

In order to streamline communication, similar questions have been grouped and a single response, indicated by "R", has been provided in grey following each set of questions or individual question.

- 1 Do you know if the City will be able to contribute any funds to development or is the expectation that only land will be provided?
- 2 What is the expectation for lease payment to the City, dollar amount and term?
- 3 Does the City have additional funds to contribute to the financing of affordable units?
- 4 Will gap financing from the City be available? If so, what is the approximate amount per site that the City is willing to contribute?
- 5 Will the City of Beverly Hills contribute capital to support the affordable housing development? If so, has the City determined a minimum or maximum amount of funds that could be available?
- 6 Has the City of Beverly Hills expressed a dollar amount or general range that they would like to receive, related to the ground lease payment?
- 7 Will the value of the ground lease be determined by an appraisal? If not, how will value be determined?
- 8 Are there any City capital funds available?
- 9 Is the city providing any financing and if so, up to how much?
- The RFQ/P asks the development team to maximize the use of available outside funding sources such as Low Income Housing Tax Credits in order to enhance the feasibility of providing very low and low income units. The City anticipates that in order for a project to be feasible, a developer may propose the City to make a gap cash contribution and/or ground the lease the project site for a below market-rate. Any cash contributions proposed will be evaluated as part of the Financing Strategy / Financial Capability criterion in the scoring matrix (See Section VII.)

Please also see the Fiscal Impact section of the March 15, 2022 Staff Report, which is posted on the RFQ/P webpage.

Now that everyone that is going to has submitted their intent letters, can you share with us the list of people you received intent from?
 R The City will make a list of responses received available after the RFQ/P submittal deadline and negotiations have concluded, but does not plan to distribute a list of those who have provided notice of intent to respond.



- Is there a preference for one site more than the others?
 No. The City's goal is to review the conceptual proposals to assist in determining the best possible site/project.
- 12 For any of the sites, especially the ones with significant potential rental revenue, is the City looking for a project that will generate a return?

Projects that offset lost revenue and other costs such as those identified on each site description will be more beneficial to the City and community, however, this would be balanced with the primary objective of having affordable housing units constructed. Accordingly,

- R those factors will be evaluated as part of the Financing Strategy / Financial Capability criterion in the scoring matrix (See Section VII. Of the RFQ/P document). The City will look at the project holistically.
- 13 Will only one site be awarded from this RFQ-P?
- 14 Will the City be moving forward with projects on multiple sites or just selecting one?
- 15 Does the City prefer developer to propose on more than one site? The intent of the RFQ/P is for the City to identify one site/project. However, the City may choose to use this RFQ/P to pursue more than one project. The City's goals are to produce affordable units that target low and very low income housing and to identify the best possible
- R site(s) and potential project(s) that are feasible. Submitting quality proposals for more than one site aligns with that goal and provides a developer with additional opportunities to demonstrate a conceptual development plan that the City may choose to pursue.

16 Can an individual developer/applicant be awarded more than one site through this RFQ/P?
 If the City were to pursue more than one project, selection for one project would not disqualify a developer from selection for another
 R project. Please also see the response to Questions 13-15.



- 17 Is the City looking for a particular number of units, as that will affect which site is most desirable. The City has not established a target number of units for a project contemplated by this RFQ/P. The purpose is to identify feasible
- R conceptual proposals that could be pursued.
- 18 While there is the offer of reduced parking, what is the desired ratio?
- 19 What is the likelihood that the city will allow a parking reduction of less than 1:1? The City has not established a desired parking ratio for a project contemplated by this RFQ/P beyond existing code requirements. Please see Article 1260 of Chapter 3 of Title 10 of the Beverly Hills Municipal Code, regarding development standards for multi-family housing for elderly, which states that parking may be reduced to a number not less than four-tenths of a parking space for each dwelling unit upon a finding from the Planning Commission :

https://codelibrary.amlegal.com/codes/beverlyhillsca/latest/beverlyhills_ca/0-0-0-14557

R Please also see the response to Questions 39-40.

As a reminder, respondents that wish to diverge from any of the identified development standards must submit additional information (See Section II.B. of the RFQ/P document regarding Zoning Designation and Development Standards). Sufficient justification would describe that reduced parking does not impact the surrounding neighborhood. Additionally, the City is aware of the provisions of State Density Bonus Law (Government Code 65915) related to parking ratios.

While there is the offer of increased height and density, what is the optimal height and density desired?
 The City has not established an optimal height or density for a project contemplated by this RFQ/P. Proposals should consider the surrounding context of the particular site as well as the existing development standards for that particular zone.



- 21 The RFQ-P states: "Upon request, the City will provide prospective proposers with a list that identifies the entire City-owned portfolio." Please provide that list.
- City Staff have provided the list to each prospective proposer/respondent that has made such a request, including to the entity that asked
- R this particular question. Respondents may continue to request through email and City Staff will continue to provide.
- G.2 asks for contact information for funding sources. Is that for the sources that are proposed or for sources the developer has used in its demonstrated experience?
 Correct. The contact information should be for the various funding sources the developer used in previous projects that developer describes as part of Section IV.H.1. of the RFQ/P document.
- R Section IV.G.2 should be read as follows:

"Provide contact information for the debt, equity, and public financial assistance sources that were used to fund the costs associated with the projects identified in the previous next section of this RFQ/P, Section IV.H.1."

- 23 If we engage a former Beverly Hills employee or council member as a consultant or team member, will that pose a conflict of interest? The City has a revolving door ordinance that applies to former (i) city officials, (ii) elected officials, and (iii) planning commissioners, all of which are defined in the ordinance. Please see Article 2 of Chapter 9 of Title 1 of the Beverly Hills Municipal Code: https://codelibrary.amlegal.com/codes/beverlyhillsca/latest/beverlyhills_ca/0-0-0-444
- Respondents should also be aware of the City's requirements related to legislative advocates. Please see Article 1 of Chapter 9 of Title 1 of the Beverly Hills Municipal Code: https://codelibrary.amlegal.com/codes/beverlyhillsca/latest/beverlyhills_ca/0-0-0-462



- Who will evaluate the responses to the RFP-Q, and how will the selection process work?
 Please see the last two paragraphs of Section I of the RFQ/P document. In addition to this information, the City's evaluation committee will consist of City Staff and consultants who will make recommendations to and seek input from the City Council Affordable Housing Ad Hoc Committee and City Council as appropriate.
- 25 When do the last two leases expire for 333 N Crescent?
- 26 333 N Crescent: All but two leases expire at the end of 2024, when do the others expire?
 - One lease expires on November 10, 2028. The terms of the current lease allow the tenant to extend for an additional five years, through as late as November 10, 2033.
 - One other lease expires on September 21, 2028. The terms of the current lease allow the tenant to extend for up to an additional 10 years, through as late as September 21, 2038.
 - All other leases expired by December 31, 2024.

The City is aware that early lease terminations would need to be arranged between the City and each tenant and evaluated in more detail if a project at this site is pursued. The City is also aware that there may be additional costs associated with these arrangements.



- 27 For the Financial Statements submission, does the City Attorney require hard copy or is an electronic version sufficient? If hard copy, how many sets? If electronic, would via email or thumb drive be preferred?
- 28 What is the City Attorney's contact information for the purpose of Financial Statements submission?
 Financial statements must be emailed in a single PDF to the City Attorney's Office at <u>dsnow@beverlyhills.org</u> with copy to
 R Iphillippo@beverlyhills.org, ttway@beverlyhills.org, and jgernes@beverlyhills.org. Financial statements must also be submitted prior to the Submittal Deadline. Please note the City's email servers cannot accept files sizes larger than 25 megabytes.
- 29 Does the City have Project Based Vouchers to contribute to the project?
- 30 Are there Project-Based Section 8 vouchers available? The intent would be for senior homeless units, which would allow for leveraging of other public funding sources like the County and State; however, those sources require some portion of homeless units and that population would require an operating subsidy such as Project-Based Section 8 vouchers.
- 31 Is the City interested in projects with formerly homeless seniors?
- 32 Is the city open to a portion of the proposed development being permanent supportive housing for homeless individuals?
- 33 Is the City open to the inclusion of permanent supportive housing units if they are serving seniors? The City does not have Project-Based Vouchers to contribute to the project. The City is open to a variety of housing that supports the goals of the community. In that regard, respondents are welcome to submit conceptual development plans they deem to suit the
- R community based on their research of publicly available meetings or records. One of the City's goals is to allow residents to age in place. Please also See Section IV.E.D. of the RFQ/P document.



Could you please provide some additional information on the Alden Street parcel (4342-009-906). It appears to be a 0.49 acre parcel including parcels east and west of the surface parking lot?
 AIN 4332-009-906 is approximately 49,425 square feet according to data from the Los Angeles County Assessor. However, approximately 24,675 square feet is used for the Beverly Hills Community Dog Park, which is not subject to this RFQ/P. Site #4, the Alden Surface Parking Lot, east of and adjacent to the Dog Park, contains a total of approximately 24,750 square feet of available land that is subject to this RFQ/P. The adjacent parcel to the east of the Alden Surface Parking Lot, AIN 4342-009-905, is owned by the City. AIN 4342-009-905 contains Public Works water infrastructure and is not subject to this RFQ/P.



- 35 Will the City waive the development impact fees?
- 36 Would the school impact fees be applicable to a senior affordable community?
- The building/electrical/mechanical/plumbing plan check and permit fees are cost prohibitive for affordable housing. According to the City of Beverly Hills fee schedule and several representatives in building and safety and the planning department, each Mechanical, Electrical, or Plumbing Plan Check will cost \$14 for each \$1,000 of total construction value (not each electrical/mechanical/plumbing) plus \$11,858.84. Therefore, each \$10,000,000 of total construction cost beyond the first \$10,000,000 will cost \$140,000 (\$14 for each \$1,000) for each of electrical, mechanical and plumbing plan check. The same cost applies to each of electrical, mechanical and plumbing permit fee. Each building and grading plan check and permit fee have a similar calculation. A \$60,000,000 construction value would result in plan check/permit fees of \$8,000,000. Will there be a waiver for plan check/permit fees?

It should be assumed that all ordinary fees associated with development will be incurred by the developer. Respondents should include these estimated fees as separate line items in the development pro forma (See Section IV.F.3 of the RFQ/P document) for the City's review. Determining plan check and permitting fees is highly dependent on a number of factors in the development plans. This response is not intended to confirm or rebut the estimate in question 37.

Please see the City's Development Plan Check & Permit Fee Schedule here:

R <u>https://www.beverlyhills.org/cbhfiles/storage/files/1430580922290822890/DevelopmentFeeScheduleFY2021-22.pdf</u>

Please see the City's Planning Division Fee Schedule is available here: https://www.beverlyhills.org/cbhfiles/storage/files/905896488584129848/PlanningFeeScheduleFY21-22.pdf

Please note that City's fee schedules are updated each fiscal year (July 1).

Is it the city's desire to maximize density for these prospective sites?
 The City's desire is to optimize density in a manner that is consistent with both the context of the surrounding area and other high-quality affordable projects while being financially feasible.



- How does the process to change the zoning described in the RFQ work? How quickly would the zoning change?
- 40 What does the entitlement process look like for this RFQ? Is it ministerial or discretionary? Is there any fast-track available? At this time, the City is considering various paths forward for the approval of a project that is developed as a result of this RFQ/P. The
- At this time, the city is considering values paths forward for the approval of a project that is developed as a result of this KPQ/P. The process is likely to depend on the site chosen, the current zoning of the site chosen, and the specifics of the project. It is likely that any project developed as a result of the RFQ would be reviewed by the Planning Commission and the City Council, at a minimum. A change in zoning for a particular site could be processed concurrently with the approval of the project in question.
- 41 Will the project be subject to prevailing wage or CEQA?
 R The project will be subject to CEQA. In all likelihood the project will also be subject to prevailing wages, unless a specific exemption applies to the project.
- 42 Does the city have a preference for type of retail space?
 Any retail space contemplated should suit the surrounding context of the particular site and the proposed development. Respondents
 R should also consider retail uses that currently exist on the particular site, if any. If financially feasible, the City would prefer maintaining retail/office space large enough to accommodate the Beverly Hills City Employee Federal Credit Union on Site #2.
- 43 For the past two years of financial statements, please clarify more on "generally accepted accounting principles." What do these need to meet?
- R Respondents should provide independently prepared audited financial statements.



- 44 Will you accept in-person RFQ delivery or mail-in only? The City is changing its requirements for submittal. Responses to the RFQ/P MUST BE emailed to <u>lphillippo@beverlyhills.org</u> with copy to <u>ttway@beverlyhills.org</u> and <u>jgernes@beverlyhills.org</u>. Hard copies will not be accepted. Please note the City's email servers cannot accept files sizes larger than 25 megabytes. For files that are larger than 25 megabytes, respondents can request a link from the City to upload the document Responses should be ONLY one (1) single PDF with the following filename format:
- R "[Development Entity Name] RFQ-P Response"

City Staff will issue an addendum with more information. Respondents should anticipate submitting their responses well ahead of the deadline to avoid any late submittals due to technical issues.

- 45 336 Foothill Rd: Are only portions of the building historically significant or is it the entire building?
 46 Regarding 336 Foothill, does city want the building or façade preserved?
 Regarding Site #3, the 336 Foothill Road Office Building, the original two-story building that faces Foothill Road appears to be the subject of the City's 1985/86 Historic Resources Inventory. The inventory for this property can be found here: https://www.beverlyhills.org/route/document?DOCID=19838
- R If this site is pursued, further analysis of the building's historical significance may be required.

Preserving the building or façade is not a stated requirement and may not be financially feasible. Nonetheless, the City will expect a future project to comply with the requirements set forth under CEQA.



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REQUEST FOR QUALIFICATIONS / CONCEPTUAL PROPOSALS (RFQ/P) AFFORDABLE HOUSING OPPORTUNITY CITY OF BEVERLY HILLS **RFQ/P Questions & City Responses**

- 47 8421 Wilshire Blvd: Because of the easement, does that mean we won't be able to develop anything on the site until 2032?
- 48 Is there a better timeline when the [Site #5, 8421 Wilshire Blvd. Metro Staging Yard] will be made available?
- 49 What is the City's desired timing of initiating vertical construction [Site #5, 8421 Wilshire Blvd. Metro Staging Yard] given the site's current use as a laydown yard?

The terms of the temporary construction easement (TCE) with Metro at Site #5, 8421 Wilshire Blvd. Metro Staging Yard are stated in the site description included in Exhibit A to the RFQ/P. Wilshire/La Cienega Station is currently anticipated to be completed in approximately 2024 and site control of the property returned to the City by 2025.

- 50 Are the cover, table of contents, and cover letter included in the page count limit?
- 51 Is the Submittal Cover, Table of Contents, and Cover Letter included in the 30-page limit?
- R No. The submittal cover, table of contents, and cover letter are not included in the 30-page limit.
- 52 Are staff resumes included in the page count limit? Do resumes for consultant staff members also need to be provided or just development staff?
 - No. The staff resumes are not included in the page count limit. Please include resumes for all key staff members, including any key
- R consultant staff members.

For the conceptual development plan, does the City want to see elevations and/or renderings in addition to a site plan?
 The City is not requiring elevations or renderings as part of the RFQ/P submittal. The proposals are intended to be conceptual in nature to determine factors such as the potential number of units, costs of a potential development, etc. Future iterations of the process and/or negotiation will require renderings and/or elevations.



54 What are the future plans for 8401 Wilshire? Can that parcel be included in a proposal for 8421 Wilshire?
 Proposals contemplating use of Site #5, 8421 Wilshire Blvd. Metro Staging Yard must include a conceptual proposal for Site #5 in isolation.
 R The City does not own 8401 Wilshire. However, proposals may include an alternate scenario that contemplates use of the 8401 Wilshire property combined with Site #5. If providing this option, proposals may have up to 5 additional pages.

Will the Purple line extension impact the development capacity of [Site #5, 8421 Wilshire Blvd. Metro Staging Yard] (setbacks, foundation design, subterranean earthwork)?
 As noted in the Site #5 description sheet, Metro currently has a temporary construction easement (TCE). Once the TCE terminates (please see response to Questions 47-49), the property will be returned vacant and the majority of support of excavation (SOE) shall be abandoned in place below ground. Please see the TCE for more details on which portions of SOE require full removal by Metro here: https://www.beverlyhills.org/route/document?DOCID=19856

Please note Section 1.E. and Section 2.12. of the TCE.

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The City anticipates that the planning, design, and construction of the site will incorporate these existing conditions.

Additionally, coordination is required with Metro to review proposed developments within 100 feet of Metro right-of-way. Find the latest version of the Metro Development Handbook for typical review processes and restrictions here: https://media.metro.net/projects_studies/joint_development/images/mad_handbook.pdf



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- The Assessor Portal lists the site size as 18,623 SFT and the usable area as 12,537 SFT (see attached); why does the usable area differ from the lot size?
 Please assume a lot size of 18,623 square feet for Site #5, 8421 Wilshire Blvd. Metro Staging Yard. City Staff have reviewed existing title
- R reports and has inquired with the Assessor's Office regarding this discrepancy, which appears to be a minor technical issue. City Staff will share any pertinent information in an addendum, if necessary.
- 57 Would the City be open to operating and owning the publicly-accessible component such as plaza?
 It would depend on the particular site and size of the publicly-accessible space and any other public uses associated with a particular site.
 For example, for larger sites and sites with higher anticipated foot traffic or other public amenities, such as those discussed during the Site #5, 8421 Wilshire Blvd. Metro Staging Yard/Gale Yard community forum referenced in Addendum No. 1, it could be appropriate for the
- R City to operate a publicly-accessible space.

If respondents intend for the City to operate any portion of the project, that should be clearly stated.

58 Can you please provide the lease terms for all the sites? Two of the sites did not include lease terms for those.

Site #1, 9268 W. 3rd St. Office building – Vacant

Site #2, 9298 W. 3rd St. Office Building – The one lease may be terminated by the City upon 60 days' prior written notice.

Site #3, 336 Foothill Rd. Office Building – Vacant

Site #4, Alden Surface Parking Lot – The one lease be terminated by the City upon 30 day's prior written notice.

Site #5, 8421 Wilshire Blvd. Metro Staging Yard – Please see the response to Questions 47-49.

Site #6, 327 S. Robertson Blvd. Retail Building – All leases may be terminated upon 30 day's prior written notice.

Site #7, 333 N. Crescent Parking Structure – Please see the response to Questions 25-26.



- 59 Regarding 9268 W 3rd St., does the City have an expectation that we deliver \$100K/month in income to the city?
- 60 Regarding 9298 W. 3rd St., can we develop on the adjacent parking lot too? If so, is there revenue replacement the City is seeking?
- If we would like to combine the adjacent sites (Site #1: 9268 West 3rd Street and Site #2: 9298 West 3rd Street) for one project, would this be considered using 2 sites in that we would get an additional 5 pages for the submittal package?
 Combining all of Site #1, 9268 W. 3rd St. Office Building and all of Site #2, 9298 W. 3rd St. Office Building is possible. The City does not expect a project to replace lost potential revenue. While lost potential revenue is a factor in the City's decision-making, it would be balanced with the primary objective of having affordable housing units constructed. The site description sheets show potential revenue that the property could generate to assist City stakeholders in making informed decisions. Please also see the response to Question 12, regarding revenue.

If Site #1, 9268 W. 3rd St. Office Building and Site #2, 9298 W. 3rd St. Office Building are combined, this would be considered one project and not subject to five additional pages. If submitting a combined Site #1 and Site #2 in addition to Site #1 and/or Site #2 as separate projects, this would be subject to five additional pages each.

62 Regarding 333 N. Crescent, would the City pay for the demolition of the parking structure and does the City want replaced? Regarding Site #7, 333 N. Crescent Parking Structure, proposals should include demolition of the parking structure as a separate line item in the development pro forma (See Section IV.F.3 of the RFQ/P document) for the City's review. The same should apply to any site with existing infrastructure. The City is aware that existing infrastructure may increase development costs. Please also the response see the response Questions 1-9.

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Further analysis of the impacts of any public parking lost due to redevelopment will be required if a project at Site #7 is pursued. Projects that replace at least some amount of any lost public parking will be more beneficial to the City and community and proposals will be evaluated in that context.



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REQUEST FOR QUALIFICATIONS / CONCEPTUAL PROPOSALS (RFQ/P) AFFORDABLE HOUSING OPPORTUNITY CITY OF BEVERLY HILLS **RFQ/P Questions & City Responses**

63 Are projects capped at 150 units or can projects exceed 150 units? Per Section 10-3-1256 of the Beverly Hills Municipal Code; "The number of units of housing for the elderly and handicapped which may be constructed shall not exceed one hundred sixty-five (165) units per acre; provided, however, the maximum number of units which may be constructed on any one site shall not exceed one hundred fifty (150) units."

Please refer to Section II. B. of the RFQ/P document regarding development standards. Respondents that wish to diverge from any of the identified development standards must submit the information as requested in the RFQ/P.

- 64 What are the [setback] requirements that we should adhere to? Setback requirements vary based on the zoning for each site. The setback requirements can be found in the zoning code located here: www.beverlyhills.org/zoning.
 - Please note, respondents that wish to diverge from any of the identified development standards, including setbacks, must submit the information as requested in the RFQ/P.