important community goods, services, and facilities in the proposed development project.
- Providing affordable healthy food access, if such access is not currently present in the community.
- Providing affordable housing within the proposed development. (The definition of affordable housing for this purpose is the same as that for the Mixed-Income Housing Bonus as defined in the Zoning Code as described here: <a href="http://www.phila.gov/li/pdf/Code%20Bulletins/Mixed%20Income%20Housing%20Bonus.pdf">http://www.phila.gov/li/pdf/Code%20Bulletins/Mixed%20Income%20Housing%20Bonus.pdf</a>)
- Providing opportunities for minority businesses, including flexible lease rates, contracting and supplier opportunities post-construction, and mentorship programs.
- Investment in the local educational unit(s): public elementary, middle, high school or community college.
- Investment in proximate community facilities: parks, recreational center, library, health center.

#### **G.** Economic Opportunity and Inclusion Narrative

The development team should demonstrate their experience working with Certified M/W/DBE firms—defined as Minority Business Enterprises (MBE), Woman Business Enterprises (WBE), or Disabled Business Enterprises (DBE). Firms must complete the "City of Philadelphia Economic Opportunity Plan" form (Attachment F).

In addition, Applicants must provide a narrative describing the team's track record in M/W/DBE inclusion. The narrative must also discuss the team's plan and track record for engaging minority workforce. Applicants should note whether the prime Applicant itself and/or other key partners, consultants or contractors who are part of the Applicant team are minority or woman-owned.

#### H. Proposal Deposit

Proposals must include a Proposal deposit of \$25,000 (the "Proposal Deposit") in one of the following forms, in order of preference: a cashier's check, certified check, or money order made payable to the "*Philadelphia*"

#### Redevelopment Authority".

The Proposal Deposit of the selected Applicant for the Properties will become "hard" money upon execution by the selected Applicant of a Redevelopment Agreement and approval of the Redevelopment Agreement by the PRA Board. The amount will be credited toward the security completion deposit and ultimately refunded at project completion with the issuance of a Certificate of Completion. The Proposal Deposits of unsuccessful Applicants will be refunded within thirty (30) days after rejection notices are transmitted. Interest earned, if any, on deposits of unsuccessful Applicants will not be returned.

#### I. Certificate of Non-Indebtedness

All Proposals submitted in response to this RFP must contain a fully executed Certificate of Non-Indebtedness to the City of Philadelphia. A copy of this Certificate is attached as Attachment G.

#### J. Campaign Disclosure Forms

Each member of the development team must complete the Campaign Disclosure Forms attached as Attachment H.

#### K. Conflict of Interest Form

All Proposals submitted in response to this RFP must contain a fully executed Conflict of Interest form. A copy of this form is attached as Attachment I.

#### L. Fine Arts Requirement

Workforce housing projects are exempt from PRA's Percent for Art requirement.

# 5. Evaluation/Selection

PRA will initially conduct a Threshold Review of each Proposal submitted to determine its compliance with the Proposal Submission Requirements. Only Proposals that comply with these requirements will be considered for evaluation. If no Proposal meets these requirements, the Authority may allow all Applicants to supplement their submissions to conform to these requirements.

Proposals selected pursuant to the Threshold Review will be evaluated by a Proposal Review Committee using the evaluation factors listed below and based on the values shown in Attachment K: Scoring Sheet. Proposals will be evaluated in their entirety; no one factor, but rather a combination of all of the following factors will determine the successful Applicant. PRA may ask one or more Applicants to give a presentation, and may elect to request supplemental information from all Applicants or a pool of finalists. Final selection will be made by PRA and is subject to approval by the PRA Board and Philadelphia City Council.

The following criteria will guide PRA in using its professional judgment to determine which Applicant has submitted the best proposal. In addition to any other factors that PRA considers relevant in the evaluation of these responses, the following are the evaluation factors:

## 1. Economic Opportunity Plan - (30 points max)

Points will be awarded in this category for verifiable and meaningful MBE/WBE/DBE inclusion. To be awarded points for MBE/WBE/DBE ownership, proof of ownership must be provided for all individuals, corporations, joint venture partners with a 10% or more ownership interest.

To be awarded points for past performance, documented information must be provided for most recent three projects identifying total development cost, MBE/WBE/DBE contractors and vendors, the percentage of participation of each and the respective dollar amounts awarded to said contractor and/or vendor.

To be awarded points for General Contractor and Sub-contractor participation, evidence of MBE/WBE/DBE ownership must be provided.

#### 2. Financial Feasibility - (30 points max)

Points will be awarded in this category for demonstrated financial viability and assuredness that the project being proposed will be completed within a reasonable timeframe and at the cost proposed with identified and securable financing sources. Committed funds include a term sheet, commitment letter or cash on hand.

Complete project budget and cash flow must be included identifying all sources and uses in detail and a detailed operations cash flow, if applicable. All costs should be in accordance with industry norms.

Schedule must identify all key milestones and timeframes must be in alignment with the city's entitlement and permitting processes, and the timing of all funding sources identified on the project budget form.

#### 3. Development Team Experience - (20 points max)

Points will be awarded in this category for verifiable project experience. Detailed information should be provided for similar projects completed in the past three years (example form included in application/bid package) and history of development team members working together on prior projects. References for all projects must be provided. Pictures of completed projects should be provided.

#### 4. Public Purpose - (20 points max)

To receive any points for the inclusion of affordable housing, a minimum of 10% of units must be affordable.

To receive points for low-mod job creation, a minimum of 10 jobs must be created.

To receive points for a social impact component, the use must be clearly delineated on the site plan and a detailed description of the component must be provided including specification of population served.

#### 5. Project Design - (10 points max)

Points will be awarded based on the merit of the overall design of the project.

To receive points for Sustainable Design project must include features such as: optimization of site potential, minimization of non-renewable energy consumption, environmentally preferable materials, protection and drainage of groundwater and storm water run-off, designed to LEED Silver or equivalent.

To receive points for Accessibility project must be fully accessible to all individuals.

#### 6. Offer Price – (5 points max)

The full offer price and all terms, limits or exceptions must be fully explained. A deposit of \$25,000 must be accompany all offers. Note: If selected, Deposit will be held until such time as all compliance and project requirements are completed to the sole satisfaction of the land disposition agency.

The disclosure statements and other documentation submitted to PRA are important sources of information upon which PRA may base its selection and approval of an Applicant. Accordingly, any substantive misstatement or omission in any such disclosure statement or documentation shall be sufficient for PRA to reject the Proposal.

Following the close of this RFP, selected applicants may be requested to submit supplemental information including more developed plans and budgets. Upon completion of the review and evaluation, PRA will recommend a course of action to PRA Board of Directors. PRA shall make the final decision with respect to development Proposals and shall notify all Applicants of the results and return Proposal Deposits to unsuccessful Applicants.

# 6. Disposition Process

After the PRA reviews the Proposals and an Applicant's Proposal is selected, the PRA Board, City Planning Commission and City Council approval must be obtained before the PRA can execute the Redevelopment Agreement and construction can commence. Following is a general sequence of events in this approval

#### process:

- PRA review and approval of schematic architectural plans, and all financial documents (including budgets, sources and uses, pro forma, financing letters, term sheets, and Applicant financial statements)
- 2. Execution of Redevelopment Agreement by the successful Applicant. At this time the Proposal Deposit is credited toward the deposit required under the Redevelopment Agreement;
- 3. City Planning Commission approval of the Redevelopment Agreement;
- 4. PRA Board approval of the Redevelopment Agreement;
- 5. City Council approval of the Redevelopment Agreement;
- 6. Execution of the Redevelopment Agreement by PRA;
- 7. Settlement and transfer of title. At this time PRA requires proof of construction financing;
- 8. Pre-construction conference;
- 9. Construction period;
- 10. Review of the completed development to determine compliance with Agreement. If the development is found to be in compliance with the Agreement, PRA issues a Certificate of Completion and the security completion deposit is returned.

The successful Applicant shall be responsible for securing and paying all costs associated with all permits, licenses, approvals, lot line relocation, or variances necessary to comply with the development controls, City code, and the approved architectural plans.

# 7. Events of Disqualification or Default

Subsequent to the selection of an Applicant, and before execution of a Redevelopment Agreement, the PRA may treat any of the following as an event of disqualification or default:

- 1. Unilateral withdrawal by the selected Applicant;
- 2. Failure to proceed substantially in accordance with the Proposal as submitted;
- 3. Failure by the Applicant for any reason whatsoever to timely execute the Agreement when tendered;
- 4. Material misrepresentation, omission, or inaccuracy contained in any document submitted either as part of the Request for Proposals, or subsequent thereto. For the purposes of this section, the PRA places particular importance on the information required by the Applicant's Statement of Qualifications and Financial Responsibility and the Applicant's Statement for Public Disclosure;
- 5. Failure to provide in a timely manner the additional material required after selection throughout the PRA disposition process.

#### Remedies

Upon the happening of an event of disqualification or default by the Applicant, PRA shall have the right, at its election, to:

- 1. Rescind its selection of the Applicant; or
- 2. Declare null and void an Agreement that may already have been executed; and/or
- 3. Retain the Proposal Deposit as liquidated damages.

# 8. Reservation of Rights

By submitting a Proposal in response to this RFP, an Applicant affirmatively acknowledges: (i) its acceptance of the terms and conditions of this RFP; (ii) the PRA may exercise in its sole discretion the following rights; and (iii) the PRA may exercise the following rights at any time and without notice to any Applicant.

- 1. to reject any and all Proposals;
- 2. to supplement, amend, substitute, modify or re-issue the RFP with terms and conditions materially different from those set forth here;
- 3. to cancel this RFP with or without issuing another RFP;
- 4. to extend the time period for responding to this RFP;
- 5. to solicit new Proposals;
- 6. to conduct personal interviews with any Applicant to assess compliance with the selection criteria;
- 7. to request additional material, clarification, confirmation or modification of any information in any and all Proposals;
- 8. to negotiate any aspect of a Proposal, including price;
- 9. to terminate negotiations regarding any and all Proposals at any time;
- 10. to expressly waive any defect or technicality in any Proposal;
- 11. to rescind a selection prior to contract execution if the PRA determines that the Proposal does not conform to the specifications of this RFP;
- 12. to rescind a selection prior to contract execution if the PRA determines that the specifications contained in this RFP are not in conformity with law or that the process in selection of a Proposal was not in conformity with law or with the legal obligations of the PRA;
- 13. in the event a contract is awarded, the successful Applicant or Applicants shall procure and maintain during the life of the contract liability insurance in an amount to be determined prior to the award of any contract;
- 14. in the event a contract is awarded, all Applicants agree to perform their services as an independent contractor and not as an employee or agent of the PRA;
- 15. in the event a contract is awarded, all Applicants agree that no portion of performance of the contract shall be subcontracted without the prior written approval of the PRA; and
- 16. each Applicant agrees to indemnify, protect and hold harmless the PRA from any and all losses, injuries, expenses, demands and claims against the PRA or the City of Philadelphia sustained or alleged to have been sustained in connection with or resulting from (i) the submission of the Applicant's Proposal; (ii) the delivery by the Applicant to the PRA of any other documents or information; and (iii) any other conduct undertaken by the Applicant in furtherance of or in relation to the Applicant's Proposal. Each Applicant agrees that its duty to indemnify and hold harmless shall not be limited to the terms of any liability insurance, if any, required under this RFP or subsequent contract.

The PRA is under no obligation whatsoever to Applicant as a result of this RFP. The RFP does not represent any commitment on the part of the PRA to Applicant or the project. In no event shall the PRA be responsible for any cost, expense or fee incurred by or on behalf of Applicant in connection with the RFP. Applicant shall be solely responsible for all such costs, expenses and fees.

NOTICE: The PRA is subject to the Pennsylvania Right to Know Law. Any information provided in your response to this Request for Proposals may be subject to disclosure to the public. Documents provided in response to this RFP may also be required to be disclosed by applicable law, subpoena, and/or court order.