

- 1. The Project Budget sources and uses on page 17 indicates a \$3,380,359 residual receipts loan from the City’s Affordable Housing Fund for the parking garage. However, this is not included in the expected financial contribution from the City. Please clarify.**

The total cost of the 575 stall parking structure has been estimated at \$15,549,653 (\$27,043 per stall). Of the 575 total parking stalls, 536 stalls would be dedicated to public parking with the remaining 39 stalls being allocated to the affordable housing project. Below is a breakdown of sources for the parking garage:

<u>Source</u>	<u>Num. Stalls</u>	<u>Amount</u>	<u>Notes</u>
Developer	39	\$1,054,672	Cost associated with the 39 parking stalls specifically for the affordable component included with the projects construction hard costs.
City Public Parking Funds	411	\$11,114,622*	Funds paid from City of San Mateo Parking Fund that will not be repaid by the projects.
Developer (repayment)	125	\$3,380,359*	Funds paid by the City of San Mateo that will be repaid by the affordable component through residual receipts payments.
Total Cost	575	\$15,549,653	Total cost of Parking Garage

*In total the City will need to come out of pocket \$14,494,981 of which amount \$3,380,359 will be repaid by the affordable component.

- 2. What is your assumption of the permanent loan terms for the market rate housing?**

Based upon current market conditions, we estimate the following permanent loan terms:

Loan-to-Value Ratio (LTV)	60% to 70%
Interest Rate	4.00% to 5.00%
Amortization	Interest only or 30-year schedule
Recourse	None, subject to standard carve-outs

- 3. Can you clarify the developer fee and profit (return) assumptions for the market rate housing and public parking?**

The preliminary pro forma assumes a developer fee of 3% of total project costs for the market rate housing and public parking garage. The profit assumptions are an untrended return-on-cost of 5.50% or higher upon stabilization.

4. Please provide a sources and uses table for the public parking garage, including both hard and soft costs and all sources of funding. Describe the proposed terms for the City contribution and also clarify any assumptions on the use of parking revenues.

As discussed in our RFP response, SRGNC and Related have partnered with Clark Pacific on an exclusive basis to design and build the public parking garage for the City of San Mateo. Clark Pacific is a leading design-build manufacturer of precast parking systems and due to the schedule advantages of precast concrete systems, Clark estimates the garage’s construction could be completed within 8-9 months which is approximately a 20% improvement over traditional methods. The detailed Sources and Uses table prepared by Clark Pacific is below. Such information is proprietary and should be considered confidential and exclusive to our team’s proposal to the City of San Mateo.

12/5/2017
San Mateo Parking Structure - Option 2 -1 level below



Gross/Total Area:
Elevated Structure Area:
SOG Area:
Total Stalls ea:

CSI	Division	Grand Total
1000	General Conditions	1,276,250
2000	Sitework	1,311,159
3000	Concrete	7,308,197
4000	Masonry	133,194
5000	Steel	725,120
7000	Thermal and Moisture Protection	442,264
8000	Doors and Windows	10,500
9000	Finishes	148,720
10000	Specialties	50,693
14000	Conveying Systems	420,000
15000	Mechanical	832,034
16000	Electrical	1,289,925
17000	Design Services	408,000
	Grand Total	14,356,055
	General Contractor Fee %	646,022
	Subtotal	15,002,077
	General Contractor Contingency %	450,062
	General Liability .65%	97,514
	Total Estimate	15,549,653

Please see our response in Question #1 for the proposed terms of the City’s contribution to the parking garage. In terms of the potential revenue from the parking garage, we estimate that at current hourly parking rates in downtown San Mateo, these spaces could generate approximately \$500,000 annually in parking revenue. This assumes \$0.50 per hour and a 50% overall occupancy of the parking spaces. Such

revenue stream could potentially support financing with parking revenue bonds and if selected we would further explore such sources of funding.

5. Does your proposal require access to the Railroad Avenue easement along the 400 E. 5th Avenue site to access the parking garage? Would access still be possible if that easement could not be obtained?

The affordable project setback is enough to provide pedestrian access to the parking garage without utilizing any of the Railroad Avenue ROW easement along the south-west side of the 400 E. 5th Avenue Site. Although, it would be our Team's ambition to pursue the use of this area to further benefit the design of the proposed pedestrian paseo described in detail within our proposal. We feel this underutilized area could bring great value to the proposed project and provide for a more enhanced connection to the downtown area.