

Draft Request for Proposals

City of Cleveland
Department of Community Development

7/29/2022

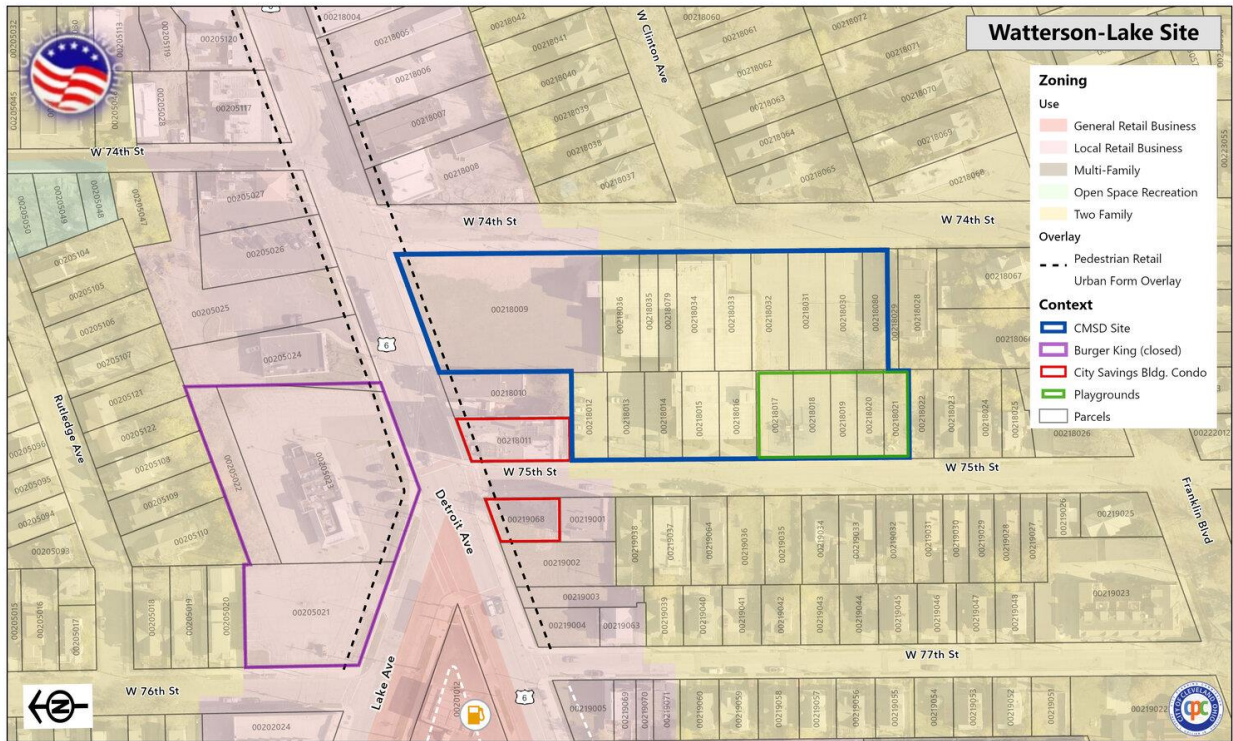
This draft document is being released to the public and posted to the project website, www.wattersonlakecle.com, in order to share further information with the community about the City's redevelopment process for the Watterson-Lake School Site.

Specifically, at a meeting to be held August 17, 2022 (see project website for meeting details), the **Draft Scoring Criteria listed on pages 5-7 of this document** will be reviewed.

REQUEST FOR PROPOSALS

FOR THE REDEVELOPMENT OF THE
FORMER WATTERSON-LAKE SCHOOL SITE

CITY OF CLEVELAND



REQUEST FOR PROPOSALS (RFP)

FOR THE REDEVELOPMENT OF THE FORMER WATTERSON-LAKE SCHOOL SITE

INTRODUCTION

The City of Cleveland (City) is issuing a Request for Proposals (RFP) to select real estate development project teams for the redevelopment of **the former Watterson-Lake School Site**.

The deadline for the RFP responses is **5:00 PM on (date)**.

The intent of the RFP process is to identify a qualified real estate development team interested in developing the site. Developers are required to review the Watterson-Lake Site Engagement Report (**Attachment B**) and to submit proposals that meet the criteria identified in that report. Proposals will be reviewed by an evaluation team comprised of representatives of the City designated by the Director of Community Development. The RFP and selection process will be facilitated by the City of Cleveland. The City is permitted to accept or reject any or all proposals.

Each proposal is required to indicate a purchase price and explanation for the proposed price through the submission of an independent, third-party justification or appraisal. City officials are currently only authorized to accept a purchase price for each property based on the Fair Market Value. If proposed prices are for less than the Fair Market Value, the proposal will need to be approved by the City of Cleveland.

ATTACHMENT LIST:

Attachment A – Submission Requirements Checklist
Attachment B – Watterson-Lake Site Engagement Report
Attachment C – Watterson-Lake Environmental Reports
Attachment D – Watterson-Lake Site Survey

RFP TIMELINE:

| | |
|---|------------|
| City Releases RFP | TBD |
| Informational Session w/Developers | TBD |
| Questions Due | TBD |
| RFP Responses Due | TBD |
| Respondents Notified of Preliminary Selection | TBD |

DEVELOPMENT GOALS

Current owner, Cleveland Metropolitan School District (CMSD), has secured the necessary funding to demolish the existing Watterson-Lake building that remains on the site. CMSD will complete the abatement and demolition of the building and transfer the land to the City of Cleveland.

This 2-acre tract of land is a once in a generation opportunity to address unmet community needs in the Gordon Square Arts District. To ensure that the public voice in the City of Cleveland's disposition process, Ward 15 Councilmember Jenny Spencer and the Cleveland City Planning Commission engaged

the Free By Design LLC consulting group to facilitate a community engagement process with the objective of identifying the vision and shared values of the community surrounding the Watterson-Lake site. The results of this study are included in this document as **Attachment B**. Firms considering submitting a proposal as a response to this RFP are required to review this engagement report.

The City of Cleveland is interested in reviewing proposals submitted by qualified firms that include mixed-use development plans that promote community connectivity. The City of Cleveland requires that all proposals include some degree of public access to the proposed development that, at a minimum, provides a pedestrian connection between W 74th Street and W 75th Street. Development partnerships that leverage different forms of expertise in site redevelopment are also encouraged.

PROCESS

The City of Cleveland will use the RFP process to determine interest and select qualified project teams to move forward into due diligence and predevelopment plans for each site.

The Proposed Process is as Follows:

Phase I- RFP Responses

*RFP to be released **TBD** with responses due **TBD***

- CMSD will complete building demolition **by date**.
- The City of Cleveland will release a Request for Proposals.
- **City of Cleveland will maintain ownership of the Site until the approved Developer closes on all financing and is ready to start construction.**

An evaluation team shall be comprised of representatives from the City. The evaluation team shall determine select a qualified real estate development firm based upon a qualitative and quantitative review of each submission. The RFP submissions will be evaluated according to the criteria set forth on page 4 entitled "Scoring Criteria".

Submission Requirements for RFP responses are described in **Attachment A**.

RFP respondents shall be notified of the evaluation team's preliminary selection by **date TBD**.

Phase II- Selected Development Team to proceed with development of the site

*Process expected to conclude by **TBD**; due no later than **TBD***

- Selected development team will enter into a Memorandum of Understanding (MOU) with the City
- City to provide commitment letters for project
- Developer to secure financing
- Developer to complete Final Design, Construction Plans
- City to pass Legislation and coordinate transfer of title from the City to the developer
- Permitting (*For more information, visit [City of Cleveland Permit Guide](#)*)

The RFP process is non-binding, does not imply a commitment to move forward with the project and is subject to the Codified Ordinances of the City of Cleveland and the laws of the State of Ohio. The property owners reserve the right to discontinue the RFP/RFP process at any time.

SUBMISSION GUIDELINES

Interested Firms shall submit their proposals using the Watterson-Lake Excel Workbook Format. **All applicable requested information must be provided.** Any additional information that can assist in the evaluation of the proposal may be included. Please see **Attachment A** for a checklist of the required submission documentation. The Selection Review Committee reserves the right to reject any applications that do not submit all required documentation.

To obtain a copy of the Watterson-Lake Excel Workbook Format, please email a request to CD-DND@clevelandohio.gov.

RFP responses shall be submitted by **TBD**. RFP responses may be submitted via drop box or other online file sharing service to: CD-DND@clevelandohio.gov.

SCORING CRITERIA:

The City of Cleveland will review all proposals and consider the following when making an award decision:

Total Points (110)

- 1) **(20 pts MAX) The City of Cleveland seeks projects that offer amenities that are accessible to the public, contribute to the vibrancy of the neighborhood, and support the commercial corridor along Detroit Avenue. Points will be awarded by comparing each proposal on a side by side basis. Consideration for points will be based on, but not limited to, the following amenities:**
 - a. Green Space and Public Play Space
 - b. Public Art
 - c. Community Responsive Space
 - d. Quality of connector between West 74th-West 75th
 - e. Other Amenities
- 2) **(10 pts MAX) The City desires to encourage mixed-used development along major corridors and transit routes. Projects that include commercial space as part of the design-build of the project will receive points as they compare to other proposals. The following consideration will be given when considering commercial spaces in project proposals:**
 - a. Size of total commercial space relative to the size of the building.
 - b. A written plan detailing a strategy to attract a type of commercial tenant, how that space would be ideal for the given proposed tenant, and how the proposed commercial tenant would meet community needs and/or complement existing commercial uses.
- 3) **(10 pts MAX) Projects that promote a walkable neighborhood that is accessible, safe, and features best practices in pedestrian safety will receive points as they compare to other proposals.**
 - a. For more information, please visit the [City of Cleveland Vision Zero](#) website for studies and other reference materials.

4) **(5 pts MAX) The Detroit Shoreway Neighborhood is an architecturally diverse neighborhood rich with cultural history. Points will be awarded based on each project's Building Design Elements as they compare to other proposals. Consideration will be given to projects that:**

- a. Pay homage to the context of the surrounding neighborhood and the history of the Watterson-Lake site
- b. Contribute to the architectural diversity of the neighborhood

Note: The site will be subject to design review by the Landmarks Commission. Applicants are encouraged to review the requirements of the Commission on their [website](#) as well reach out to staff Adam Davenport (adavenport@clevelandohio.gov) and Karl Brunjes (kbrunjes@clevelandohio.gov) for meeting processes. The site is zoned both Local Retail on the parcels near Detroit with the [Pedestrian Retail Overlay](#) included on the Detroit frontage. The rear parcels of the site are zoned Two Family and have a residential use designation. The City understands and supports a variance request that will be needed to allow a multi-family project. More information on zoning [here](#).

5) **(25 pts MAX) The City of Cleveland seeks to promote density and affordability in its housing. Points will be awarded to projects that offer a density of residential units at an affordable rate.**

- a. Affordable Housing for families making 60% of the Area Median Income or less (20 pts)
 - i. 50% or more of units are affordable (20 pts)
 - ii. 40% or more of units are affordable (17 pts)
 - iii. 30% or more of units are affordable (14 pts)
 - iv. 20% or more of units are affordable (10 pts)
 - v. 10% or more of units are affordable (5 pts)
- b. Projects that offer residential Density (5 pts)
 - i. 150+ units (5 pts)
 - ii. 125+ units (4 pts)
 - iii. 100+ units (3 pts)
 - iv. 80+ units (2 pts)
 - v. 60+ units (1 pts)
- c. Projects the offer Family units with 3 or 4 Bedrooms (5pts)
 - i. Project includes 10% of units with 3+ Bedrooms (3pts)
 - ii. Project Includes 5% of units with 4+ Bedrooms (2pts)

6) **(10 pts MAX) Submissions will be considered by additional community benefits offered in each proposal. Projects should consider benefits proposals that that will improve the quality of life in the surrounding neighborhood. Suggestions for benefits proposals may include, but are not limited to, the following:**

- a. District Parking
- b. Projects that exceed [Chapter 187 of the Codified Ordinances of Cleveland requirement](#) that 30% of the project's construction subcontracts going to subcontractors who are Minority Owned, Female Owned, or Cleveland Small Businesses

- i. Proposals seeking to meet this requirement should provide a letter of commitment demonstrating the intent to exceed the above standard and explicitly detail what level of participation the project seeks to meet. Applications that are awarded funding and committed to the exceeding Cleveland's Equal Opportunity Employment Requirements will be required to demonstrate an ability to meet these goals prior to closing on a contract.
 - c. Resources to Low-Income Residents
 - d. Local Infrastructure Improvements and Additions
 - e. Other unique community amenities (creativity encouraged)
- 7) **(10 pts MAX) Proposals will be awarded points for the inclusion of a non-profit partner. An example of a non-profit partnership would be to consider the tenants who reside within the proposed development, their needs, and how they might best be connected with the community. Other types of non-profit partnerships – e.g. related to greenspace – may be proposed. Developers may submit a Letter of Intent with a non-profit partner which describes the following:**
- a. Organizational Information about the Non-Profit Partner
 - b. A clearly defined set of goals the partnership seeks to accomplish. These goals will be evaluated based on the capacity of the proposed partner as well as a clearly defined plan to accomplish those goals. Firms are encourage to consider specific action items that will help this partnership meet those goals.
- 8) **(10 pts MAX) The City of Cleveland Seeks proposals that are financially viable. The Selection Review Committee will review the financial commitments of each proposal and reward points based on the following criteria:**
- a. Minus 1 point for each unsecured source
 - b. Minus 2 points if the funding source is highly competitive
- 9) **(10 pts MAX) The City of Cleveland seeks proposals that are capable of breaking ground within 18 months of selection. The Selection Review Committee will review each proposal and reward points based on the proposed construction start date and its feasibility.**
- a. 9 Months from Award Announcement (10pts)
 - b. 12 Months from Award Announcement (7pts)
 - c. 24 Months From Award Announcement (3pts)

INFORMATION SESSION

Developers and Project Teams interested in submitting responses to the RFP are invited to participate in a virtual Information Sessions hosted by the City of Cleveland. **One-Hour Information Sessions will be held on TBD via Webex**, a virtual meeting application. Please RSVP to CD-DND@clevelandohio.gov by August 10, 2022 in order to attend. Questions should also be submitted via email to the address listed above.

QUESTIONS AND REQUESTS FOR INFORMATION

Questions regarding the RFP process should be submitted in writing, via e-mail to CD-DND@clevelandohio.gov by **TBD**. Responses will be sent to all parties interested in responding to the RFP by the end of business on **TBD**.

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ATTACHMENT A

Submit the following documentation with your proposal, and indicate which items are included. If an item is not included, please describe why in the comments section. Further clarification for each requirement is available in the application workbook. **The Department of Community Development may request further documentation in addition to that listed below.**

ALL FILES SUBMITTED WITH YOUR APPLICATION MUST BE NUMBERED AND LABELED IN ACCORDANCE WITH THE BELOW CHECKLIST.

| # | REQUIREMENT | Item Included? |
|----|---|----------------|
| 1 | 2021 HTF Application Workbook | |
| | a. Project Narrative | |
| | b. Details on Development Team (including ownership structure) | |
| | c. List of Current and Completed Projects | |
| | d. Sources and Uses of Funds | |
| | e. Construction Period Sources and Uses | |
| | f. Pro forma including Operating Expenses | |
| 2 | Market Estimates with Data to Justify Market Rate Rents | |
| 3 | Entity Information | |
| 4 | Financial Statements (Audited and/or Tax Returns) | |
| 5 | Cost Estimates or Bids, signed by Contractor, on Contractor Letterhead | |
| 6 | Detailed Scope of Work and Specifications | |
| 7 | Green Building Plan, or, at minimum, proposal with scope from green building consultant which includes submittal to the Enterprise Portal | |
| 8 | Architectural Drawings, Site Plans, Elevations, Floor Plans, and Sections (as needed) | |
| 9 | Financing Commitment Letters or Documentation of Proposed Funding Source which demonstrates project eligibility | |
| 10 | Letter of Intent with Non-Profit Partner | |
| 11 | Tenant and Community Engagement Plan | |
| 12 | Site appraisal and/or study justifying proposed sales price | |

ATTACHMENT B

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ATTACHMENT C

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ATTACHMENT D

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