City of Cleveland Justin M. Bibb, Mayor Department of Community Development Alyssa Hernandez, Director



Response to Questions

RFQ Land Bank Preferred Partner

March 11, 2024

1.) What kind of gap financing is the city willing to provide per unit as a result of this RFQ?

None, through this RFQ. The Department of Community Development, Bureau of Housing Development has resources for gap financing, available through their RFP process. Contact Bureau Manager Tony Bango for more details. abango@clevelandohio.gov

2.) Will the application be available in PDF so that we can draft prior to submission?

A Word version of the application questions is available as a link at the top of the submission page and also can be accessed using this link: https://www.dropbox.com/scl/fi/3xu615l2t75ni77gcc4bt/Cleveland-Land-Bank-Infill-Development-Preferred-Partner-Competitive-RFQ.docx?rlkey=2wvukiv80j6ntyelvuxlcsfgj&dl=0

3.) Do specific land bank lots need to be identified as part of this application?

It is not required to identify specific land bank lot, but we would like to know if you have a geographic preference on where you would undertake development using land bank lots. If you identify them, you will not be restricted to just those lots, nor will they be held unless your proposal is selected and contracted.

4.) If we have previously submitted a land bank lot application will this replace that application?

No, all previous applications that have not been denied will be processed under the normal process.

5.) If a development is selected and the city does not commit funds for the project to be profitable, will the City refund the deposit?

If your project has not secured funding from the City and the project is not developed, then the fee would not be refunded.

If your project has secured funding from the City for your project and the City doesn't fulfill it commitment then the fee would be refunded.

6.) What will be the price range for the lots within this program?

Negotiations will determine the price for lots. Factors that will be considered, fair market value of the lots, amount of value created by the developer, other considerations such as furthering a public interest. The negotiated price could be fixed price or a percentage discount on the fair market value.

7.) Are there any lenders who work with the land bank to help developers who develop less than 20 lots year?

The City recommended reaching out to the following organizations:

Cleveland Development Advisors: https://www.clevelanddevelopmentadvisors.com/

Village Capital Corporation: http://www.clevelandnp.org/vcc/

Urban League Institute: https://cleveland.uli.org/

8.) When will successful applications be selected?

Preliminary selection on or about May 1, 2024, but all selections will not be final until execution of a developer agreement.

9.) Specific lots are negotiated later after selection, is that correct?

Correct.

10.) Is there a target number of lots you wish to have committed to developers?

We are looking have bring out developers with capacity with whom the City can closely coordinate to address the growing inventory of land bank lots and change the trajectory. We do not see this a quick fixture but an enduring partnership

11.) How many partners are we planning to select?

As many or few that meet our expectations for capacity.

12.) How far along in the process do we need to be to determine deliverables for a lot transfer?

To be negotiated and defined in the agreement.

13.) Will we receive support if an entitlement changes?

The City will define support within the confines of the agreement. Financial support will need to be applied separately.

14.) Is the city open to developers building for homesteaders?

The City is interested in receiving any and all submissions. We are looking more at qualifications and capacity. Specific uses will be determined by factors such as zoning, market needs and/or community needs. If there is a need and the regulations allow it then we will consider it.

15.) Does this RFQ assume non profits will purchase land bank up front for future projects?

Correct. If a project would like to pay a price different from fair market value, then this RFQ will provide the framework for the City to consider other factors and negotiate a price for land bank land.

16.) What is the City's expectation for good faith deposits (minimum fee per lot, percentage of est. lot value, what the developer's budget will allow)?

Good Faith Deposit is a lump sum a based on the level of commitment you wish to express in your submission. Lump sum, not per lot.

2-5 Parcels - \$500 6-30 Parcels - \$3,000 Over 30 Parcels - \$5,000

17.) How does this process affect existing land bank applications?

No, all previous applications that have not been denied will be processed under the normal process.

18.) Step-by-Step Process: Is there a clear, step-by-step guide available that outlines the procedure for applying for and acquiring a vacant lot? I am particularly interested in knowing any preliminary requirements, application forms, and submission deadlines that applicants need to be aware of.

Apply through our normal process can be found on the City website at: https://clevelandohio.gov/city-hall/departments/community-development/programs-services/cleveland-land-bank

This RFQ will allow for a different process that will be articulated in the agreement negotiated and executed.

19.) Design Instructions and Restrictions: Are there specific design guidelines or architectural standards that developers must adhere to when planning a project on a vacant lot obtained through your program? Understanding these requirements is crucial for ensuring that any proposed development aligns with community standards and expectations.

The City permitting process is handled by the Planning Commission and the Department of Building and Housing:

https://clevelandohio.gov/city-hall/departments/building-housing

https://planning.clevelandohio.gov/designreview/cpc.php

This RFQ is seeking partners who have the capacity to navigate the permitting process

20.) Timeline: What is the typical timeline from application to approval for a vacant lot acquisition? Information on expected timeframes for each stage of the process would greatly assist in project planning and management.

We are open to transfer of the property at a point that is soon than our typical process, which is at completion of the project.

21.) Other Restrictions: Are there any other restrictions or conditions (e.g., zoning regulations, environmental considerations) that applicants should be aware of before submitting a proposal for a vacant lot?

Developers will need to do normal due diligence on land bank parcels. Land Bank parcels will be sold and transferred in as-is condition.

22.) What is the time frame for development

We are looking for partners that can develop their commitment by December 31, 2026. We can provide some flexibility, depending on scale of the project. We would like smaller projects (Less than 30 lots) to be completed by then. Larger scale project (Over 30 lots) will depend on what is proposed if December 13, 2026 is feasible.

23.) Are you able to participate in Land Bank program if you are not a resident.

We are seeking for-profit and non-profit organizations or developers. Local, regional or national are encouraged. OEO certifications, including Cleveland Situated Business (CSB), will be a factor in the scoring. To apply for a certification go to: https://cleveland.diversitycompliance.com/?TN=cleveland and choose "Apply for/Renew Certification"

24.) What is the refundable deposit expectation at the time of submission, is it per lot?

Lump sum, not per lot. 2-5 Parcels - \$500 6-30 Parcels - \$3,000 Over 30 Parcels - \$5,000

25.) Will the software allow you to save your work during the process of the filling in the application prior to submitting and if so, how?

It has limited capacity and you should not expect any information to be saved. Submissions are only successfully submitted if you receive a confirmation email.

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https://www.dropbox.com/scl/fi/3xu615l2t75ni77gcc4bt/Cleveland-Land-Bank-Infill-Development-Preferred-Partner-Competitive-RFQ.docx?rlkey=2wvukiv80j6ntyelvuxlcsfgj&dl=0

26.) Will affordable housing developers continue to be eligible for the \$200 per lot rate used in the past - either by responding to this RFP or by following the typical land bank application process?

Does the issuance of this RFP change the typical application process, such that land bank approvals will be more difficult to obtain if a developer has not received preferred partner status? Given the nature of affordable housing development and reliance on the QAP for competitive scoring considerations when siting developments, wherein future project locations and types may be unknown, what is the City's preferred approach for affordable housing developers in responding to this RFQ re: locations and policy goals to be served? Please confirm that all applications for which affordable housing developers have received preliminary land bank approval will be disposed at a rate of \$200 per lot.

All previous documented approvals or commitments will be honored. This RFQ will provide greater flexibility for future projects on pricing and transfer.

- 27.) Will there be any restrictions as a preferred development partner on working in partnership with subcontractors or other third parties that are not preferred development partners?
 - No restrictions, expect if you are not functioning as the developer rather as a conduit, then the City would like to understand the relationship and if City land bank land is being resold.
- 28.) Will this protocol be used for transferring of non-land bank properties that the City of Cleveland owns, e.g. 4103 Memphis Ave?
 - No, land, not in the City land bank, requires a different disposition process dictated by City Charter and includes requirements like authorization via a City Ordinance.
- 29.) How will the city handle competing interests in the same parcel from two or more preferred partners? Will scoring as a preferred partner play into that decision or will decisions be made solely on the merits/strategically aligned aims of the proposed project?
 - On a case-by-case basis and determined ultimately by Board of Control resolution put forth by the Department of Community Development.
- 30.) Submit a refundable good-faith deposit. What is the City's expectation and/or measurement for a fee minimum or percentage good-faith deposit.
 - To be negotiated in the agreement with the developer if their submission is selected.
- I am interested in the Architectural plans that include tiny home construction for infill development
 - Those concept design will not be completed until September 2024.
- 32.) Will local developers and affordable housing developers have priority? Are neighborhoods priorities being taken into consideration?

