

**CITY OF OCEANSIDE  
MISSION AVENUE AFFORDABLE HOUSING MIXED-USE DEVELOPMENT**

**7/22/10 PRE-SUBMITTAL CONFERENCE QUESTIONS AND ANSWERS**

Q1. Will an EIR be required as part of the entitlement process?

A1. Yes, it is anticipated that one will be required.

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Q2. What is the required level of affordability?

A2. The units will be made affordable to tenants @ 60% or below Area Median Income.

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Q3. Confirm which rents shall apply – TCAC or those under California Redevelopment Law?

A3. Whichever are more restrictive and required under applicable law.

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Q4. What arrangement may be made with prospective tenants of the commercial property as part of the SOQ?

A4. There can be no exclusive leasing arrangements with prospective tenants prior to developer selection.

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Q5. What do we assume as the minimum level of development of the commercial component as part of the proforma analysis?

A5. Just the shell and ancillary utility connections.

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Q6. What are the expected parking requirements?

A6. Assume City code requirements for the family housing component. For senior projects, there is a process for requesting reduced parking requirements and there are examples of other City projects where parking for senior projects was reduced; however, the City cannot not commit to any reduced requirements until developer agreement / entitlements process.

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Q7. Is there a preferred phasing by the City of the different development components (i.e., family housing, senior/special needs housing, commercial portions)?

A7. The City has a preference for all phases to proceed as soon as entitled.

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Q8. What City cooperation can be expected with regard to the time process the entitlements?

A8. At this time, the City cannot commit to a specific amount of time required or the amount of assistance with attaining entitlements. It is anticipated that the entitlement process would take a minimum of 18 months to complete. The City has a policy that affordable housing projects will be given a priority, but the benefit of such will likely depend on available City resources.

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Q9. Does the City have flexibility in the number of proposed units for each of the residential components?

A9. No, not at this time. The precise number may be subject to negotiation after the developer selection process is completed. The City is flexible in terms of the mix of unit sizes / number of bedrooms.

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Q10. Does the City have a preference between non-profit and for-profit developer?

A10. No.

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Q11. Should the developer name a planning, community outreach, or CEQA consultant as part of the development team?

A11. A specified consultant does not need to be identified, however, the development team must demonstrate capacity to deal with planning, environmental, and community outreach issues.

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Q12. Is funding available from the City for predevelopment costs?

A12. Some limited funds may be available, but will be determined after the developer selection process is completed.

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Q13. Is the City flexible about the amount of commercial space?

A13. Yes, the City is flexible if a prospective user wants slightly more space.

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Q14. Are there any additional City financial structuring requirements to be aware of other than what is reflected in the RFQ?

A14. Yes as follows:

- Ground Lease. With the exception of the commercial component, the property will be subject to a ground lease, with no minimum payment required, use requirements not subordinated to the mortgage lender, (e.g., can take title to leasehold interest subject to the ground lease), term at least 55 years.
- Subordinate Loan. City willing to provide a subordinate loan payable from 50% of residual receipts recognizing the importance of meeting developer fee requirements of tax credits (i.e., deferred developer fee).
- City Loan Amount. Amount of the City loan will depend on what's being proposed and what other resources the developers are including. Developers should not in any way utilize preliminary estimates of City loan amount from Section 6.8 of the Vision and Strategic Plan. The City resources available for this project are RDA Housing Set-Aside Funds and limited HOME/local Inclusionary Housing Trust Funds.
- Infrastructure Costs. All infrastructure costs will be the responsibility of the developer. The City does not currently know the extent or costs of off-site infrastructure; therefore for proforma purposes, do not include a specific amount for this cost.
- Land reimbursement for commercial component. Approximately \$300-400,000 of housing funds may need to be reimbursed for the purchase of land for the commercial component.
- Minimum monitoring fee. Fixed fee based on the original amount of the bonds.

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Q15. Are specific supportive services required for the different residential development components?

A15. Services for residents are encouraged, but there are no specific minimum requirements.

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Q16. Do you want developers to footnote assumptions in the financial proforma?

A16. Yes.

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Q17. Regarding the City requirement that annual rent increases are limited to 5% per year, are there any exceptions?

A17. There may be limited exceptions to deal with extraordinary unforeseen market or operating cost circumstances, but generally speaking increases cannot be for the sole purpose of generating additional residual receipts or developer fee payments.

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Q18. Who do prospective developers call with questions during the RFQ process?

A18. All questions about the RFQ are to be sent to David Manley via e-mail at [dmanley@ci.oceanside.ca.us](mailto:dmanley@ci.oceanside.ca.us) by July 30, 2010. All answers will be e-mailed and posted on department website by the close of business on August 13, 2010. Information regarding development / planning/ building requirements can be obtained from the following City contacts:

City Development Services Department contact information:

Planning: Amy Fousekis, Principal Planner (760)435-3534

Engineering: Marty Eslambolchi, City Development Engineer (760)435-5083

Building: Steve Jones, Building Services Administrator (760)435-3932