

Shall the Authority Authorize the Executive Director to Execute a Contract for Parking Operations and Management Services for Kauhale Kakaako Parking Garage for a Term Not to Exceed Three Years and to Expend Amount Not to Exceed \$900,000.00 from the Hawaii Community Development Revolving Funds, Leasing and Management Subaccount?

Staff Report

December 2, 2015

Background: In 1991, the Hawaii Finance and Development Corporation nka Hawaii Housing Finance and Development Corporation (“HHFDC”) and the Hawaii Community Development Authority (“HCDA”) jointly developed the Kauhale Kakaako affordable housing project located at 860 Halekauwila Street. Kauhale Kakaako consists of 268 affordable apartments and 698 parking stalls. The HHFDC retained ownership and management of the affordable rentals component and the HCDA received a long term lease from the HHFDC for the parking component.

Since commencement of the parking garage lease, the HCDA has procured outside parking lot vendors to operate the garage. Under the terms of the parking garage lease, the HHFDC receives 100% of the monthly net income up to \$10,197.00, with any excess amount goes to the HCDA.

The scope of the services for management of the garage include the following:

- Provide fiscal and physical management services;
- Market, respond to public inquiry, operate and maintain the parking garage;
- Provide 24 hours/7 days a week parking garage security;
- Collection and accounting of parking fees;
- Develop and enforce garage rules;
- Solicit and oversee required services and contracts;
- Perform daily inspections and routine maintenance work;
- Provide financial, expense, fees, and other reports; and
- Parking permittee and tenant relations.
- Provide yearly parking rate/fee study within the Kakaako District.

On November 18, 2015 the HCDA issued an Invitation for Bids for a Cost-Plus fixed Fee Contract (IFB) to manage the garage. On November 23, 2015 two vendors attended the pre-bid meeting. The solicitation will close on Wednesday, December 2, 2015 at 9:00 A.M. The HCDA will review the bids received on time as instructed in the IFB and perform the due diligence necessary to award the contract to the lowest responsive offer to the IFB.

Bids were required to be submitted itemizing the following:

1. Management Fee;
2. Attendant Fee;
3. Security Fee; and
4. Annual \$10,000 Reimbursable Allowance

Staff will inform the Authority during its meeting of the amount of bids received and the cost range.

Recommendation: Staff recommends approval to authorize the Executive Director to complete a due diligence review of the apparent responsible and responsive bidders identified in the IFB bid process conducted for this purpose and execute a two (2) year contract for operations and management services for the Kauhale Kakaako Parking Garage, with a one (1) year extension, with the lowest responsible and responsive bidder identified in the IFB bid process, and to expend amount not to exceed \$900,000.00 of Hawaii Community Development Revolving Funds from the Leasing and Management Subaccount for a term not to exceed three (3) years.