

Chicago Neighborhood Stabilization Program Request for Developer Qualifications

Date Issued: 3.30.2009 - Updated 9.27.2010

Issued By:

The City of Chicago

Mercy Portfolio Services

Para una versión en Español, por favor llamar a William W. Towns (312) 447-4609.

MERCY PORTFOLIO SERVICES REQUEST FOR DEVELOPER QUALIFICATIONS

CHICAGO NEIGHBORHOOD STABILIZATION PROGRAM

OVERVIEW

This Request for Qualifications (“RFQ”) is being issued by Mercy Portfolio Services (“MPS”) in its capacity as program manager for the City of Chicago (the “City”) to identify qualified developers with interest in acquiring, rehabilitating, and thereafter owning and managing or selling properties that are vacant as a result of foreclosure (the “Properties”). This RFQ will not address demolition, new construction, land banking or homebuyer assistance opportunities. Subsequent communications will address the services that MPS will provide, financing vehicles, subsidy types and availability, and the processes surrounding disposition of the properties to the developers.

To facilitate the disposition planning process, MPS and the City (the “Issuers”) seek qualified developers to acquire and rehabilitate, and thereafter own and manage or market and sell, the Properties. The Issuers will evaluate RFQ Respondents based on their experience in rehabilitating, operating and managing or marketing and selling rental and/or for-sale housing. After identifying qualified developers, the Issuers will ask such developers to submit more detailed development and financing proposals for consideration.

Nothing in this RFQ shall be construed to create any legal obligation on the part of the Issuers or any Respondents. The Issuers reserve the right, in their sole discretion, to amend, suspend, terminate, or reissue this RFQ in whole or in part, at any stage. In no event shall the Issuers be liable to Respondents for any cost or damages incurred in connection with the RFQ process, including but not limited to, any and all costs of preparing a response to this RFQ or any other costs incurred in reliance on this RFQ. No Respondent shall be entitled to payment from the Issuers for any costs, expenses or fees related to this RFQ. All documentation submitted in response to this RFQ will become the property of the Issuers.

Respondents may also withdraw their interest in the RFQ, in writing, at any point in time as more information becomes known regarding financing, affordability restrictions, building conditions, and rehabilitation requirements.

BACKGROUND

In 2008, Congress passed and the President signed into law the Housing and Economic Recovery Act of 2008 (“HERA”). A provision of the law, known as the Neighborhood Stabilization Program (“NSP”), provides states and local governments with funds to address the impact of vacant and foreclosed homes. On September 26, 2008, the U.S. Department of Housing and Urban Development (“HUD”) announced that it had allocated \$55,238,017 to the City. Further, NSP 2 a term that references the NSP funds authorized by Title XII of Division A of the American Recovery and Reinvestment Act of 2009, (the Recovery Act) provides grants to states, local governments, nonprofits and a consortium of public and or private nonprofit entities

on a competitive basis. On January 14, 2010, the U.S. Department of Housing and Urban Development (“HUD”) announced that it had allocated \$98,008,384 to the City. For more information go to www.chicagosp.org

In order to expedite the effective use of the NSP funds, the City of Chicago is sub-granting NSP funds to MPS, a non-profit corporation that is an affiliate of Mercy Housing, Inc. MPS, will manage the developer Request for Qualification process, coordinate all REO property acquisitions, rehabilitation and sales, and ensure compliance with all Federal, State, and City regulations.

The Issuers are cooperatively issuing this Request for Qualifications. All responses and questions should be directed to MPS at the address indicated below and not to the City.

The Issuers believe that the success of the Chicago Neighborhood Stabilization Program will require the full participation of the non-profit and for-profit development communities, as well as the participation of the local neighborhood community groups and organizations. Therefore, they seek to determine the level of interest among developers and community organizations in acquiring and rehabilitating, and thereafter owning and operating or marketing and selling specific buildings located in the community areas of greatest need, which are identified on Schedule 1 to this RFQ, attached hereto and incorporated herein by reference. The purpose of this RFQ is to identify qualified developers for such work.

CITY OF CHICAGO OBJECTIVES

Given the scale of the foreclosure issue, its adverse impact on neighborhoods, the following neighborhood stabilization goals have been established:

1. Stabilize neighborhoods by getting vacant and foreclosed homes up-to-code and occupied as quickly as possible.
2. Strategically target interventions to protect neighborhoods impacted by foreclosure, preserve public and private investments, and make a measurable impact in targeted areas.
3. Create efficiencies and economies of scale by acquiring vacant, foreclosed properties in bulk at a discount from lending institutions and redeveloping those properties with a broad network of qualified development partners.
4. Prioritize interventions on vacant, foreclosed 1-6 unit properties and other larger buildings that adversely impact neighborhood stability and quality of life in targeted areas.
5. Ensure compliance with affordability restrictions on rehabilitated homeownership and rental housing units.

NSP REQUIREMENTS

The regulations governing NSP were published in the Federal Register on October 6, 2008 (Volume 73, Number 194) and can be viewed at www.hud.gov/nsp. Respondents are strongly

encouraged to read these regulations prior to submitting their response to this RFQ. HERA requires that all NSP funds be spent by March 27, 2013. ARRA requires that all funds be spent by February 11, 2013.

Rehabilitation Standards

HERA provides that any NSP-assisted redevelopment activity shall be to the extent necessary to comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability. HERA defines rehabilitation to include improvements to increase the energy efficiency or conservation of properties, and HUD is encouraging the use of NSP funds to incorporate energy-efficiency improvements in NSP-assisted homes to provide for long-term affordability and increased sustainability.

Developers must adhere to HUD Housing Quality Standards (“HQS,” found at 24 CFR, Subtitle B, Chapter IX, Part 982, Subpart I). In addition, rehabilitation work must also adhere to all aspects of the Municipal Code of Chicago, specifically Title 7 (Health and Safety) and 13 (Buildings and Construction) See the City of Chicago's website at www.cityofchicago.org for further information on the cited Code sections and HUD’s website at www.hud.gov for information on HQS.

Developer Fee

HERA also states that if a residential property is purchased and/or redeveloped with NSP funds and then sold to an owner-occupant, the sales price must be equal to or less than the cost to acquire and redevelop the home. The maximum sales price for a property is determined by aggregating all costs of acquisition, construction, and soft costs, including a reasonable developer fee and sales and closing costs. The developer fee will be determined on a per property basis, and will be detailed in the redevelopment agreement between the City and the developer. The developer fee is compensation to the developer based on the scope of the project, the total development cost, and the risk associated with the project. Developer fees will likely range from 10%-15% of total development costs.

HUD is currently reviewing the rules pertaining to profits gained from NSP-assisted rental properties. The Issuers will share this information with Respondents as it becomes available from HUD.

Income Limits

HERA also stipulates that all NSP funds must assist families making no more than 120% of the area median income (“AMI”). In addition, 25 percent of the NSP funds must be targeted to families whose income is at or below 50% AMI.

Certain rental units, when made available through the disposition process, will be designated to be occupied only by families whose income is at or below 50% AMI at the time of occupancy. Generally, buildings having two or more units will be used to meet this overarching goal.

The first table below shows the income limits for various household sizes at various levels of area median income. The second table provides the maximum affordable monthly rents for various household sizes at various levels of area median income.

**TABLE FOR INCOME LIMITS
(EFFECTIVE APRIL 17, 2010)**

Household Size	30% Area Median Income	50% Area Median	80% Area Median	120% Area Median Income
1 person	15,800	26,300	42,100	63,100
2 persons	18,050	30,050	48,100	72,100
3 persons	20,300	33,800	54,100	81,100
4 persons	22,550	37,550	60,100	90,100
5 persons	24,400	40,600	64,950	97,350
6 persons	26,200	43,600	69,950	104,550
7 persons	28,000	46,600	74,550	111,750
8 persons	29,800	49,600	79,350	118,950

Income limits are based on the Chicago-Naperville-Joliet, IL HUD Metro FMR Area (HMFA) Median Family Income of \$75,100, as adjusted by HUD. Effective until superseded.

Maximum Rents When Tenants Pay No Utilities/Landlord Pays All Utilities

<u>Number of Bedrooms</u>	<u>30%</u>	<u>50%</u>	<u>80%</u>
0	\$395	\$660	\$1,053
1	\$423	\$706	\$1,128
2	\$508	\$848	\$1,353
3	\$587	\$980	\$1,563
4	\$655	\$1,093	\$1,749
5	\$723	\$1,206	\$1,924

Deed restrictions, and/or similar recorded restrictive covenants, will prohibit discrimination against voucher recipients, require rehabilitation of all units within the period specified in the redevelopment agreement, and require reconveyance of title in the

event of noncompliance with applicable City, State and Federal regulations.

Other Requirements

All NSP construction activities will be subject to the Davis-Bacon Act. All NSP developers will be required to pay their contractors Davis-Bacon wages and maintain records that demonstrate their compliance with this requirement.

In addition, NSP construction activities will be subject to Minority-owned Business Enterprise (MBE) and Women-owned Business Enterprise (WBE), Local Hiring and HUD Section 3 requirements.

The Issuers reserve the right, in their sole discretion, to alter, change or modify the foregoing requirements, in the event of a change in applicable statutes, regulations or ordinances, including those governing Disadvantaged Business Enterprises (DBEs).

Past Performance

Respondents will not be deemed qualified as NSP developers if they have an unsatisfactory prior performance record developing housing with the Department of Community Development, other City agencies or departments, the Cook County Collector's Office, the State of Illinois or federal agencies. However, if Respondents have documentation satisfactory to the Issuers showing that they made the effort necessary to rectify their performance record, and providing that they are simply waiting for a determination of compliance, such Respondents may be deemed qualified, pending the final determination of compliance. In such circumstances, if a final determination of non-compliance is issued to a Respondent, such Respondent will not be eligible to participate in the City of Chicago's NSP initiative as a qualified developer until such Respondent shall have rectified such non-compliance to the satisfaction of the applicable department or agency.

Please note that respondents with an unsatisfactory performance record developing multifamily housing may be deemed qualified as NSP single-family developers, and those with an unsatisfactory performance record developing single-family housing may be deemed qualified as NSP multifamily developers.

The Respondent represents by submission of their qualifications that neither it nor its principals are presently debarred, suspended, declared ineligible, or excluded from participation in the activities proposed under this RFQ by any Federal, State or City Agency.

DISPOSITION OPTIONS

Rehab for Homeownership

1. Sustainable affordability is a principal goal. In order to achieve this goal, properties targeted for homeownership will carry the following affordability restrictions, based on the amount of the per-unit NSP expenditure:

Affordability Restrictions for Owner-Occupied Properties

NSP Expenditure Per Unit of Homeownership Housing	Minimum Affordability Period in Years
Under \$15,000	Five (5)
\$15,000 to \$40,000	Ten (10)
Over \$40,000	Fifteen (15)

2. NSP-assisted units must meet the affordability restrictions for not less than the applicable period specified above, beginning upon sale of the unit to a qualified owner-occupant. Affordability restrictions apply regardless of the term of any financing or the transfer of ownership. Liens will be imposed on homeownership properties that will recapture a portion of the NSP subsidy if, at any time during the affordability period, the home is sold to a non-income qualifying household or is refinanced in an amount that effectively “cashes out” the NSP investment.
3. All homebuyers will be required to receive eight (8) hours of homebuyer counseling from a HUD-certified counseling agency.

Rehab for Rental

1. Twenty-five percent of the City’s NSP grant will be used to assist households making no more than 50% AMI, adjusted for household size, as defined by HUD. Acquisition and redevelopment of rental units will meet this requirement. NSP funds cannot be used to provide rent subsidies.
2. Respondents must be aware of the following affordability restrictions, based on the amount of the per-unit NSP expenditure:

Affordability Restrictions for Rental Properties

NSP Expenditure Per Unit of Rental Housing	Minimum Affordability Period in Years
Under \$15,000	Five (5)
\$15,000 to \$40,000	Ten (10)
Over \$40,000	Fifteen (15)

EVALUATION CRITERIA AND SCORING

In evaluating responses to this Request for Qualifications, the Issuers will take into consideration the scale and financial capacity that is being proposed by the Respondent. The following Evaluation Criteria will be considered in reviewing submittals:

Threshold Requirements

The following documents must be submitted. The Capacity and Innovation information will not be reviewed if any of these threshold requirements are missing:

- 1) City of Chicago Economic Disclosure Statement *
- 2) Affidavit(s) of Child Support Compliance *
- 3) City Indebtedness Profile Form(s) *
- 4) Certificate of Good Standing (Corporation) or Certificate of Existence (Limited Liability Company) issued by the Illinois Secretary of State (If Respondent is a joint venture, a

Certificate of Good Standing or Certificate of Existence, as applicable, must be submitted for each entity comprising the joint venture)

- 5) Financial Statements for the Past Three Years (Primary Applicant)
- 6) Not-For-Profit Documentation, if applicable
 - a. IRS determination letter of 501(c)(3) status
 - b. Articles of Incorporation
 - c. Corporate By-Laws
 - d. List of Board Members

* Items #1-3 can be found in Schedule 2 of this RFQ.

Responses that do not include all of the applicable threshold requirements will not be evaluated.

Note: Respondents acting solely as developers or as both developers and general contractors will not be required to provide evidence of a Residential Real Estate Developer License or General Contractor License with their submission documents but must provide evidence of these licenses prior to the allocation of properties.

Capacity and Innovation

The point system outlined below is to evaluate the capacity and experience of the Respondents. Points will be used as a guideline to determine the number and type of properties that the Respondent will be eligible to purchase and redevelop. **The extent of developers' participation in NSP will be commensurate with the housing development experience.**

Respondents proposing to acquire and redevelop single-family properties (1-2 unit buildings) will be evaluated separately from Respondents proposing to acquire and redevelop multifamily properties (buildings with 3 or more units). Developers who plan to acquire both single-family and multifamily properties should indicate this in their cover letter.

1) The Respondent's Experience in Redeveloping and Constructing Residential Properties

Single-family	Multifamily	Points
0 -1 Years	0 – 1 Years	5 points
1 – 3 Years	1 -3 Years	10 Points
> 3 Years	> 3 Years	15 points

2) Number of units the Respondent completed in the timeframe indicated in question #1

Single-family	Multifamily	Points
1 – 5 units	0 – 20 units	5 points

6 – 20 units	21 – 50 units	10 points
> 20units	> 50 units	15 points

- 3) Number of units the Respondent is currently managing, directly or through a third-party property manager. (Only applicable for Respondents interested in redeveloping properties as rental units.)

Single-family	Multifamily	Points
1 – 5 units	0 – 20 units	5 points
6 – 20 units	21 – 50 units	10 points
> 20 units	> 50 units	15 points

- 4) Amount of credit that the Respondent has available for the purchase and redevelopment of vacant, foreclosed residential properties. Respondent must submit documentation to confirm the level and availability of credit to acquire and redevelop proposed units.

Single-family	Multifamily	Points
Up to \$50,000	Up to \$250,000	5 points
\$50,000 to \$150,000	\$250,000 to \$500,000	10 points
> \$150,000	> \$500,000	15 points

- 5) Respondents will be awarded up to 20 points for their experience in meeting MBE/WBE, City of Chicago Local Hiring, Davis-Bacon, and HUD Section 3 requirements.
- 6) Innovation: Respondents will be awarded up to 20 points for their experience and proposed practices regarding the following:
- Community hiring
 - Engaging community stakeholders and building effective community partnerships and collaborations
 - Utilizing local suppliers and retailers
 - Green/energy efficient retrofits

- e. Effective schedule and budget management throughout the development process

SUBMITTAL REQUIREMENTS

RFQ responses must be submitted **both** via hard copy and fax copy sent to 1.877.228.4917. Each Respondent shall submit one original and two (2) bound copies of the following documents in a clear, legible, 12 point font, and 8.5 by 11 inch format. Incomplete submittals will not be considered. **Responses not submitted both via hard copy and fax will not be considered.**

Respondents must adhere to the Submittal Requirements. Failure to comply with the instructions of this RFQ will be cause for rejection of submittals.

The Issuers reserve the right to seek additional information to clarify responses to this RFQ. Each response must include the following:

Letter of Interest

Please submit a Cover Letter of Interest signed by a duly authorized officer or representative of the Respondent, not to exceed two pages in length. The Letter of Interest must include the following information:

- 1) The principal place of business and the contact person, title, telephone/fax numbers and email address.
- 2) A brief summary of the qualifications of the developer and development team.
- 3) A description of the business organization (i.e. corporation, limited liability company or joint venture).
- 4) The names and business addresses of all Principals of the Respondent. For purposes of this RFQ, "Principals" shall mean persons possessing an ownership interest in the Respondent.
 - a. In the case of two or more entities comprising a joint venture, information pertaining to the Principals of each entity must be provided.
 - b. If the Respondent is a partially owned or fully-owned subsidiary of another organization, identify the parent organization and describe the nature and extent of the parent organization's approval rights, if any, over the activities of the Respondent.
- 5) The Certification attached hereto as Schedule 3 and incorporated herein by reference must be signed by Respondent and attached to the Letter of Interest.

Main Proposal

Please provide the following information:

- 1) Years of experience in acquiring and redeveloping vacant and foreclosed properties

- 2) Number of units completed in above timeframe
- 3) Number of rental units that the Respondent is directly or through a third-party property manager currently managing (if applicable)
- 4) The amount of credit that the Respondent has available for the purchase and redevelopment of vacant, foreclosed residential properties. Respondent must submit documentation to confirm the level and availability of credit to acquire and redevelop proposed units.
- 5) Respondent's experience in meeting MBE/WBE, City of Chicago Local Hiring, Davis-Bacon, and HUD Section 3 requirements. State whether Respondent is a certified MBE/WBE. If so, please provide a copy of a current MBE/WBE certification letter.
- 6) Innovation: Describe the Respondent's experience and proposed approach to the Chicago NSP initiative with special focus on experience and proposed practices in the following areas:
 - a. Community hiring
 - b. Engaging community stakeholders and building effective community partnerships and collaborations
 - c. Utilizing local suppliers and retailers
 - d. Green/energy efficient retrofits
 - e. Effective schedule and budget management throughout the development process

Community Areas of Greatest Need and Property Types

The Issuers would like to learn more about the Respondent's interest in working in the various community areas of greatest need (see Schedule 1) and the number and type of properties the Respondent is interested in acquiring and redeveloping through the City of Chicago's Neighborhood Stabilization Program. This information will not be used to evaluate the Respondent and will not influence the decision on whether a Respondent will be deemed "qualified."

Please provide a brief narrative identifying the community areas of greatest need in which the developer is interested in acquiring properties. Please provide addresses in the community areas of greatest need, to the extent known, e.g., "East side of 4100 block of South Marzipan."

Please also provide a description of the property types (single-family/homeownership or multifamily/rental) and quantities of each that the developer prefers to secure and over what time period, e.g., "50 units of all single-family homes over six months" or "20 to 24 units in four to six-unit buildings over the next 12 months," etc. Please provide that description for each community area of greatest need.

Threshold Requirements

- 1) City of Chicago Economic Disclosure Statement *
- 2) Affidavit(s) of Child Support Compliance *
- 3) City Indebtedness Profile Form(s) *
- 4) Certificate of Good Standing (Corporation) or Certificate of Existence (Limited Liability Company) issued by the Illinois Secretary of State (If Respondent is a joint venture, a Certificate of Good Standing or Certificate of Existence, as applicable, must be submitted

- for each entity comprising the joint venture)
- 5) Financial Statements for the Past Three Years (Primary Applicant)
 - 6) Not-For-Profit Documentation, if applicable
 - a. IRS determination letter of 501(c)(3) status
 - b. Articles of Incorporation
 - c. Corporate By-Laws
 - d. List of Board Members

* Items #1-3 can be found in Schedule 2 of this RFQ.

Responses that do not include all of the applicable threshold requirements will not be evaluated.

Note: Qualified Respondents acting solely as developers or as both general contractors and developers will not be required to provide evidence of a Residential Real Estate Developer License or General Contractor License with their submission documents but must provide evidence of these licenses prior the allocation of properties.

SELECTION PROCESS

The Selection Committee comprised of MPS staff and independent professionals will review qualifications in accordance with the evaluation criteria set forth herein and City objectives and policies. MPS will notify Respondents who do not meet the minimum threshold requirements as outlined in this RFQ. As properties are acquired, MPS will ask Respondents determined to be qualified to submit more detailed development and financing proposals for its consideration.

QUESTIONS

Questions regarding this RFQ should be submitted in writing via email to:
chicagosp@mercyhousing.org.

SUBMITTAL DUE DATE

Responses to the Request for Qualifications will be processed on a rolling basis. Developers may submit responses to become qualified under the Chicago Neighborhood Stabilization Program starting **April 13, 2009** and thereafter until such time as the Issuers, in their sole discretion, close the application process.

Responses to this RFQ must be **faxed to 1.877.2284917. Hard copies must be delivered to:**
Mercy Portfolio Services
Attn: William Towns
120 S. LaSalle Street, Ste. 1850
Chicago, IL 60603

SCHEDULE 1

City of Chicago Neighborhood Stabilization Program Areas

Albany Park

Auburn Gresham

Austin

Burnside

Chatham

Chicago Lawn

East Garfield Park

Englewood

Fuller Park

Grand Boulevard

Greater Grand Crossing

Hermosa

Humboldt Park

Logan Square

New City

North Lawndale

Oakland

Pullman

Riverdale

Roseland

South Chicago

South Deering

South Lawndale

South Shore

Washington Park

West Englewood

West Garfield Park

West Pullman

Woodlawn

SCHEDULE 2

Economic Disclosure Statement

Affidavit of Child Support Compliance

City Indebtedness Profile Form

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: _____

C. Telephone: _____ Fax: _____ Email: _____

D. Name of contact person: _____

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

G. Which City agency or department is requesting this EDS? _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|--|
| <input type="checkbox"/> Person | <input type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |
-

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
_____	_____
_____	_____
_____	_____
_____	_____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

___ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2. If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3. If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

(Print or type name of Disclosing Party)

By: _____
(Sign here)

(Print or type name of person signing)

(Print or type title of person signing)

Signed and sworn to before me on (date) _____,
at _____ County, _____ (state).

Notary Public.

Commission expires: _____.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof currently has a “familial relationship” with any elected city official or department head. A “familial relationship” exists if, as of the date this EDS is signed, the Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

“Applicable Party” means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. “Principal officers” means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any “Applicable Party” or any Spouse or Domestic Partner thereof currently have a “familial relationship” with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

STATE OF ILLINOIS)
COUNTY OF COOK)

AFFIDAVIT OF CHILD SUPPORT COMPLIANCE

I, _____, being duly sworn on oath, state that the following statements are true and correct to the best of my knowledge and belief:

1. My full legal name is: _____
2. My home address is: _____
3. My home phone number is: _____; my work phone number is _____
4. My driver's license number is: _____
5. My social security number is: _____, My date of birth is: _____
6. If I have any child support obligations, I affirm that I am in compliance with such obligations and that my court case number is: _____
7. I agree to comply in the future with any court order to pay child support.
8. I agree to comply with any present, or future, order to withhold child support payments from an employee's salary, if I or my company are named as a payor for withholding child support.
9. I agree to enroll children in a health insurance plan, if I or my company are now, or in the future, named as a payor for enrolling a child in a health insurance plan.
10. I agree to have the information provided in this affidavit audited by the Department of Consumer Services for the purposes of assuring that any child support obligation I may have now or in the future is met.
11. I understand that I may be prosecuted by the Department of Consumer Services if any of the above statements are found to be false, either wholly or partially.
12. I further understand that in addition to being prosecuted by the City for false or misleading statements on this affidavit, that any misrepresentation made in this affidavit may result in a three-year period of ineligibility with the City.
13. I understand that all city employees must comply with all court-ordered child support obligations as a condition of city employment. Noncompliance shall be grounds for disciplinary action.

Under penalties as provided by law, including but not limited to Chapter 1-21 of the Municipal Code of the City of Chicago set forth below, I certify that the above statements are true and correct.

Signed: _____ Dated: _____

Subscribed and sworn to before me this
_____ day of _____, 20____

_____, Notary Public

**City of Chicago
Neighborhood Stabilization Program
City Indebtedness Profile Form**

Any individual/company who owns in excess of 7.5% of the entity seeking to become a qualified NSP developer must submit a City Indebtedness Profile Form. In the case of a non-profit developer, all officers and all members of the Board of Directors must submit a City Indebtedness Profile Form.

Name:	
Home Address:	
Date of Birth:	
Social Security Number:	
Driver's License Number:	
License Plate Number:	

SCHEDULE 3

NOTE: THIS PAGE MUST BE COMPLETED AND INCLUDED WITH THE SUBMITTAL

CERTIFICATION

The undersigned hereby certifies as follows:

1. I am duly authorized to submit this Certification on behalf of the Respondent.
2. The information provided in this RFQ submittal to Mercy Portfolio Services and the City of Chicago is accurate and complete.
3. The Respondent has reviewed this RFQ in its entirety and accepts its terms and conditions.

(Name of Respondent)

(Typed Name of Representative)

(Signature of Representative)

(Title)

(Date)