



**City of
Santa Clara**
The Center of What's Possible

Housing & Community Services Division
1500 Warburton Avenue,
Santa Clara, CA 95050
(408) 615-2490

REQUEST FOR PROPOSALS

For
3575 De La Cruz Boulevard

Questions and Answers
Addendum

July 9, 2018

Attn: Jonathan Veach
Division Manager
City of Santa Clara
Housing & Community Services Division
1500 Warburton Avenue
Santa Clara, CA 95050
(408) 615-2490
jveach@santaclaraca.gov



General

1. Due to an administrative delay, the **deadline to submit proposals has been extended to 4:00 p.m. on Monday, August 13, 2018.** Late proposals will not be considered.
2. Once the City has reviewed proposals, will each participant be asked to appear before the committee to further clarify their offer?
 - A. Each proposal will receive careful attention. Based on the number of proposals received, the City may or may not ask all Respondents to appear before the interview committee. Factors that may preclude an interview include incomplete submissions and the inability to demonstrate financial feasibility.
3. Will the City notify each applicant of the City Council meeting when all proposals will come to a vote?
 - A. Yes.

Site Transfer

4. Can we purchase the property outright?
 - A. Respondents may submit a funding proposal with a fee title transfer.
5. If Developer would like to make an offer to purchase this property outright from the City to build affordable housing for *employees*, what would need to be submitted differently to the City versus the required documents requested in the RFP?
 - A. The contents of the submission should be the same for all proposals. Homeownership projects will be required to conform to the City's Below Market Purchase Program Guidelines and rental projects will be required to voluntarily enter into an affordable housing agreement and shall meet affordability requirements for a period of 55 years. Any special housing preferences should be described in the project narrative and conform to all fair housing regulations.
6. Does the City have any preference or recommendations for the structure of the ground lease?
 - A. The City is open to a variety of ground lease structures that best fit the project's overall financing proposal.
7. Is the City open to a ground lease note with repayment through residual receipts?
 - A. Yes.

Financing

8. Has the City had any recent sales that would be comparable to this property that would establish a fair market value price for the land?
- A. No.
9. Is there an appraisal available for review?
- A. No.
10. What should we assume for pricing of affordable for-sale townhomes in Santa Clara?
- A. For the purposes of this RFP, Respondents may assume the following maximum sales prices set at 120% AMI.

BELOW MARKET UNIT AFFORDABLE SALES PRICES BY UNIT SIZE						
Housing Type	Efficiency	1-bdrm	2-bdrm	3-bdrm	4-bdrm	5-bdrm
New Townhouse	\$373,000	\$436,000	\$494,000	\$547,000	\$595,000	\$638,000
New Condo	\$336,000	\$393,000	\$444,000	\$492,000	\$536,000	\$574,000

11. Is a pdf of the “excel-based” pro-forma appropriate for the submission, or is the City requesting it in excel format?
- A. Respondents should provide an excel file with a detailed pro-forma that includes sources and uses, development budget, rents and income, operating budget, and cash flow analysis that demonstrates project feasibility for a term of 30 years in order for submission to be deemed complete.
12. Has the City identified the amount of local subsidy that will likely be available to the project?
- A. Respondents can assume up to \$100,000 per DU from the City. Preference is given to Submissions that limit City subsidy and leverage other local and Federal subsidies.
13. What role does the City play in the marketing and sales of affordable townhomes?
- A. The City outsources all marketing and sales of affordable homeownership units to Housing Trust Silicon Valley. Respondents should assume \$15,000 per unit for sales and marketing costs.

Site Conditions

14. Have there been any environmental studies of the site? If so, what were the findings?
- A. No. An environmental study will be required as part of the general entitlement process.