



ADDENDUM NO. 1
August 31, 2010

REQUEST FOR PROPOSALS, PART II
CALIFORNIA INSTITUTION FOR MEN, CHINO
Long-Term Ground Lease
 (AMB #131108)

Addendum to the Request for Proposals, [Part II](#) dated July 14, 2010.

1. RFP, Part II, Section 1.3 Schedule is herein revised as follows.

State Responses to Questions	August 31, 2010
RFP, Part II Submittal Deadline	September 30, 2010
Final Selection	November 18, 2010

2. The following is a compilation of questions submitted to the Department on or before August 16, 2010 as provided for in RFP, Part II. Each question is followed by a response from the Department. Questions directed to the City of Chino have been forwarded to the City for response (as indicated). Unless otherwise defined herein, all defined terms will carry the same definition and meaning as indicated in the RFP.

1. Will the State agree or consent to the following as the Ground Lessor?
 - a). Cooperation and Consent to Subdivision Applications to City as requested by Lessee, subject to the Map meeting all California Subdivision Land Act Map conditions.
 - b). Grant Street Easement ROWs or Dedication of land for public access into the development site.

A: a) No. State property is exempt from the California Subdivision Map Act. b) ROW will be dedicated along Kimball Avenue only. Internal streets are to be private.

2. Will the City of Chino require the Developer to install street improvements along Euclid Avenue where the property adjoins the Runway Protection Zone?

A: This question was forwarded to the City of Chino in which they responded, yes.

3. Will the state allow grading outside the lease boundaries as necessary to divert drainage from the north away from the lease property to the Cypress Channel?

A: Yes. Offsite grading will be allowed and required to address any disruption to offsite drainage patterns, subject to approval by CIM.

4. Will the State allow minimal off-site grading (within 15' of the lease boundary) to reduce the interior height of the required security wall? The cut into the existing ground along the northern half of the site will cause the inside face of the wall to be higher than the outside face of the wall. The depth of cut should be less than 4 feet?

A: Yes, subject to CIM approval.

5. Will the state allow a connection to the Cypress Channel at the under crossing in Kimball Avenue?

A: See Question #8. The connection point must be made on CIM property.

6. The State has stated that the Edison Easement is 150' north of the 66' right of way in Kimball Avenue, a document recorded in Book 1282, Page 22 on 6/29/1938 appears to indicate a dimension of 200' north of the 66' Right of Way, is there another document between the State and Edison that has not been recorded? (see attached document) We are trying to locate a better copy?

A: No other known document recorded. For purposes of this RFP, proposers should assume a distance of 200' from ROW.

7. The RFP, Part II does not indicate a requirement for any site plan, architectural renderings, design features, building size, specifications, etc. Are these elements required?

A: Proposers must include sufficient information on the proposed project for the State to understand what is proposed and establish a degree of conformance with local land use regulations. Such information may include, but is not limited to, site plan, design renderings, off-site improvements, landscape renderings, project detail, etc. See RFP, Part II, Section 2.1 Development Requirements for more information.

8. RFP, Part II, Section 2.1.6 indicates that "Cypress Channel, located immediately west and adjacent to the Property, is not available for direct discharge of stormwater or surface drainage". However, during the Briefing Conference, the State indicated that connecting to the channel may be allowed. Please clarify?

A: The State will allow the direct discharge of stormwater into the Cypress Channel:

- The design must ensure no contributory erosion to the channel.
- Lessee will be required to maintain the Cypress Channel from the connection point to the southerly CIM property line (to include any upstream improvements).
- The design must conform to any applicable connection specifications required of the San Bernardino County Flood Control District.
- The project drainage design must not exceed flows going into the channel at its current, or existing, rate.
- The last reach of any connection to channel should be designed to contain the unrestricted flows that would be anticipated from a 100-year storm.

9. Will the State allow the formation of a Community Facilities District (CFD) for project development / maintenance, if such CFD were to have a sunset clause?

A: No.

10. Can the project be phased?

A: Yes.

11. RFP, Part II, Section 2.2.10.2(c) allows a preferred return to the developer's equity position. Does this preferred return apply even if the project is developed with 100% capital?

A: No. The preferred return is limited to no more than 20% of total project cost (presumes 20% equity, 80% market financing).

12. Will the State allow partial assignments of the ground lease creating multiple lessees?

A: No. It is the State's intent that the lessee be a single entity.

13. The RFP indicates that the selected Proposer will be responsible for costs associated with State plan check, inspection, and administration. Can you provide fee estimates for these services?

A: The following are estimates only. Actual costs will be established prior to the execution of a ground lease. State Architect Access Compliance: .02% of first \$500,000 of construction value plus 0.1% of next \$1.5 million plus 0.01% of amount over \$2.0 million. State Fire Marshall, Fire Life Safety: \$140/Hour, estimated at 100-300 hours. DGS Construction Services, Code Compliance Inspection: 2-3% construction value. DGS Administration (to include legal): \$250,000. A more precise fee estimate will be established and partially due at lease execution.