STATE OF CALIFORNIA

REQUEST FOR INTEREST

Issued by:
DEPARTMENT OF GENERAL SERVICES in partnership with
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

DEVELOPMENT OPPORTUNITY
IN DOWNTOWN SAN DIEGO
BACKGROUND:
Pursuant to Executive Order N-06-19, the Department of General Services (DGS), in partnership with the Department of Housing and Community Development (HCD) have begun the re-development of excess state property as affordable housing. DGS owns 1.38 acres in Downtown San Diego between West Ash, Union Street, West A Street and State Street. There are currently two vacant one-story buildings on the western block, which cover approximately one-third of the site. The remainder of the block is surface parking.

DGS has engaged the services of BAE Urban Economics to perform an evaluation of the site and potential development opportunities. However, the site is unique compared against the rest of the excess property held by the state. Accordingly, DGS/HCD are looking for feedback from developers, non-profits, and other interested parties into the most effective opportunities for the property.

- **Important Notes:** the ultimate goal of the state is affordable housing. The state is open to proposals that would result in such housing at an alternate location, but the state’s preference would be for housing at this location. *Please also be aware that the state is actively interested in marketing this property in the near term.*

GENERAL DEVELOPMENT FRAMEWORK:
Depending upon how the state handles the property, different rules and requirements can apply.

Currently, the property is excess to state needs, and has been legislatively authorized (AB 1164, Gloria) to sell the property if that is determined to be in the best interests of the state. Should the state sell the property, it would be subject to the requirements listed in Government Code Section 11011.1. In the event of a sale, the property would be subjected to all local requirements as any other private property development.

As an alternate development approach, the state could retain ownership and lease the property to a party long-term. Any such lease for affordable housing would be subject to Government Code section 14671.2. In the event of a long-term lease, under existing state law, properties developed by the state are not subject to local requirements, including but not limited to, density and zoning requirements.

- **Important Note:** interested parties should not infer from this general framework that alternative, out of the box proposals would be rejected from consideration.

SUBMISSION REQUEST:
DGS and HCD are inviting interested parties to submit a one to two-page letter of interest that outlines a development proposal or proposals. Submitters whose
letters present the most interesting options for the state to consider will be invited to 1:1 meetings coinciding with the Housing California Conference in San Diego in April. *These meetings will occur on April 14th, so submitters should put placeholders on their calendar for that day.*

1. **Ideal Submission:** The State of California wants to evaluate and consider new and creative ideas relating to its owned asset. As it pertains to the San Diego site, affordable housing developers are encouraged to submit illustrations, descriptions and likely pricing for feasible re-development scenarios that would maximize the value of the property and address the affordable housing crisis illustrated in EO N-06-19.

2. **Submission Deadline:** responses are due by 5 pm on March 31st, 2020.

3. **Submit Responses To:**
   - **Electronically:** [Joshua.Palmer@dgs.ca.gov](mailto:Joshua.Palmer@dgs.ca.gov)
   - **(OR) Hard Copy:** Department of General Services  
     Attn: Josh Palmer  
     707 3rd Street, 5th Floor  
     West Sacramento, CA XXXX

4. **Questions:** If there are questions, you may email Josh at the same or call him at (916) 376-1021.