

Mission Avenue Affordable Housing Project RFQ Follow Up Questions/Responses:

Q1: Expanding on the EIR question, will a negative declaration or mitigated negative declaration be acceptable? If an EIR is required, what is the time line for the City to process?

A1: An EIR will be required for this project. The timing for processing/approval of an EIR varies depending on the complexity and concern that may surround a project; however, 12-18 months is the typical time necessary for a project's evaluation of impacts, preparation of documents and scheduling a public hearing for EIR adoption.

Q2: Recognizing that 9% tax credits may be problematical and state subsidies may be very limited or unavailable, is it reasonable to submit a financing plan using 4% tax credits and bonds, recognizing this will require a significant amount of City funding?

A2: Yes. This is one reason the RFQ requests financing plans assuming both 4% credits and 9% credits.

Please note that the City cannot commit to a specific subsidy amount as part of the RFQ process. Consideration of a potential subsidy would be negotiated during the Disposition and Development Agreement process after the selection of the Development Team.