



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

Location:
1350 Front Street
San Diego, CA 92101

QUESTION AND ANSWER
DOCUMENT



- 1) Could the team touch upon the CEQA compliance part of the scope?

CEQA still applies. DGS will serve as lead agency; selected Respondent will lead the process. SB35 does not apply.

- 2) Will any more detailed information about the condition of the existing office building be provided in advance of the submittal deadline?

Please see Exhibit 6 – Additional Relevant Documents and Resources - for due diligence reports collected to date. As noted in Exhibit 6:

- 1) As of the date of this RFQ, the State has procured a Phase 2 Environmental Site Assessment (“ESA”) which is not yet complete. Once completed, the State will upload the report to the web address above and distribute copies as appropriate. The Phase II ESA is expected to be available in early March. A copy of the Phase II ESA will be available by request by emailing the State contact listed above.

- 2) Respondents should be aware of the possibility of a fault line very near to the edge of the property.

- 3) Will the city be involved in the selection process?

The City may be involved at its discretion, which may include City review of submittals and participating in interviews. Ultimately, while the State has decision making authority (DGS & HCD), we view the City as a partner.

- 4) This is just an RFQ, but a specific vision is requested. How specific can this be without it becoming a proposal? Is an architect required as part of the team?

Identifying an architect is not a requirement of the RFQ. The State is interested in seeing alignment between the Respondent’s proposed vision and the qualifications of the Respondent Team, as well as alignment between the proposed vision and the Principles and Objectives listed in the RFQ.

- 5) Is there a height limit for development? And is there a depth limit to how far below the surface that can be developed?

Regarding height, State property is not subject to local zoning and the State is not setting a limit. However, may be prudent to generally be in keeping with applicable zoning.

Regarding depth, please see Exhibit 6 – Additional Relevant Documents and Resources. Further information will be shared as applicable per Exhibit 6.



6) Page 11 of the RFQ states "Stay within the page limit without exhibits of 20 pages; there is no page limit for exhibits."

a. Do you define one page as single sided or double sided?

Single sided.

b. Can 11x17 pages be included in the proposal? If so, will these pages count as one page?

No, but 11x17 is ok for exhibits containing renderings/plans.

c. Are the following items EXCLUDED from the page count: front and back cover, table of contents, cover letter, section divider/tabs.

Yes.

7) Will the size of a proposed ground lease payment factor into developer selection?

The State is assuming a nominal ground-lease payment. The State is contributing the value of the property and will not be judging responses based on financial return, but rather the potential to meet or exceed the program objectives.

8) If Housing IS the focus, a Concern is with the Scoring criteria Only 50 of 1000 pts or Only 5% of project proposal will be Affordability?

The Government Code Section 14671.2 includes minimum affordability requirements and is central to the Executive Order.

9) Will the state publicly support the entitlement process once that kicks off?

Yes, upon selection, the State will partner with the selected Respondent to support the entitlements process.

10) Existing site information - Soils conditions - seismic, toxics, water, ADA, asbestos?

Please see Exhibit 6 for due diligence reports collected to date. As noted in Exhibit 6:

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copy of the Phase II ESA is available by request by emailing the State contact listed above. The Phase II ESA is expected to be available in early March.

2) Respondents should be aware of the possibility of a fault line very near to the edge of the property.

11) Is a non-residential use absolutely required as part of the proposed site programming?

No.

12) Do you want us to do outreach to the community prior to the submittal?

Not required, but not precluded. Respondents are encouraged to understand who the community is prior to responding. Outreach to stakeholders to inform a respondent's vision may be appropriate; more is likely premature. If outreach is conducted, respondents are encouraged to present the qualitative and quantitative research conducted/obtained which informs your project vision.

13) To clarify, will there be an RFP in the future?

Not anticipated. The State is seeking to select a Respondent using a qualifications-based approach.

14) Could you provide more context/history into why a fire station is being suggested as a possible non-residential use?

The fire station concept was suggested by the City. See Development Intentions section of the RFQ for further information.

15) Will the State have some capacity to modify the airport approach overlay zone? (Relative to building height...)

The State will not pursue a modification to the airport approach overlay zone and discourages building heights and/or configurations which may threaten airline passenger safety.

16) Once developer is chosen, will there be any reimbursements for pre-design, like putting the package together to apply?

No.

17) Will this project be eligible for tax credits? Will TCAC prioritize?



The project is eligible to use low-income housing tax credits. The State understands that TCAC is not currently prioritizing sites under the Excess Sites program.

18) Has the City provided a square footage range for their potential office requirement?

To clarify, the office space request by the city is not a requirement. Housing is the priority and retail/commercial uses are allowed to the extent the response can demonstrate that they are necessary to support the housing.

The exact number of employees to be officed is still to be determined. There has been mention of the need for up to 400,000 SF of office space.

19) Will the selected developer be responsible for any relocation benefits and/or identification of replacement commercial/office space for existing tenants of the office building?

There is no relocation obligation for the selected Respondent.

20) Is there any information on Rose Canyon faults that might affect these particular blocks?

Please see Exhibit 6 for due diligence reports collected to date. Further due diligence on behalf of the selected Respondent may be necessary.

Also, as noted in Exhibit 6:

1) As of the date of this RFQ, the State has procured a Phase 2 Environmental Site Assessment (“ESA”) which is not yet complete. Once completed, the State will upload the report to the web address above and distribute copies as appropriate. The Phase II ESA is expected to be available in early March. A copy of the Phase II ESA will be available by request by emailing the State contact listed above.

2) Respondents should be aware of the possibility of a fault line very near to the edge of the property.

21) Will the project go through the typical City Building Permit approval process? How will the State influence (or replace) that process?

See Exhibit 4.

The State will be the permitting entity. The process may proceed one of two ways:



1) City does not wish to conduct plan review. In this case, the selected Respondent submits to DGS. DGS in-house staff or designated consultants will complete plan review and all inspections, with the exception of fire and life safety.

2) City wishes to conduct plan review. In this case, the selected Respondent submits to the City as is customary for projects outside of the Excess Sites program. Upon completion of the City's review, the State issues the permit on the basis of the City's approval. This is the State's preference. In this case, please note that the City's review would be ministerial only, and no discretionary approvals would be required.

22) Would part of the developer's vision potentially include strategies or ideas on how to collapse the schedule in order to deliver the housing sooner?

Yes. These ideas are welcomed. See the Principle and Objective of Timing Efficiency and Financial Feasibility.

23) Interested in definition of "Affordable Housing"

See Exhibit 2 for a link to the applicable Government Code which details the level of affordability required. The State is open to and interested in additional approaches to affordability that exceed the required affordability in Exhibit 2.

24) Will the State of California, as the Authority Having Jurisdiction (AHJ), issue all building permits and provide on-site inspections during construction?

The State will issue the building permit and the Certificate of Occupancy. Plan review and inspections can either go through the City or the State, with the exception of fire and life safety which must be the purview of the local jurisdiction. However, the final determination will be made after discussions with the City and the selected Respondent.

See Exhibit 4.

25) Can the project go through the City of San Diego's Seismic Peer Review process in order to meet its seismic requirements?

Not yet determined.

26) The RFQ alludes that the City of San Diego, at the 1350 Front Street site, has a desire for new office space for administrative uses and also wants to locate a new fire station at this site. If so, please address the following:



- a. Does the City intend to program and size office space for all 11,000 of its employees?

The exact number of employees to be officed is still to be determined. There has been mention of the need for 400,000 SF of office space.

- b. The program and size (e.g., 30,000 square feet) for the fire station?

There has not been a determination of square footage needed for the fire station.

- c. Will the City of San Diego master lease the entirety of the office space program and the new fire station at market leasing rates?

Our conversations with the City have indicated a master lease at market rate rents.

- 27) Will the City office tenant be open to having shared parking with residential?

Parking has not been discussed.

- 28) On page 8 of the RFQ, footnote #1 reads, "The number of units, not the percentage, is what matters. An 80/20 deal that generates 400 affordable units would generally be preferable to a 100 percent affordable project that only generates 250 units." Is "400 affordable units" intended to read, "400 total units"?

No.

- 29) During the pre-submittal meeting, there was mention that the City would like office space within the project. Can you confirm that the City is requesting 100,000 SF of office space? And what is the proposed rent structure of that office space, if any?

The exact number of employees to be officed is still to be determined. There has been mention of the need for 400,000 SF of office space at market-rate rents.

- 30) What is the estimated length of entitlement with the State? If this was a City of San Diego entitlement, there would be limited requirements.

Please see Exhibit 4 – State Sovereignty and Entitlements under E.O. N-06-19. The state assumes a streamlined entitlement process.

- 31) Is there a required minimum hold period after project completion?



Not yet determined; however, transfers of the leasehold interest will be subject to State approval under the terms of the ground lease.