



ON BEHALF OF THE PHILADELPHIA LAND BANK

REQUEST FOR QUALIFICATIONS MINORITY DEVELOPER PROGRAM 2

PHILADELPHIA HOUSING DEVELOPMENT CORPORATION
LAND MANAGEMENT
ON BEHALF OF THE PHILADELPHIA LAND BANK
1234 MARKET STREET, 17TH FLOOR
PHILADELPHIA, PENNSYLVANIA 19107

NOTICE: The Philadelphia Land Bank 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.

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Exhibits:

- A. Application
- B. Philadelphia Tax Status Certification
- C. Third-party Team Member List Template
- D. Project List Template
- E. PHDC Minority Developer Program Brochure

Application Process

PHDC seeks qualified small to mid-size, local developers (herein, "Respondents") interested in participating in PHDC's Minority Developer Program ("MDP").

Submission Deadline

Respondents must submit applications by June 23, 2023 by 5:00 PM; absolutely no applications will be accepted after that time.

Questions/Requests for Additional Information

PHDC will accept questions and requests for additional information directed in writing to mdp@phdc.phila.gov through 5:00 P.M. on June 5, 2023. Questions, responses, and additional information will be posted on the PHDC website within seven (7) business days of June 5, 2023.

Related Parties

Respondents may submit only one response ("Response") to this RFQ. Individuals or businesses that are legally related to each other or to a common entity may not submit separate Responses. PHDC and the City of Philadelphia (the "City"), in their sole and absolute discretion, retain the right to reject any Response where:

1. Respondents or principals of Respondents are substantially similar or substantially related parties; or
2. PHDC has determined that the Respondent has violated these conditions or the spirit of these conditions.

Submission Process

Response submission should be online by clicking the Online Submission button via the electronic portal on PHDC's website (<http://www.phdcphila.org/>). If you are unable to submit your application online, please submit the application and requisite attachments to mdp@phdc.phila.gov

Disqualification Responses will be disqualified if:

1. They are submitted after the specified deadline;
2. They are submitted by some means other than the formats listed above.
3. If the Response package is incomplete.

Schedule

The timeline for this opportunity:

Event	Date
RFQ posted	May 24, 2023
Questions and requests for additional information due	June 5, 2023
Qualification responses due	June 23, 2023
Participants selected (Estimate)	July 7, 2023

The schedule of mandatory programming:

Event	Date
Orientation	Tuesday, July 25, 2023 @ 6-7PM
RFP Training 1	Tuesday, August 1, 2023 @ 6-7:30PM
RFP Training 2	Thursday, August 3, 2023 @ 6-7:30PM
RFP Training 3	Thursday, August 10, 2023 @ 6-7:30PM
RFP Training 4	Tuesday, August 15, 2023 @ 6-7:30PM
RFP Training 5	Thursday, August 17, 2023 @ 6-7:30PM
RFP Training 6	Tuesday, August 22, 2023 @ 6-7:30PM
Sample RFP Activity	September 2023
Pro-forma Training	October 2023

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

Program Background and Description

PHDC invites Responses from Respondents to participate in the MDP. PHDC seeks qualified local, small to mid-size developers.

PHDC's initiative is designed to address the lack of diversity in the Philadelphia development. The MDP objectives are to:

- Aggressively expand and market opportunities for local, small developers in Philadelphia
- Develop more inclusive development opportunities through training and hands on experience

MDP is a hands-on, business technical assistance program for small to mid-size developers and contractors in Philadelphia to promote wealth creation and business growth. It is a collaboration between PHDC, private, and non-profit sectors. MDP is not only a technical assistance program, but also leverages public land and funding to create opportunities for small to mid-size developers to obtain contracts for development projects, gain experience and improve their balance sheets.

Specific efforts will be made to market to firms that are owned and controlled at least 51% by minority developers and contractors doing business in Philadelphia as these firms are currently underrepresented in the marketplace.

This business technical assistance program will enable the selected Respondents to learn through an interactive, collaborative program focused on generating affordable housing and supporting these qualified small to mid-size developers to grow. Participants will have the opportunity to develop on their own, partner with other participants, or partner with larger, more established developers to complete real estate development projects. Participants will gain experience working with numerous City Agencies (i.e. Department of Revenue, Philadelphia Water Department ("PWD"), Planning & Development ("DPD"), Department of License and Inspections ("L&I"), engineers, architects, surveyors, expeditors, and suppliers.

The MDP, through the Philadelphia Land Bank ("PLB") and the Philadelphia Redevelopment Authority ("PRA"), will make public land available in phases through the release of Requests for Proposals ("RFPs") only available to MDP participants for the production of market rate and affordable housing. Development on said public land will be subject to the standard regulatory requirements.

The MDP Program components:

1. Orientation Session - Mandatory
2. RFP Training - Mandatory
3. RFP Sample Activity - Mandatory
4. Pro-forma Training (ULI) - Mandatory
5. MDP Exclusive RFPs
6. Technical Assistance
7. Site Visit
8. Mentor/ Mentee Activity

To have access to the MDP Exclusive RFPs, all mandatory items must be completed in full.

Training

A minimum six (6) session, virtual course will be made available. Participants will be trained in the regulatory requirements of the 2020 Disposition Policy and PHDC Land Management application process. The purpose of the training is to educate the program participants on how to successfully obtain land through PHDC Land Management. Land Management requirements covered include plans, approval process, budget submissions, sources and uses of funds worksheet training for single-family, multi-family, subsidized projects, compliance forms, social impact and Economic Opportunity Plan ("EOP").

A follow up activity will be conducted to provide a specific example of submitting a proposal. Proposals will be individually reviewed for accuracy with the Respondents.

In addition to the course, PHDC will offer additional real estate pro forma training to be conducted by a third-party organization.

Leverage of Public Land

Land will be identified and utilized to develop affordable housing. MDP, through the PLB and PRA, will make public land available in phases through the release of RFPs of various sizes only available to MDP participants for the production of market-rate and affordable housing. Selected Respondents will compete for land contained in RFPs.

Technical Assistance

PHDC will work with selected respondents to provide back-office support with:

- Proposal writing and preparation
- Insurance needs
- Human resource planning (internal hiring)
- Financial planning (short and long-term across projects)
- Accounting and/or bookkeeping review and suggestions
- Architectural (developing sample test fits)

Site Visits

PHDC will conduct site visits with Respondents to identify additional areas of improvement.

Mentor / Mentee Activity

At the end of the program, the Mentor / Mentee activity will connect Respondents with other developers, finance opportunities, and related business connections.

Finance

PHDC, the Philadelphia Accelerator Fund ("PAF"), and other Community Development Financing Institutions ("CDFIs") and participating lenders will provide equity, credit enhancement, and loans for acquisition and construction for financially viable projects that meet their respective underwriting criteria.

MDP Respondents may submit applications to PAF for project equity as well as mini-perm, mezzanine, predevelopment, bridge, and acquisition loans.

The MDP will work with nonprofits, Community Development Corporations ("CDC"), and with other private sector companies who will income-certify home buyers for affordable homes, when applicable, to purchase the newly built housing stock.

Respondent Responsibility

1. Work in concert with other selected Respondents to partner on projects and share information.
2. Fulfill their EOP goals by hiring minority contractors and subcontractors for MDP projects. For each awarded contract, an EOP will be signed with at least a 51% Minority Business Enterprise ("MBE") goal (including minority contractors with in-process applications or who enrolled in a program facilitating MBE certification) for MDP projects
3. Eligible Respondents that are not already MBE Certified will be encouraged to undertake the certification process with a certifying entity.
4. Respondents shall complete the PHDC Land Management training
5. Respond to RFPs issued for MDP participants
6. Deliver quality affordable and workforce housing for MDP projects

Program Eligibility Requirements

- Established business entity, minimum 2 years. No new business entities will be considered regardless of experience.
- Locally owned business doing business in Philadelphia.
- The principal line of business of the company must be development or construction. Real estate firms and other construction service providers do not qualify.
- Proven new construction and/or rehabilitation development experience and has completed at least one project of approximately \$150,000 in total costs in the last two years.
- Annual gross revenue of approximately \$100,000 or greater in the last two years.
- CEO/Principal must attend all mandatory sessions. One additional employee other than the CEO may participate per company.

Proposal Submission Requirements

Respondents will be considered based upon review of their submissions.

Submission Items

- Complete the Application
- Submit a brief bio of key company team members.
- Submit articles of incorporation for company.
- Submit two (2) years of company tax returns (personal returns for sole proprietorship, LLC or LLP) or audited financial statements.
- Submit Project List
- Submit Philadelphia Tax Status Certification
- Submit MBE certification, if applicable.
- Submit list of key third-party development team members (architect/engineer, GC, accountant, attorney, lender).
- Provide a narrative describing applicant's 5–10-year business goals. Include gross revenue milestones, type of developments (commercial, residential, mixed use), and scale of projects either by square footage or unit count.

Event of Disqualification or Default

Subsequent to the selection of a Respondent, PHDC may treat any of the following as an event of disqualification or default:

1. Unilateral withdrawal by the selected Respondent;
2. Failure by the Respondent for any reason whatsoever to timely execute any Development Agreement or other agreement when tendered;
3. Material misrepresentation, omission, or inaccuracy contained in any document submitted either as part of the Response, or subsequent thereto.
4. Failure to provide in a timely manner the additional material required after selection throughout the program.

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

1. Rescind its selection; or
2. Declare null and void any agreement that may already have been executed.

Declarations and Other Information

Change and/or Contract Modifications

PHDC reserves the right to increase or decrease requirements, or make any changes necessary, at any time during the duration of any agreement, or any negotiated extension thereof.

Economic Inclusion

PHDC strongly encourages and promotes the employment of qualified MWDBE firms in all aspects of its procurement of goods and services. If Respondent is a Certified MWDBE; please submit information to confirm Certification as part of response.

Tax Clearance and Conflict of Interest Form

Respondents must provide evidence satisfactory to PHDC that all municipal taxes, including business taxes, real estate, school, water and sewer charges, if applicable, are current for both the individual Respondent and the Respondent's firm or any other LLC or partnership in which the Respondent or Respondent's firm is a participant, and that neither is currently indebted to the City; will at any time during the term of the MDP program be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established.

Terms and Conditions

By submitting a Response to this RFQ, a Respondent affirmatively acknowledges: (i) its acceptance of the terms and conditions of this RFQ; (ii) PHDC may exercise in its sole discretion the following rights; and (iii) PHDC may exercise the following rights at any time and without notice to any Respondent:

1. to reject any and all Responses;
2. to supplement, amend, substitute, modify or re-issue the RFQ with terms and conditions materially different from those set forth here;
3. to cancel this RFQ with or without issuing another RFQ;
4. to extend the time period for responding to this RFQ;
5. to solicit new Responses;
6. to conduct personal interviews with any Respondent to assess compliance with the selection criteria;
7. to request additional material, clarification, confirmation or modification of any information in any and all Responses;
8. to negotiate any aspect of a Response;
9. to terminate negotiations regarding any and all Responses at any time;
10. to expressly waive any defect or technicality in any Response;
11. to rescind selection if PHDC determines that the Response does not conform to the specifications of this RFQ;
12. to rescind selection if PHDC determines that the specifications contained in this RFQ are not in conformity with law or that the process in selection of a Respondent or Response was not in conformity with law or with the legal obligations of PHDC;
13. each Respondent agrees to indemnify, protect and hold harmless PHDC and the City from any and all losses, injuries, expenses, demands and claims against PHDC or the City sustained or alleged to have been sustained in connection with or resulting from (i) the submission of the Respondent's Response; (ii) the delivery by the Respondent to PHDC of any other documents or information; and (iii) any other conduct undertaken by the Respondent in furtherance of or in relation to the Respondent's proposal. Each Respondent 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 RFQ or subsequent contract.

Neither PHDC nor the City is under any obligation whatsoever to Respondent as a result of this RFQ. The RFQ does not represent any commitment on the part of PHDC and/or the City to Respondent or the MDP. In no event shall PHDC or the City be responsible for any cost, expense or fee incurred by or on behalf of Respondent in connection with the RFQ. Respondent shall be solely responsible for all such costs, expenses and fees.

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