



# State of California Request for Qualifications Affordable Housing Development For Excess Sites Under Executive Order N-06-19



Location:

San Francisco, CA Department of Motor Vehicles  
(1377 Fell Street, San Francisco, CA 94117)

## **QUESTIONS AND ANSWERS** **DOCUMENT**

## Questions & Answers

1. May we receive the list of participants?  
We will confirm which participants consented to share their contact information, if any, and share that list among those that did.
2. There is an existing 3-story residential building on the Fell Street side near Broderick. Will that structure remain?  
1301-1303 Fell Street is not on the San Francisco DMV site nor is it State-owned property.
3. Can AB 1449 be used for CEQA exemption for State property, provided all other requirements are met?  
DGS does not advise on the level of environmental review required until a proposed project is received. As mentioned in the pre-submittal meeting for purposes of developer SOQs and fair evaluations, please assume no recent CEQA legislation applies. DGS and HCD are still working to understand how recent legislation is applicable to Excess Sites.
4. What is budgeted for the DMV rebuild?  
The State's estimate (as of May 2023, and based upon specific schedule assumptions) was \$37.6 million.
5. Is the DMV taking on the demolition or should that be covered in the scope of the proposed project?  
Respondent Teams should assume demolition as part of the project costs and requirements.
6. Can you explain in more detail the structure for the DMV paying for the construction of their space? Would it be some sort of capitalized ground lease payment?  
Respondent Teams should propose a financial structure. Respondent Teams need to communicate what the lease structure would look like conceptually based on their proposal.
7. Does the DMV need to stay operational during construction? To be clear, the DMV will be relocated during construction?  
Yes, the DMV will continue operations off-site during construction. Costs for off-site relocation and operations will be covered by the DMV.
8. Is the May 2027 date for the field office flexible?  
The State has approved appropriations for DMV off-site operations and relocation through May 2027. Further off-site operations will likely require discussions with the DMV.

9. When will the DMV move off site?  
The DMV will move off site when the Selected Respondent Team is ready to break ground. As such, the State will thoroughly review Respondent Teams' envisioned schedules since that will have a large impact on the DMV.
10. Is Kitchell still involved in the project?  
Kitchell is the State's consultant that advised on the DMV specifications, who may be involved in ensuring that the specifications are followed. There are performance requirements included in this RFQ.
11. Will you have any other small business requirements?  
No, the small business requirements associated with public works projects are not applicable to this.
12. The Dropbox for the DMV Performance Criteria only seems to include Volume II – should it include all three volumes as indicated in the table of contents?  
This information was provided in the Amended RFQ.
13. For emerging developer project experience, do the projects need to be complete or is them being underway acceptable?  
Please refer to submission requirement 2(b)(ii) in the RFQ which requires that projects must have been completed.
14. Should we use CTCAC or San Francisco Specific AMIs?  
The State will score and assess against TCAC/HCD-published Area Median Incomes (AMI). While respondents may *also* wish to include the City and County of San Francisco's published AMIs, Government Code Section 14671.2 governing DGS' relevant leasing authority includes AMI levels in the California Health and Safety Code which accord to TCAC AMIs.
15. Is the developer responsible for all guarantees for the DMV construction?  
Yes.
16. Is the developer allowed to collect a fee on the DMV development?  
Yes, the developer can include a fee for the development of the DMV. Respondent Teams should also note that HCD and certain other funding sources designated for affordable housing generally cannot pay for development costs relating to commercial uses, and therefore the "developer fee" requirements of those sources would not apply to the development of the DMV.
17. Is multi-phase allowed for the housing development? If yes, what is the State's preferred timeline for phase I? and for completion of all housing phases?  
The State will consider visions for developing the property in phases. In all cases, housing compliant with Government Code Section 14671.2 must be included in the first phase of residential developer and the DMV must be operational as early as possible.

18. If not, based on typical affordable finance calendars, to reach that date the project would have to have a SuperNOFA award in 2024. In order to reach that, CEQA and entitlements process through the State would need to be streamlined (approved by July 2024) or the scoring would need to allow for State sites without entitlements to be competitive. Is there any plan to do this, to allow this site to be competitive for an award in the 2024 SuperNOFA round?

HCD has not at this time considered waiving Environmental Approvals scoring for Excess Sites projects that apply to the Multifamily Finance Super Notice of Funding Availability but is aware of the connection of the CEQA/entitlement timing and financing competitiveness for HCD funds. Please also refer to the State's response to question #3.

19. Will inspections take place with the local AHJ (SF Department of Building Inspection and SFFD) or will the State of CA act as the AHJ for the project?

The State of CA will serve as the primary for inspections, unless delegated. It is likely that the Office of the State Fire Marshal will have jurisdiction for fire/life safety code reviews and inspections for anything related to the DMV (this may include housing, if integrated).

20. Could the DMV program be accommodated in two levels? If so, are there any requirements for the ground-floor programming?

No, the DMV program cannot be accommodated on two levels.

21. Does the DMV require a driver training lane separate from/in addition to the parking? What are the dimensions or size requirements for the driver training lane?

Please refer to the Design-Build Performance Criteria, Volume 2 of 4.

22. How many DMV replacement parking stalls are anticipated? Can they be located in structure?

The DMV requires 110 parking stalls and the stalls cannot be located in a structure.

23. How far out should certificate of good standing be?

Please submit a Certificate of Status which is dated no later than 90 days from the submission due date.

24. Page 6 – Are the following required documents included in the response's 40-page limit or are they considered exhibits? Site plan and disclosures or attestations as required by Section 8(b)(i)-(iii).

The 40-page limit does not include the site plan, disclosures, or attestations.

25. Page 15 – Section 2(b)(i) – Is there a minimum or maximum number of projects that the Lead Respondent should provide to demonstrate experience? Similarly, is there a minimum or maximum the Architect should provide? If at least one project has been completed in the last four years, can additional projects be provided to

demonstrate experience if those projects were completed prior to the last four years?

Pursuant to the RFQ, Section 2(b)(i), there is no minimum or maximum, however, examples of completed projects should be within the last four years. Please note projects included are a part of the 40-page limit.

26. Is the letter of support included as exhibit, or MOU? Does that go toward page count? What about our affirmative marketing plan?

Additional materials provided to supplement a Respondent Team's response to RFQ requirements can be included as an exhibit or exhibits. As stated in the RFQ, the page limit for the SOQ without exhibits is 40 pages; there is no page limit for exhibits. An affirmative marketing plan is not required.

27. Are images considered exhibits as well? For example, will a circulation graph be counted as one page? That could be at least 10 pages.

Images are only considered exhibits when they are included in an exhibit.

28. Would the State be able to prepay a capitalized ground lease?

No. The RFQ states that the DMV will not pay any upfront cost.

29. In regard to the need for surface parking: the RFI allowed for the parking to be in a structure with room for inexperienced drivers, are the requirements in the RFQ to have parking as surface parking a change from this requirement in the RFI?

Respondent Teams are not required to base their RFQ response on what, if anything, they submitted in response to DGS' January 6, 2023 Request For Interest.

30. Being constrained to providing a 110-space surface lot on the site will severely limit development opportunities. Would you consider allowing a 2-story garage, potentially in conjunction with a 2-story DMV?

The State will not consider allowing a two-story garage or a two-story DMV. Please recall that the DMV costs cannot exceed what the State would otherwise have paid for an operational DMV. As such, the cost differential between a structured garage and surface parking would violate that requirement.

31. Please explain why there are more volumes in the table of contents than included in Exhibit 12. Additionally, it sounds like some of the criteria may be more restrictive than previously understood, especially the surface parking. Is it possible to extend the deadline, since there have been a few weeks without that information?

The information was included in the Amended RFQ. The RFQ has also been amended to include more time for Respondents' questions, the State's responses, and SOQ submissions.