



State of California

Request for Proposals

By Respondents Pre-Qualified via RFQ

Affordable Housing Development

Under Executive Order N-06-19

Location:

1405 South Broadway/1400 South Hill Street

Los Angeles, CA

QUESTION AND ANSWER

DOCUMENT

Were the RFQ responses scored? If yes, will those scores contribute to the overall selection and will those scores be shared with respondents?

Yes, the RFQ responses were scored. Those scores will not contribute to the RFP selection process.

Does a Respondent team made up of more than one developer need to form a legal entity prior to submitting the RFP?

No.

Is an MOU or other formal documentation of the partnership required?

No.

Can the RFP submittal reference a section of the previously submitted RFQ rather than restate if the question or requirements were answered in the RFQ proposal?

To expedite Proposal review, please copy-and-paste from your SOQ into the Proposal as appropriate or necessary. We will not be referring back to the RFQ.

Does the State have a preferred format or template for the working electronic copy of the financial model? If not, are there specific pro forma sheets that proposers should include (i.e. Unit Mix, Development Budget, ##-Year Cash Flow, etc.)?

Please reference instructions under Section 6(b) of the Evaluation Criteria and Submission Requirements section of the RFP. Please include the pro forma sheets you feel would facilitate our understanding of your Proposal; we will request further data if needed.

What level of analysis is required for the rent comparison if proposing 80% AMI and/or unrestricted market-rate units? Can the analysis be included as an exhibit/attachment? Is a third-party market study required?

Per Section 6(b)(iv) of the Evaluation Criteria and Submission Requirements section of the RFP, "If proposing 'income averaging' including income-restricted units at 80% AMI and/or unrestricted market-rate units, be certain to include market rate rent comparables and include a comparison between proposed rents and market rents across each unit type (studio, one-bedroom, etc.)." The level of analysis is that which is necessary to support lease-up assumptions. An exhibit is acceptable. A third-party market study is not required.

Can the State share the shortlist of respondents invited to submit in the proposal phase?

No.

RE: Box.com folders: Is it expected the entire Demonstration of Financial Capacity be saved in a separate folder or just the audited financial statements?

Just the audited financial statements.

Who is on the evaluation panel?

The evaluation panel is to-be-determined. However, the Respondent selection will be made by representatives of the State.

Who was invited to respond to the RFP?

We do not share that information.

Is DGS the AHJ for the project's demolition, shoring, and/or grading permits?

The State expects that the City will be the lead in processing these permits.

If a project proposes to use Modular construction (which typically requires permitting by the Department of Housing and Community Development), would DGS still be the AHJ for the building permit or would HCD be permitting the entire structure including the non-modular portions?

DGS will be issuing the building permit in this case as well.

Will the project require plan review submittals or approvals from the State Fire Marshal?

No, the submittals will go through the local fire marshal.

Will the project require plan review submittals or approvals from the Division of the State Architect, or will DGS's assigned staff person handle any required coordination with DSA?

State Architect will not be involved with the project.

Is there a design review / entitlements process anticipated for this project?

Yes; to-be-determined and in coordination with the local jurisdiction. However, the local jurisdiction will not have approval authority.

Is there a specific sustainability program or benchmark this project is seeking?

No.

Item D, page 6, of the RFP states, the “Respondent shall agree...to implement the state’s new solar initiatives on multi-family structure.” Please clarify which specific solar incentives this requirement mandates.

Please ensure that project is complying with current California building code.

What assumptions should be made regarding property taxes, can we assume an exemption for units at and above 80%AMI?

Units at or below 80% AMI are eligible for the welfare tax exemption.

How high will an emphasis on City involvement and future DTLA plan alignment be considered against the state’s other priorities and scoring criteria?

Please refer to Exhibit 7, Scoring Criteria, for appropriate guidance.

In section 5.b.vii: Could DGS please confirm that showing how “units are configured on the floor” means that it is not necessary to show interior layouts of units, but rather just walls between units?

Confirmed.

Do all teams interview or is there another selection round following RFP submission?

The State reserves the right to interview, zero, some or all RFP Respondents. There will not be another selection round. There may be follow-up meetings and questions with one or more Respondents prior to selection.

Under “Roles and Responsibilities of the Selected Respondent” - C (page 6): Are there current holding costs the State spends on the site (i.e. fencing contract, security) that should be used as an assumption for holding costs upon execution of LOA and prior to construction completion?

Carrying costs will be paid by the State until the ground lease is executed and entered into by the selected Respondent. The State expects the selected Respondent to enter into the ground-lease at close and prior to commencement of construction. The selected Respondent is responsible for both determining and paying all holding costs upon execution of the ground lease for the remainder of the project and during operations as applicable.

In proposals that have 2+ development partners what backup must be provided to evidence the respondent team is ‘established as an integrated group prior to submitting the Proposal’?

None.



Exhibit 3 – Please confirm that if the City were to take on shelter operations at this site no liability or cost of such operation will be assumed by the Respondent Team.

Confirmed.

How would you like the proposal organized? Do you want separate folders for each part of the proposal listed under “Proposal Format” in “Evaluation Criteria and Submission Requirements?” Or, do you just want one combined PDF for each folder: Demonstration of Financial Capacity and All other components?

We would like to have the audited financial statements in one folder, and all other components in another. Please combine all other components into one pdf.