



STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

REQUEST FOR PROPOSALS

No. DEV-RFP-13-001

**DEVELOPMENT OF A VACANT LAND PARCEL
WITHIN THE EAST KAPOLEI II PLANNED COMMUNITY
KAPOLEI, EWA, ISLAND OF OAHU, HAWAII**

REGISTRATION:

ALL PERSONS INTERESTED IN THE RFP MUST **REGISTER** WITH THE RFP CONTACT TO RECEIVE NOTICE OF ANY CHANGES OR UPDATES TO THE SOLICITATION. TO REGISTER, EMAIL OR FAX YOUR CONTACT INFORMATION TO THE RFP CONTACT LISTED BELOW.

A **Pre-Proposal Conference** will be held on **July 10, 2013 at 10:00 a.m.** in the HHFDC Board Room, 677 Queen Street, Suite 300, Honolulu, Hawaii.

Direct all questions, no later than August 7, 2013 to:

RFP Contact:

Ken Takahashi, Project Manager
Hawaii Housing Finance and Development Corporation
Email: ken.t.takahashi@hawaii.gov
Fax: (808) 587-0600

PROPOSALS DUE September 4, 2013, No later than 2:00 PM
A non-refundable application fee
of \$250 must accompany the proposal

Submit proposals to:

Executive Director
RFP No. DEV-RFP-13-001
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

The envelope or enclosure containing proposals should be clearly marked with the RFP number and title.

Electronic responses shall not be accepted.

NOTICE TO INTERESTED PARTIES

Request for Proposals (RFP) No. DEV-RFP-13-001

DEVELOPMENT OF A VACANT LAND PARCEL WITHIN THE EAST KAPOLEI II PLANNED COMMUNITY

The HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION (HHFDC) is requesting proposals from qualified persons or firms who meet the qualifications described herein to plan, design, and develop an affordable housing project on a vacant parcel know as the "East Kapolei II, LDA Parcel 2" within the East Kapolei II Planned Community, Kapolei, Oahu, Hawaii. The 19.720 acre parcel is identified by TMK: (1) 9-1-017:109.

Copies of the RFP shall be made available as follows, beginning June 5, 2013:

1. **Electronic copy on the HHFDC website.** A copy of the RFP documents can be reviewed and downloaded online at no cost. Go to <http://hawaii.gov/dbedt/hhfdc/>. Locate and click on the RFP link to download the documents. **Any Offeror who downloads the solicitation documents online is advised to *register* by e-mail or fax to the RFP Contact.** If Offeror does not register with RFP Contact, Offeror will not receive notification of any changes or addenda to the RFP.
2. **Hard copy picked up at the HHFDC Office.** Notify the RFP Contact below to schedule a pick up. A fee of \$100 per copy will be assessed for administrative and printing costs. The HHFDC Office is located at 677 Queen Street, Suite 300, Honolulu, Hawaii.
3. **Hard copy by U.S. Postal Service first class mail, Fedex, or equivalent.** Notify the RFP Contact below to arrange mailing of the solicitation documents. Must have carrier account number or documents will be mailed via USPS First Class Mail. A fee of \$100 per copy will be assessed for administrative and printing costs.

A **Pre-Proposal Conference** will be held on July 10, 2013 at 10:00 a.m. in the HHFDC Board Room, 677 Queen Street, Suite 300, Honolulu, Hawaii.

Statements made by HHFDC representatives at the Pre-Proposal Conferences, Site Inspection, or otherwise during the solicitation process shall not be binding on HHFDC unless confirmed by written addendum. Direct all questions regarding the RFP, in writing, to the RFP Contact, Ken Takahashi, Project Manager, HHFDC, Email: ken.t.takahashi@hawaii.gov, Fax: (808) 587-0600. The deadline for questions is August 7, 2013.

Proposals must be received no later than 2:00 PM on September 4, 2013 by the Executive Director at Hawaii Housing Finance and Development Corporation, 677 Queen Street, Suite 300, Honolulu, Hawaii 96813. A non-refundable application fee of \$250 must accompany the proposal.



Karen Seddon, Executive Director
Hawaii Housing Finance and Development Corporation

Honolulu Star-Advertiser
Issue of June 5, 2013

Legal Ad Date: June 5, 2013

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EXHIBITS & ATTACHMENTS

Exhibit A: Vicinity Map
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Attachment 1: OFFER FORM, OF-1
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SECTION ONE
INTRODUCTION AND KEY INFORMATION

1.1 TERMS AND ACRONYMS USED THROUGHOUT THE SOLICITATION

BAFO	=	Best and Final Offer
Contract	=	The Development Agreement, Lease Agreement, and/or any other agreement executed as a result on this RFP.
Contractor	=	Any individual, partnership, firm, corporation, joint venture, or representative or agent, awarded a contract as a result of this solicitation.
HAR	=	Hawaii Administrative Rules
HHFDC	=	Hawaii Housing Finance & Development Corporation
HRS	=	Hawaii Revised Statutes
Offeror	=	Any individual, partnership, firm, corporation, joint venture, or representative or agent, submitting an offer in response to this solicitation. The terms “Proposer”, “Offeror” and “Developer” are used interchangeably in this RFP.
Proposer	=	Offeror or Developer
RFP	=	Request for Proposals
State	=	State of Hawaii, including all departments, attached agencies, and political subdivisions
Successful Offeror	=	Any individual, partnership, firm, corporation, joint venture, or representative or agent, awarded a contract as a result of this solicitation

1.2 INTRODUCTION

This Request for Proposals ("RFP") is being issued by the Hawaii Housing Finance and Development Corporation ("HHFDC") for the purpose of soliciting proposals from interested developers (or "offerors") who meet the qualifications described herein to plan, design, and develop an affordable rental housing project on a vacant parcel known as the "East Kapolei II, LDA Parcel 2" within the East Kapolei II Planned Community. See Exhibits A and B. The 19.720 acre parcel is identified by TMK: (1) 9-1-017:109.

Each submitted proposal is expected to be conceptual in nature, relying upon the developer's past project experience to establish proposed financial feasibility and project viability assessments, estimated costs, financing packages, schematic site planning, design and housing product types for this development opportunity.

The proposal that is selected may be subject to further discussion, negotiation and revision. All applicants understand that the primary purpose of this RFP is to evaluate all applications on an equal basis and that specific criteria described herein may be subject to change during development and/or loan agreement negotiations. HHFDC desires to work in tandem with the developer and to provide input as the conceptual proposal is refined to final plans. The selected developer may be subject to further requirements, which are described in this RFP.

The selected developer will be responsible for completing the development of the Project lien free in accordance with the requirements of HHFDC.

1.3 RFP TIMELINE

The RFP Timeline below is based on approximate dates. If a component of the timeline is changed, such as the Proposal Due date, the timeline will be adjusted accordingly. All times indicated herein are in Hawaii Standard Time (HST).

Advertise Request for Proposals	June 5, 2013
Pre-Proposal Conference (Oahu)	July 10, 2013 10:00 a.m.
Deadline for Questions and Clarifications	August 7, 2013
State Response to Questions and Clarifications	August 21, 2013
Proposal Due	September 4, 2013 No later than 2:00 PM
Proposal Evaluation Completed	September 16, 2013
Discussions with Priority Listed Offerors Commence, if necessary	September 19, 2013
Request for Best and Final Offers (BAFO), if necessary	October 1, 2013
BAFO Evaluation Completed, if necessary	October 15, 2013
Estimated Contract Award Date	November 14, 2013
Anticipated Contract Execution Date	March 2014

NOTE: HHFDC reserves the right to deviate from this timeline.

1.4 PRE-PROPOSAL CONFERENCE AND SITE INSPECTION

There will be a Pre-Proposal Conference on July 10, 2013 at 10:00 a.m., to be held in the HHFDC Board Room, 677 Queen Street, Suite 300, Honolulu, Hawaii. Questions and/or requests for clarification may be directed to the RFP Contact in accordance with the following Section 1.5.

Prior to submittal of the proposal, it is recommended that Offerors familiarize themselves with the RFP documents and the extent and nature of work to be performed. While there is no authorized right-of-entry onto the property, Offerors are encouraged to visit the LDA Parcel 2 site at the street frontage. No

compensation will be allowed by reason of any misunderstanding or error regarding site conditions, project layout or work to be performed.

Questions will be accepted by the HHFDC for the purpose of clarifying information in the RFP documents. However, any oral statements made by HHFDC representatives are only intended to give proposer general direction and shall not be binding on HHFDC unless confirmed by written addendum. For an official response, questions shall be submitted **in writing**.

1.5 QUESTIONS, CLARIFICATIONS, OR CHANGES

Any Proposer that has questions or requires clarification of the information provided in this RFP must submit specific questions and clarifications **in writing** to the RFP Contact, Ken Takahashi, Project Manager, via email at ken.t.takahashi@hawaii.gov or by fax at (808) 587-0600. The deadline for questions is August 7, 2013. **Email is the preferred method of communication.** Questions or requests for clarifications are due on the date indicated in the RFP Timeline, unless otherwise amended.

a. Addenda

If HHFDC determines that additional information or interpretation is necessary, or that a change is needed, such information will be supplied in addenda and distributed to all persons or firms who registered for this solicitation. Addenda shall have the same binding effect as though contained in this RFP. The RFP Contact will issue all addenda no later than the date indicated in the RFP Timeline, unless otherwise amended.

Up to the date and time that proposals are due, it is the responsibility of all parties interested in this RFP to refer frequently back to the HHFDC website to check for any addenda that have been issued for this RFP. Interested parties who have registered with HHFDC for this proposal will receive courtesy notices of any addendum that has been issued for this RFP; however, interested parties are ultimately responsible for being aware of any addenda issued by HHFDC and modifying their proposal accordingly.

b. Statements by HHFDC Representatives

Statements made by HHFDC representatives at the Pre-Proposal Conference, Site Inspection, or otherwise during the solicitation process shall not be binding on HHFDC unless confirmed by written addendum.

For an official response, proposers shall submit all questions **in writing** to the RFP Contact.

c. Required Review

Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter **must be made in writing and should be received by the HHFDC prior to the Deadline for Questions and Clarifications as stated in the RFP Timeline.** This will allow issuance of any necessary corrections and/or amendments to the RFP, and mitigate reliance of a defective solicitation and exposure of Offeror's proposal upon which award could not be made.

If Offeror takes exception to any terms, conditions, specifications, or other requirements described herein, Offeror should seek an informal resolution with the RFP Contact.

1.6 UNAUTHORIZED COMMUNICATIONS

The sole point of contact for this solicitation is the RFP Contact named on the front cover of this RFP. All questions and communications regarding this RFP must be directed to the RFP Contact. Proposers must not communicate about this RFP with members of the Evaluation Committee, the HHFDC Board of

Directors, or any HHFDC employee not specifically named in this RFP, except upon invitation by HHFDC as part of discussions or best and final offers. Doing so may be cause for proposal rejection.

1.7 CONTRACT TERM

The Contract period shall be as specified in the Development Agreement to be executed by the Successful Offeror and HHFDC.

1.8 RESERVED

1.9 RESERVATION OF RIGHTS

HHFDC, in its sole discretion, reserves the right to:

- a. change or cancel this RFP;
- b. accept and/or reject any or all proposals received in response to this RFP;
- c. determine whether a proposal submitted in response to this RFP fails to meet the requirements of the RFP in some material respect;
- d. obtain modification or clarification necessary to properly evaluate a proposal;
- e. obtain references regarding any Offeror's past performance from any source; and
- f. execute a Contract or Development Agreement with the Successful Offeror.

Neither issuance of this RFP nor evaluation of any proposal(s) obligates HHFDC to award a Contract from this RFP.

1.10 AGREEMENT FORM AND EXECUTION

Following the award of the Contract, the Successful Offeror shall be required to enter into a formal written Development Agreement with the HHFDC, prior to commencement of the proposed project, in accordance with the laws, rules and regulations of the State of Hawaii, and in the form required by HHFDC. The stated requirements appearing elsewhere in this RFP shall become part of the terms and conditions of the Development Agreement. HHFDC reserves the right to add or modify any term or condition prior to execution of the Development Agreement.

1.11 INSURANCE REQUIREMENTS

Within fifteen days after award of this Contract and prior to the execution of the Contract, unless otherwise specified by HHFDC, the Successful Offeror shall furnish the RFP Contact certificate(s) of insurance as evidence of the existence of the insurance coverage specified in Section Six, in amounts not less than the amounts specified therein. This insurance must be maintained during the entire performance period of the Contract at the Successful Offeror's own expense. Certificates of Insurance shall include language naming the State of Hawaii and the HHFDC as additional insureds, and stating that "Should any policies be cancelled or altered before the expiration date thereof, the issuing insurer is required to provide the certificate holder twenty (20) days written notice" of the cancellation.

1.12 DOWNLOADED SOLICITATION

Any Offeror who downloads the solicitation documents online is advised to register its company by fax or e-mail to the RFP Contact. If Offeror does not register its company, Offeror will not receive notification of any changes or addenda to the RFP.

1.13 RESERVED

1.14 OFFEROR QUALIFICATIONS

Offeror shall meet all of the qualification requirements in the RFP. Failure to meet the qualifications as specified in the RFP will likely have an adverse affect on Offeror’s proposal evaluation.

1.15 SUBMISSION OF PROPOSAL

By submission of a proposal, Offerors warrant and represent that they have read and are familiar with the contractual requirements set forth in the RFP and its attachments and exhibits, the provisions of which are expressly incorporated into this RFP by reference as though fully set forth in its entirety herein.

Furthermore, the submission of a proposal shall constitute an incontrovertible representation by the Offeror of compliance with every requirement of the RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

Before submitting a proposal, each Offeror must:

- a. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments, exhibits, plans referred to herein, and any other relevant documents; and
- b. Be familiar with State, local, and federal laws, statutes, ordinances, rules, and regulations that may, in any manner, affect cost, progress, or performance of the work.

All submitted proposals shall become the property of the HHFDC and be subject to public disclosure in accordance with Hawaii’s Open Records Law, HRS Chapter 92F.

1.16 RESPONSIBILITY OF OFFERORS

The highest-scoring responsive proposer (“Selected Offeror”) shall, at the time of award, be compliant with all laws governing entities doing business in the State, including, but not limited to:

- 1) Chapter 237, tax clearance;
- 2) Chapter 383, unemployment insurance;
- 3) Chapter 386, workers’ compensation;
- 4) Chapter 392, temporary disability insurance;
- 5) Chapter 393, prepaid health care; and
- 6) Chapter 103D-310(c), Certificate of Good Standing (COGS) for entities doing business in the State.

As proof of compliance, offerors must furnish to the HHFDC a current and valid Certificate of Vendor Compliance from the Hawaii Compliance Express (HCE) system. The State shall verify compliance on HCE. If an offeror is not compliant on HCE at the time of award, the offeror will not receive the award, even if a notice of intent to award has been issued.

Hawaii Compliance Express. HCE is an electronic system that allows vendors/contractors/service providers doing business with the State to quickly and easily demonstrate compliance with applicable laws. It is an online system that replaces the necessity of obtaining paper compliance certificates from the Department of Taxation, Federal Internal Revenue Service; Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs.

Offerors should register with HCE at <https://vendors.ehawaii.gov> prior to submitting an offer. The annual registration fee is \$12.00 and the ‘Certificate of Vendor Compliance’ is accepted as proof of compliance for award, execution of the contract, and final payment.

Timely Registration on HCE. Offerors are advised to register on HCE soon as possible.

1.17 RESERVED

1.18 CONFIDENTIAL INFORMATION

If a person believes that any portion of a proposal, offer, specification or correspondence contains information that should be withheld as confidential, then the RFP Contact named on the cover of this RFP should be so advised in writing and provided with legal justification to support the confidentiality claim. Price is not considered confidential and will not be withheld.

An Offeror shall request in writing nondisclosure of designated trade secrets or other proprietary data considered confidential by law. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

Proposers may not mark an entire proposal confidential. Should a proposal be submitted in this manner, the HHFDC reserves the right to hold no portion of the proposal as confidential, unless such a portion is determined by the Attorney General to be exempt from Hawaii's Open Records Law.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Department of the Attorney General in accordance with HRS Chapter 92F. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror appeals pursuant to HRS §92F-42(1). If the request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with HRS §92F-15.5.

1.19 RESERVED

1.20 PROPOSAL AS PART OF THE CONTRACT

This RFP and the Successful Offeror's proposal, as accepted by HHFDC, will be incorporated into the resulting Contract. In the event of conflicts between the RFP and the Successful Offeror's proposal, the RFP will always take precedence. The Successful Offeror is required to identify conflicting or omitted sections of the RFP requirements in its proposal.

1.21 ADDITIONAL TERMS AND CONDITIONS

Approvals. Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals required by statute, regulation, rule, order, or other directive.

Confidentiality of Material. All material given to or made available to the Contractor by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

Nondiscrimination. No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Development Agreement.

Competency of Offeror. The evaluation committee shall determine whether the Successful Offeror has the financial ability, resources, skills, capability, and business integrity necessary to fulfill the Contract. For this purpose, either before or after the deadline for an offer, the HHFDC may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to satisfactorily fulfill the Contract. Whenever it appears from answers to the questionnaire or otherwise, that the Successful Offeror is not fully qualified and able to

fulfill the Contract, a written determination of non-responsibility of an Offeror shall be made. The unreasonable failure of an Offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such Offeror. The decision of non-responsibility shall be final.

Preparation of Offer. An Offeror may submit only one offer in response to this RFP solicitation. If an Offeror submits more than one offer, then all such offers shall be rejected. This requirement does not apply to BAFO's which may be requested from priority-listed Offerors under Section 5.1(f).

The State and HHFDC reserves the right to add terms and conditions to the RFP and Contract. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluation.

1.22 AWARD

Method of Award. The award will be made to the responsive, responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria.

Responsibility of Highest-Scoring Responsive Offeror. The the Selected Offeror shall at the time of award be compliant with all laws governing entities doing business in the State. If compliance documents have not been submitted to the HHFDC, the Selected Offeror shall produce documents to the RFP Contact to demonstrate compliance with this section prior to award.

The State shall verify compliance on HCE. If an Offeror is not compliant on HCE at the time of award, the Offeror will not receive the award.

1.23 CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS

It has been determined that funds for this contract have been appropriated by a legislative body.

Therefore, if awarded a contract in response to this solicitation, Offeror agrees to comply with HRS Section 11-205.5, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by a legislative body.

1.24 CANCELLATION

HHFDC reserves the right to cancel this RFP without liability when it is determined by HHFDC, at its sole discretion, to be in the best interests of the State. In no event shall HHFDC have any liability for a cancellation. The Offeror assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

1.25 REJECTION OF PROPOSALS

HHFDC reserves the right to reject any or all proposals, in whole or in part, without liability, when it is determined by HHFDC, at its sole discretion, to be in the best interest of the State. The Offeror assumes the sole risk and responsibility for all expenses connected with the preparation of its proposal.

1.26 COSTS OF PROPOSAL PREPARATION

Costs for developing the proposal are solely the responsibility of the Offeror, whether or not any award results from this solicitation. The State of Hawaii will not reimburse such costs.

SECTION TWO

BACKGROUND AND PROJECT REQUIREMENTS

2.1 ABOUT HHFDC

The Hawaii Housing Finance and Development Corporation (“HHFDC”) is the agency responsible for overseeing affordable housing finance and development in Hawaii. HHFDC is tasked with developing and financing low- and moderate-income housing projects and administering state rental assistance and home ownership programs.

2.2 PROJECT OBJECTIVES

The objective of this RFP is to have developers submit proposals for the development of an affordable rental multi-family, elderly, or mixed-use project on the East Kapolei II, LDA Parcel 2 (hereafter “LDA Parcel 2”). HHFDC envisions a development of up to 300 dwelling units that will complement the adjacent land uses, which include single-family and multi-family homes, passive parks, schools and a community center. HHFDC will give a preference to proposals with more affordable rental units as opposed to market-priced rental units, and to proposals using the least amount of State of Hawaii resources.

HHFDC intends to convey the property by a long-term ground lease for the development and operation of LDA Parcel 2 to the developer deemed the best qualified to achieve the HHFDC’s objectives. The development of LDA Parcel 2 is envisioned as a project that will enhance the character of the East Kapolei II Planned Community (hereafter “East Kapolei II”). HHFDC’s goal is to develop the LDA Parcel 2 in a way that will maximize its value and deliver unit count and/or financial gain in line with HHFDC’s mission to increase the supply of workforce and affordable housing. HHFDC would like the development plan for the LDA Parcel 2 to incorporate Smart Growth principles and New Urbanism approaches that will enhance the area, involve the community, embrace sustainability, and effectively integrate an affordable housing component into the community.

(Note: “Affordable” housing is capped at 140% of the area median income established by the U.S. Department of Housing and Urban Development.)

2.3 GENERAL DESCRIPTION OF THE EAST KAPOLEI II PLANNED COMMUNITY

- a. The East Kapolei II lands, of which LDA Parcel 2 is a part, comprise a total of approximately 318 acres of non-ceded lands at East Kapolei that were conveyed by the Department of Land and Natural Resources (“DLNR”) to the Department of Hawaiian Home Lands (DHHL). DHHL is the master developer of East Kapolei II located at Kapolei, Honouliuli, Ewa, Island of Oahu, Hawaii. DHHL concurs with the conveyance of the East Kapolei II, LDA Parcel 2 to the HHFDC to utilize its expertise in developing affordable multi-family projects.
- b. East Kapolei II is located in the area south of Farrington Highway, east of the Kualakai Parkway (formerly “North-South Road”) and southeast of the new UH West Oahu Campus. See Exhibit A. The East Kapolei II community is planned to include approximately 1,100 single-family and 1,200 multi-family housing units. The single-family units will be developed by DHHL and be available to qualifying native Hawaiian families. The multi-family units are planned to be available to the general public. The planned community will also include schools, passive parks, a community center and other amenities which are complementary to a master planned residential community.
- c. LDA Parcel 2 consists of 19.720 acres and is accessed by the new Keahumoa Parkway (formerly called “East-West Road”). The parcel is bounded to the north by Keahumoa Parkway, to the east by lands proposed for development by D.R. Horton – Schuler Division, to the south by the Ewa Villages Golf Course, and to the west by a proposed 2.8 acre passive park and 2.8 acre detention basin. See Exhibit B.

- d. Major new development projects completed in the East Kapolei region in recent years include the Salvation Army Kroc Community Center, University of Hawaii West Oahu, DHHL East Kapolei I residential subdivision, and the Kooloa'ula Affordable Housing Project Phase I on LDA Parcel 1. More homes are planned by DHHL, D.R. Horton at its Ho'opili Project, and by the Hunt Co. in Kalaeloa. Ka Makana Alii, a regional shopping mall proposed by DeBartolo Development LLC, is planned to break ground in 2014. Finally, a rail transit station servicing riders in East Kapolei II is proposed near the Kroc Community Center. The rail system connecting East Kapolei to Aloha Stadium is scheduled to open in 2017 and to Ala Moana Center in 2019, providing a major travel link between Kapolei and Urban Honolulu.
- e. For more detailed information on East Kapolei II, developers may examine the following documents at the HHFDC's office during normal business hours, including:
 1. East Kapolei Master Plan Final Environmental Impact Statement, 1998.
 2. Hawaii Land Use Commission "Findings of Fact, Conclusions of Law, and Decision and Order," Docket No. A99-728, September 8, 1999.
 3. Phase I Environmental Site Assessment at East Kapolei Brownfield, Kapolei, Hawaii, September 2004.
 4. Act 100, Session Laws of Hawaii 2001. This is also available at http://www.capitol.hawaii.gov/session2001/bills/HB550_sd1_.htm.
 5. Information on HHFDC's Buyback and Shared Appreciation Program.
 6. Chapter 201H, Hawaii Revised Statutes ("HRS").
 7. Chapter 15-174, Hawaii Administrative Rules ("HAR").

2.4 DESCRIPTION OF EAST KAPOLEI II, LDA PARCEL 2

- a. Site Conditions
 1. *Area:* The parcel is approximately 19.72 acres in size.
 2. *Landowner and Transfer of Land:* The State of Hawaii, DLNR owns the parcel. Pursuant to Agenda Item D-14 dated September 24, 2004, the Board of Land and Natural Resources (BLNR) approved the conveyance of 318 acres of non-ceded lands at East Kapolei to the DHHL, which included two parcels for low-density apartment (LDA) use. LDA Parcel 1 and Parcel 2 consist of 17.8 acres and 19.7 acres, respectively. DHHL concurs with the conveyance of these parcels to HHFDC for development of affordable housing. HHFDC issued a RFP to develop LDA Parcel 1 and on November 8, 2007 approved the selection of a nonprofit affordable housing developer to develop 308 affordable multi-family rental housing units on the parcel. LDA Parcel 1 was conveyed to the HHFDC by the BLNR at its meeting on March 14, 2008. Conveyance of the LDA Parcel 2 to HHFDC is also subject to BLNR approval.
 3. *State Land Use Classification:* Urban.
 4. *City and County of Honolulu Ewa Development Plan:* Residential and Low Density Apartment.
 5. *City and County of Honolulu Zoning:* AG-1, Restricted Agriculture. The developer will be responsible to have the parcel rezoned to permit the proposed use.
 6. *Archaeology:* The East Kapolei Master Development Project Final EIS states that, "The presence of any significant archaeological sites on the surface or subsurface of the subject property is unlikely due to the disruption caused by continuous cane cultivation for nearly 70 years."
 7. *Current Use of the Parcel:* Vacant, undeveloped land.

8. *Surrounding Uses:* Proposed DHHL single family housing lots and elementary school site to the north, Ewa Villages Golf Course to the south, proposed passive park, detention basin, and DHHL single family housing lots to the west and the D.R. Horton – Schuler Division’s Hoopili master planned development to the east.
9. *Topography:* The parcel is generally level to very gently sloping, with slopes ranging from less than 1% to 2%.
10. *Soils:* According to the U.S. Department of Agricultural Soils Survey of the Island of Oahu, the parcel is characterized by the “Honouliuli Clay” soil type. The soils within the parcel are also designated “Prime Agricultural Soils” by the statewide Agricultural Lands of Importance to the State of Hawaii (ALISH) soils classification system.
11. *Drainage:* The parcel is located within the drainage basin of the Kaloi Gulch. “Sheet flow” flooding can occur in this area during major rain storm events. The East Kapolei II Planned Community development plans include new drainage systems that will collect storm water runoff and route these flows to the Ewa Villages Golf Course. A 60-foot wide regional drainage channel and detention basin of approximately 20.5 acres was constructed adjacent to the East Kapolei II western boundary as part of the North-South Road project, and is maintained by the DOT Highways Division as a grassed open space area.
12. *Flora and Fauna:* Due to the extensive alterations to lands in this area that resulted from sugarcane cultivation, there are no known important or endangered animals inhabiting these lands and there is one endangered plant species, the endemic ko’oloa’ula (*Abutilon menziesii*), commonly known as “red ilima”. The ko’oloa’ula was formally listed as a federally protected endangered species in 1986. East Kapolei II lands conveyed to DHHL includes a 30.1 acre “Abutilon Contingency Reserve Area” that contains a population of this endangered plant.

b. Off-Site Infrastructure

1. The DHHL as the master developer, along with the State DOT, have completed the off-site roadway, sewer, water, drainage, electrical, and communications infrastructure improvements serving properties in East Kapolei II. Properties will be able to tie into backbone infrastructure systems that will, in turn, tie into regional-scale off-site infrastructure systems. Off-site infrastructure serving LDA Parcel 2 were completed in 2012.
2. Access to LDA Parcel 2 is provided by Keahumoa Parkway. This road as currently designed will begin at Farrington Highway, run south through the UH West Oahu Campus lands, cross Kualakai Parkway (formerly the “North-South Road”), continue east through the lower section of the East Kapolei II Planned Community, and then continue through the planned Ho’opili community and finally tie into Fort Weaver Road. The completed phases of the Keahumoa Parkway provide access to East Kapolei II. The alignment plans for the remaining segments are subject to future changes.

2.5 RESERVED

2.6 DEVELOPER AND PROJECT REQUIREMENTS

Upon approval and execution of a Development Agreement and/or Right-of-Entry for this project and subject to the terms therein, the developer shall be responsible for all onsite and offsite costs and expenses associated with the development, ownership, management and operation of the Project, including planning, design, permit fees, utility charges, operation and management expenses, in accordance with the following requirements:

- a. The Project shall include the development of LDA Parcel 2: TMK No. (1) 9-1-017:109, being 19.720 acres.
- b. The developer shall accept the parcel in an “AS IS, WHERE IS” condition, without any express or implied warranties or representations.
- c. This RFP is subject to conveyance of title to LDA Parcel 2 from the DLNR.
- d. Conveyance of LDA Parcel 2 to the developer will be by ground lease for a minimum term of 65 years, with lease rent proposed by the developer. For purposes of this RFP, rental housing units shall remain in the affordable category for a minimum period of 65 years. Actual term of the rental affordability shall be subject to the terms of the Development Agreement.
- e. The developer shall, on its own behalf or in conjunction with a non-profit or other entity acceptable to HHFDC, own, operate and manage the project.
- f. The Project shall comply with the rules, regulations, ordinances, codes and standards of the City and County of Honolulu, and any Federal and State requirements. Furthermore, the Project shall utilize indigenous species of plants for its landscaping whenever and wherever feasible pursuant to Section 15-174-26 (9), HAR.
- g. The developer shall be responsible for presentations regarding the Project to the HHFDC Evaluation and Selection Committee, the HHFDC Board of Directors, the Makakilo/Kapolei/Honokai Hale Neighborhood Board No. 34, and any other presentation as required by HHFDC.
- h. The developer shall be responsible for obtaining any zoning and/or subdivision approvals required for this Project from the City and County of Honolulu. The developer shall also be responsible for any further subdivision of the parcel as may be required. Use of Chapter 201H powers shall not be considered as a State of Hawaii resource.
- i. The developer shall be responsible for compliance with Chapter 343, HRS, relating to environmental impact statements.
- j. The developer shall be responsible for payment of the all applicable pro-rata shares of off-site facilities fees, including but not limited to, the Ewa area traffic impact fees, park dedication fees, and Department of Education fair share contribution.
- k. The developer shall be responsible for submitting project plans to DHHL for review and approval, and for paying DHHL the allocable pro-rata share of infrastructure costs assessed to LDA Parcel 2. The costs have not been set for LDA Parcel 2. However, the off-site facility cost allocation for LDA Parcel 1, set in January 2011, was \$674,294.
- l. The developer shall be responsible for obtaining potable water for the Project, including a potable water allocation from the Department of Land and Natural Resources or the Board of Water Supply (BWS) and the payment of BWS water facilities charges.
- m. The developer shall be responsible for securing sewage treatment capacity and connection approvals to the Honouliuli Wastewater Treatment Plant from the City and County of Honolulu and the payment of any facilities charges.
- n. The developer shall be responsible for maintenance of the Project site as well as the area from the Project boundary to the adjacent street curb, subject to the terms of the Development Agreement and City and County of Honolulu ordinances.

- o. The developer shall submit copies of as-built plans for all Project improvements to HHFDC after each phase of construction has been completed. Composite and as-built plans shall also be made available to any association of apartment owners formed for the Project. All such plans shall be transmitted in hard as well as electronic format.
- p. The developer shall coordinate construction of the Project with other activities taking place in the East Kapolei II Planned Community. The developer shall be responsible for repairing or paying for the costs of repairing any damage that its activities may cause to any infrastructure within the East Kapolei II Planned Community.
- q. The developer shall be responsible for compliance with Chapter 104, HRS, for the payment of minimum prevailing wages to mechanics and laborers employed on the Project for the corresponding work classifications as determined by the Department of Labor and Industrial Relations.
- r. The Project shall be accessible to and usable by persons with disabilities in compliance with Section 103-50, HRS, and the developer(s) shall submit written evidence to HHFDC that the Project plans have been approved by the Disability and Communication Access Board, prior to start of construction. This requirement is in addition to any other applicable requirement for accessibility such as the Fair Housing Amendments Act of 1988 (Pub. L. 100-430, approved September 13, 1988) and the Fair Housing Accessibility Guidelines (24 CFR Chapter 1).
- s. To the extent possible, the Project shall comply with Act 96, Session Laws of Hawaii 2006, and the Governor's Administrative Directive No. 06-01, dated January 20, 2006, as follows:
 - 1. Design and construct buildings to meet and receive certification for U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) standards. As appropriate for the type of construction, the buildings should meet LEED Silver certification for new commercial construction and major renovation, LEED for existing building operations, and LEED for commercial interiors;
 - 2. Incorporate energy efficiency measures to prevent heat gain in residential facilities of one to three stories by providing R-19 or equivalent insulation on roofs, R-11 or equivalent in walls, and high-performance windows to minimize heat gain and, if air conditions, to minimize cool air loss. Where possible, orient buildings to maximize natural ventilation and day lighting without heat gain, and optimize building roof exposure for solar water heating.
 - 3. Incorporate design features to conserve energy and water usage pursuant to Chapter 344, HRS (State Environmental Policy) and Section 226-18, HRS, of the Hawaii State Plan. If the Project does not incorporate solar water heating into its design, the developer(s) shall submit to HHFDC, either a written approval of a cost-benefit comparative analysis by the Energy Branch of the Department of Business, Economic Development and Tourism, or a cost-benefit comparative analysis bearing the stamp and signature of a licensed mechanical engineer, concluding that the use of the proposed conventional water heating system for the Project is more cost effective than a solar water heating system. The analysis shall be based on the projected life-cycle costs to purchase and operate the water heating systems. If the life-cycle analysis is positive, the facility shall incorporate solar water heating. If water heating entirely by solar is not cost-effective, the analysis shall also evaluate the life-cycle, cost-benefit of solar water heating for preheating water.
 - 4. Implement water and energy efficiency practices in operations to reduce waste and increase conservation.
 - 5. Incorporate principles of waste minimization and pollution prevention: reduce, reuse, and recycle as a standard operating practice, including programs for construction and

demolition waste management and office paper and packaging recycling programs.

6. Use life cycle cost-benefit analysis to purchase energy efficient equipment such as Energy Star products and use utility rebates, where available, to reduce the purchase and installation costs. Energy Star products meet strict efficiency guidelines set by the U.S. Environmental Protection Agency and the U.S. Department of Energy.
 7. Procure environmentally preferable products, including but not limited to recycled and recycled-content, bio-based, and other resource-efficient products and materials.
- t. The developer shall submit evidence of market demand for the type of units being proposed. HHFDC may require the selected developer to submit a current comprehensive market analysis substantiating the feasibility of the Project. The specifications and scope of the market study shall be subject to HHFDC's review and approval.
 - u. The Project shall be completed within 3 years from the date of HHFDC Board approval selecting the developer for the Project, provided that HHFDC may approve two extensions for up to one-year each, at its sole discretion.
 - v. The developer shall be responsible for ensuring that there are no inconsistencies between this RFP and any proposed programs. If there are any inconsistencies between the requirements of this RFP and other program requirements, the more restrictive requirement shall control.

SECTION THREE

PROPOSAL REQUIREMENTS AND EVALUATION CRITERIA

Offeror's proposal shall describe in detail the Offeror's ability and availability of services to meet the goals and objectives of this RFP and specifically the **DEVELOPER AND PROJECT REQUIREMENTS** in **Section Two**. When an interested Offeror submits a proposal, it shall be considered a complete plan for accomplishing all the work specified in the RFP. The interested Offeror's proposal must demonstrate an understanding of and the ability to meet and perform all contractual requirements listed in the RFP.

The submission of a proposal shall constitute the interested Offeror's indisputable representation of compliance with every requirement of the RFP and that the RFP documents are sufficient in scope and detail to indicate and convey a reasonable understanding of the work to the interested Offeror.

Proposals submitted in response to this RFP will be evaluated in accordance with the following Proposal Requirements and Evaluation Criteria. **INCLUDE A "TABLE OF CONTENTS" AND ORGANIZE YOUR PROPOSAL IN THE FOLLOWING ORDER, AS ADDRESSED IN THIS SECTION:**

- 3.1 Transmittal Letter
- 3.2 Offer Form
- 3.3 Qualifications and Experience
- 3.4 Application Form
- 3.5 Confidential Information
- 3.6 Exceptions
- 3.7 Additional Information

All proposal requirements (3.1 through 3.7 below) must be addressed. **PROPOSALS THAT DO NOT ADDRESS ALL PROPOSAL REQUIREMENTS WILL BE DEEMED NON-RESPONSIVE TO THIS RFP AND WILL NOT BE CONSIDERED FOR AWARD.** Failure to address any other proposal requirements may also be deemed non-responsive and not considered for award.

3.1 TRANSMITTAL LETTER

Provide a one- to two-page transmittal letter that summarizes Offeror's proposal and confirms that the Offeror shall comply with the requirements, provisions, terms, and conditions specified in this RFP. The transmittal letter should be in the form of a standard business cover letter on official business letterhead and signed by an authorized representative of Offeror.

If development partners and/or subcontractors will be used, append a statement to the transmittal letter from each subcontractor signed by an individual authorized to legally bind the subcontractor and stating, in addition to the paragraph above:

- a. The general scope of work to be performed by the subcontractor; and
- b. The subcontractor's willingness to perform the indicated work in accordance with the RFP.

3.2 OFFER FORM

Provide a signed Attachment 1, Offer Form OF-1, with the complete name and address of Offeror's firm and the name, mailing address, telephone number, and fax number of the person the State should contact regarding the Offeror's proposal.

3.3 QUALIFICATIONS AND EXPERIENCE

Provide a description of the development team qualifications and capacity to undertake the work, including a listing and brief description of past development engagements involving projects similar to this project. For each project, list the year of engagement, location, a description of the project in terms of land use type

(commercial, residential, industrial, mixed-use), unit counts, unit types, tenancy, target market for residential (affordable, market, etc.), development cost, and the role that the Offeror played in the project. Provide resumes or curriculum vitae of the development team, including the relevant supervisory, management and executive personnel. This information should be sufficient for HHFDC to evaluate the overall composition and experience level of the development team resources.

Provide a list of at least three (3) professional references with the name, title, company, contact information and brief summary of how long the Offeror has known each reference and in what capacity. HHFDC may contact any or all of these references and reserves the right to contact references not otherwise specified by Offeror.

3.4 APPLICATION FORM

Offerors shall fill out the Application Form in accordance with the Application Instructions, both of which are set forth in Attachment 2.

3.5 CONFIDENTIAL INFORMATION

Confidential information shall be submitted in accordance with Section 1.18.

3.6 EXCEPTIONS

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, describe the exception taken, and provide a proposed alternative, if any.

Offeror initially should seek an informal resolution of any exceptions taken by notifying the RFP Contact in writing prior to the Deadline for Questions and Clarifications. Offeror’s notice shall reference the RFP section where exception is taken, describe the exception taken, and provide a proposed alternative, if any. If Offeror’s exception has not been resolved by the date on which proposals are due, Offeror shall include said exception in its proposal in accordance with the aforementioned provision.

3.7 ADDITIONAL INFORMATION

Any additional forms or information required or requested in the RFP and not specifically addressed in Section Three shall be marked appropriately and included at the end of the proposal.

3.9 EVALUATION CRITERIA

HHFDC intends to select a developer and enter into exclusive negotiations for the potential development project based on the project proposal, the developer team’s financial capability, past projects and performance, interview(s) with the developer team if interviews are held, public input and comment, and other pertinent factors. The criteria for selection of a developer will include the following:

- a. Development team qualifications, including development and management experience and capacity of the developer and his team to undertake the type of project proposed 25 pts.
- b. Feasibility of overall project and proposal 20 pts.
- c. Maximum number of affordable rental housing units and range of affordability 20 pts.
- d. Financial capacity and proven ability of developer to possess or obtain equity and debt capital for the proposed project 20 pts.

e.	Minimum use of State of Hawaii resources*	10 pts.
f.	Compliance with RFP and application requirements	<u>5 pts.</u>
	Total Points	100 pts.

* For purposes of this RFP, “use of State of Hawaii resources” shall not include the following:

- Use of LDA Parcel 2;
- Use of State of Hawaii tax exempt and bond authority;
- Use of non-competitive 4% tax credits; and
- Use of up to \$10 million from the Dwelling Unit Revolving Fund for an interim construction loan, subject to availability and release of funds.

SECTION FOUR

PROPOSAL FORMAT AND SUBMISSION

4.1 PROPOSAL FORMAT

Guidelines for formatting proposals:

- a. Proposal includes all content specified in Section Three, as applicable, in the order presented therein.
- b. Proposal is double-sided when possible. A double-sided sheet is considered equal to two pages.
- c. Proposal is prepared simply and economically, and is comprised of recyclable and recycled materials.
- d. There is no page limit restriction on proposals.

Please do not include rental or promotional materials as part of the proposal unless requested.

Economy of Presentation. Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate for the purpose. Emphasis will be on completeness and clarity and content. If any additional information is required by the State regarding any aspects of the Offeror's proposal, it shall be provided within five (5) working days.

4.2 PROPOSAL SUBMISSION

All proposals submitted in response to this RFP are subject to the terms and requirements of this RFP. All matters not specifically addressed in this RFP, or a subsequent contract entered into as a result of this RFP, will be governed by applicable Hawaii Revised Statutes as well as any relevant Hawaii Administrative Rules.

Provide one (1) original hardcopy proposal marked "ORIGINAL", four (4) copies of the original marked "COPY", and one copy of the proposal on compact disc (CD) in a sealed envelope or box to:

Executive Director
Request for Proposals No. DEV-RFP-13-001
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

It is imperative to note that the Offeror must submit only one original and the required number of copies. **DO NOT SUBMIT MORE THAN ONE ORIGINAL.**

The sealed envelope or box containing proposals will have the following information provided on the outside of the package:

- a. RFP title
- b. RFP number
- c. Offeror name
- d. Offeror address

It is the Offeror's sole responsibility to ensure that its proposal is delivered and time-stamped at the location above prior to the Proposal Due date in Section One, as amended. Proposals not time-stamped at the location above by the Proposal Due date will be considered late and shall not be considered for award.

Proposal forms referenced in the RFP are included in Section Seven. Thoroughly complete and sign all forms that must be submitted with the proposal. Proposals must conform to the Proposal Requirements and Evaluation Criteria described in Section Three, as amended.

Proposals which are incomplete and not responsive to required portions of the RFP may be deemed unacceptable. Unacceptable proposals shall not be considered for award.

Proposals shall be submitted using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and indicate exact legal name in the appropriate spaces on Offer Form page OF-1. Failure to do so may delay proper execution of the contract. See Attachment 1.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

The Offeror must submit a non-refundable application fee of \$250 with their proposal. The fee shall be in the form of a cashier's or certified check made payable to "Hawaii Housing Finance and Development Corporation".

A proposal security is NOT required for this RFP.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers of any item(s) may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.

SECTION FIVE

SELECTION AND AWARD

5.1 SELECTION

- a. The RFP solicitation process begins with the issuance of the RFP and the formal response to any written questions or inquiries regarding the RFP. Changes to the RFP will be made only by Addendum.
- b. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more government officials. The register of proposals and Offerors' proposals shall be open to public inspection after posting of the award.

All proposals and other material submitted by Offerors become the property of the State and may be returned only at the State's option.

- c. The evaluation committee selected by the Executive Director, shall evaluate the proposals in accordance with the evaluation criteria in Section Three. The proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable.
 1. **Complete proposals.** Proposals are considered acceptable for the review process when they are submitted timely, in accordance with the Proposal Due date stated in Section One of the RFP, as amended by any addenda, and when they conform to the Proposal Requirements in Section Three of the RFP.
- d. Proposals may be accepted on evaluation without discussion. However, if discussions are deemed necessary by HHFDC, then prior to entering into discussions, a "priority list" of responsible Offerors submitting acceptable and potentially acceptable proposals shall be generated. The priority list may be limited to a minimum of three (3) responsible Offerors who submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Offeror's proposal.
- e. If, during discussions, there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Offerors who submit acceptable or potentially acceptable proposals.
- f. Following any discussions, priority-listed offerors may be invited to submit a best and final offer (BAFO), if necessary. The appointed evaluation committee reserves the right to have additional rounds of discussions with the top three (3) priority-listed offerors prior to the submission of the BAFO.
- g. The date and time for Offerors to submit their BAFO, if necessary, is indicated in the RFP Timeline in Section One. This date is an estimate only. If Offeror does not submit a notice of withdrawal or a BAFO by the date indicated in the request for BAFO, the Offeror's immediate previous offer shall be construed as its BAFO.

5.2 AWARD

- a. After receipt and evaluation of Proposals or BAFOs in accordance with the evaluation criteria in Section Three, the evaluation committee will make its recommendation to the HHFDC Board of Directors for approval. Upon approval, the Executive Director will award the contract to the Offeror whose proposal is determined to be the most advantageous to the State taking into consideration the evaluation criteria set forth in Section Three.

- b. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process. Once the award notice is posted, all proposals, successful and unsuccessful, become available for public inspection. Those sections that the Offeror and the State agree are confidential and/or proprietary in accordance with all applicable laws should be identified by the Offerors and shall be excluded from public inspection.
- c. The evaluation committee reserves the right to determine what is in the best interest of the State for purposes of reviewing and evaluating proposals submitted in response to the RFP. The evaluation committee will conduct a comprehensive, fair and impartial evaluation of proposals received in response to the RFP.
- d. The RFP, any addenda issued, and the Contractor's proposal shall become a part of the contract. All proposals shall become the property of the State of Hawaii.
- e. The execution of a Development Agreement, Ground Lease or Land Purchase Agreement, and Loan Agreement are subject to approval by the HHFDC Board of Directors. Any Loan Agreement is also subject to availability of funds and approval for release of funds by the Governor.

SECTION SIX

SPECIAL PROVISIONS

6.1 CONTRACT DOCUMENTS

The development of LDA Parcel 2 shall be in accordance with the documents listed below in descending order of precedence. A conflict in these documents shall be resolved in the priority listed below with the Development Agreement taking precedence over all other documents.

- a. Development Agreement;
- b. HHFDC Board of Directors approval;
- c. RFP No. DEV-RFP-13-001, including all attachments, exhibits, and supplemental documents included herein; and
- d. Developer's approved proposal.

6.2 TERM OF CONTRACT

The contract term and any extension or renewal shall be as specified in the Development Agreement to be executed by the Successful Offeror and HHFDC.

6.3 INSURANCE REQUIREMENTS

Contractor shall acquire and maintain the insurance coverage specified below, in amounts not less than the amounts specified, for the entire performance period of the Development Agreement, at the Contractor's own expense.

Contractor shall defend, indemnify, and hold harmless the HHFDC, the State of Hawaii and its departments, boards, and agencies, and all their officers, employees, and agents from and against all liability, loss, damage, cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the Contractor or the Contractor's officers, employees, agents or subcontractors.

a. Workers' Compensation

Contractor shall carry Workers' Compensation insurance in such form and amount to satisfy the applicable state Workers' Compensation Law. Workers' Compensation must be issued by an admitted carrier authorized to do business in the State of Hawaii.

b. Errors and Omissions

The Contractor shall obtain and maintain errors and omissions (professional liability) coverage, at no cost or expense to the State, at a minimum of \$1,000,000.00 per occurrence and \$2,000,000.00 annual aggregate.

c. Liability Insurance

The Contractor shall maintain the following minimum insurance limits and coverage, at no cost or expense to the State:

Coverage	Limits
Commercial General Liability	\$2,000,000 single limits per occurrence for bodily injury and personal property damage
Personal Injury Liability	\$2,000,000.00 single limits per occurrence \$5,000,000.00 for general aggregate
Automobile Insurance	Bodily injury liability limits of \$1,000,000.00 each person and \$1,000,000.00 per accident and property damage liability limits of \$1,000,000.00 per accident or \$1,000,000.00 combined single limit

A certificate of insurance evidencing the required insurance coverage and amounts shall be submitted to HHFDC prior to execution of the Development Agreement. **The State of Hawaii and HHFDC shall each be named as additional insured on the certificate.** Furthermore, the insurance policy required by this Contract shall contain the following clauses:

- a. "This insurance shall not be cancelled, limited in scope of coverage or non-renewed until after twenty (20) days written notice has been given to the State of Hawaii, Hawaii Housing Finance and Development Corporation (HHFDC), 677 Queen Street, Suite 300, Honolulu, Hawaii 96813."
- b. "The State of Hawaii and the HHFDC are both added as additional insured with respect to operations performed for the State of Hawaii and HHFDC."
- c. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including all Supplemental Contracts.

During the entire term of this Contract, the Contractor agrees to deposit with the HHFDC certificate(s) of insurance necessary to satisfy the HHFDC that the insurance provisions of this Contract are being complied with and to keep such insurance in effect and the current certificate(s) therefore on deposit with the HHFDC. Upon request of the HHFDC, the Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this Contract, entitling the HHFDC to exercise any or all of the remedies provided in this Contract for default of the Contractor.

The procuring of such required insurance shall not be construed to limit the Contractor's liability hereunder or to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, the Contractor shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.

6.4 RELATIONSHIP BETWEEN THE DEVELOPER AND HHFDC

There will be no partnership, joint venture, employer and employee, master and servant or other agency relationship between HHFDC and the developer nor will HHFDC be deemed to be the developer of the Project nor a landlord or a seller of the dwelling units in the Project. Developer, inclusive of any person acting by, through, under or for the benefit of developer such as, for example, any real estate broker or sales person, will not represent or hold itself out as being a partner, joint venture, employee, servant or agent of HHFDC nor will developer, inclusive of any person acting by, through, under or for the benefit of developer, have any authority to bind, act for or represent HHFDC in any respect. Developer will be

developing and constructing the Project on developer's own behalf and will pay, indemnify, defend and hold HHFDC harmless from all claims, demands, lawsuits, judgments, deficiencies, damages (whether paid by HHFDC as part of a settlement or as a result of a judgment) and expense, including attorney's fees, and all costs of suit made against HHFDC or incurred or paid by HHFDC arising out of or in connection with the development, construction and management and operation of the Project and the sales or rental of the dwelling units therein.

6.5 CONTRACT ADMINISTRATOR

For the purposes of this contract, an authorized representative of the Development Branch (DB) of the HHFDC shall be designated the Contract Administrator.

The HHFDC reserves the right to change the designated Contract Administrator. Any changes to the Contract Administrator shall be provided in writing to the Contractor. Once the Contractor has assumed development and management responsibilities for the property, all communications regarding approvals, reports, requests, and any other contractual item will be directed to the Contract Administrator.

6.6 CONTRACT MODIFICATIONS - UNANTICIPATED AMENDMENTS

Changes to the Contract may be modified only by written agreement signed by the HHFDC and Contractor representative authorized to sign contracts on behalf of the Contractor.

6.7 GOVERNING LAW: COST OF LITIGATION

The validity of the contract and any of its terms or provisions, as well as the rights and duties of the parties to the contract, shall be governed by the laws of the State of Hawaii. Any action at law or equity to enforce or interpret the provisions of the contract shall be brought in a state court or competent jurisdiction in Honolulu, Hawaii.

In case the State shall, without any fault on its part, be made a part to any litigation commenced by or against the Contractor in connection with the contract, the Contractor, shall pay all costs and expenses incurred by or imposed on the State, including attorneys' fees.

6.8 RESERVED

6.9 ADDITION OR MODIFICATION OF TERMS AND CONDITIONS

The State and HHFDC reserves the right to add or modify terms and conditions of the Contract. These additional or modified terms and conditions will be within the scope of the RFP.

6.10 CONTRACT EXECUTION

Successful Offeror receiving award shall enter into a formal written Development Agreement. No performance or payment bond is required for this Development Agreement.

No work is to be undertaken by the Contractor prior to the commencement date. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

6.11 RESERVED

6.12 RESERVED

6.13 CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

6.14 NON-DISCRIMINATION

The Contractor shall comply with all applicable federal and State laws prohibiting discrimination against any person on the grounds of race, color, national origin, religion, creed, sex, age, sexual orientation, marital status, handicap, or arrest and court records in employment and any condition of employment with the Contractor or in participation in the benefits of any program or activity funded in whole or in part by the State.

6.15 CONFLICTS OF INTEREST

The Contractor represents that neither the Contractor, nor any employee or agent of the Contractor, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the Contractor's performance of this contract.

6.16 WAIVER

The failure of the State to insist upon the strict compliance with any term, provision or condition of this contract shall not constitute or be deemed to constitute a waiver or relinquishment of the State's right to enforce the same in accordance with this contract.

6.17 SEVERABILITY

In the event that any provision of this contract is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this contract.

6.18 CAMPAIGN CONTRIBUTIONS BY STATE AND COUNTY CONTRACTORS

It has been determined that funds for this contract have been appropriated by a legislative body.

Therefore, Offeror, if awarded a contract in response to this solicitation, agrees to comply with HRS 11-205.5, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by a legislative body.

6.19 COMPLIANCE WITH APPLICABLE LAWS

Contractor must comply with all applicable local, state, and federal laws, rules, and regulations.

SECTION SEVEN

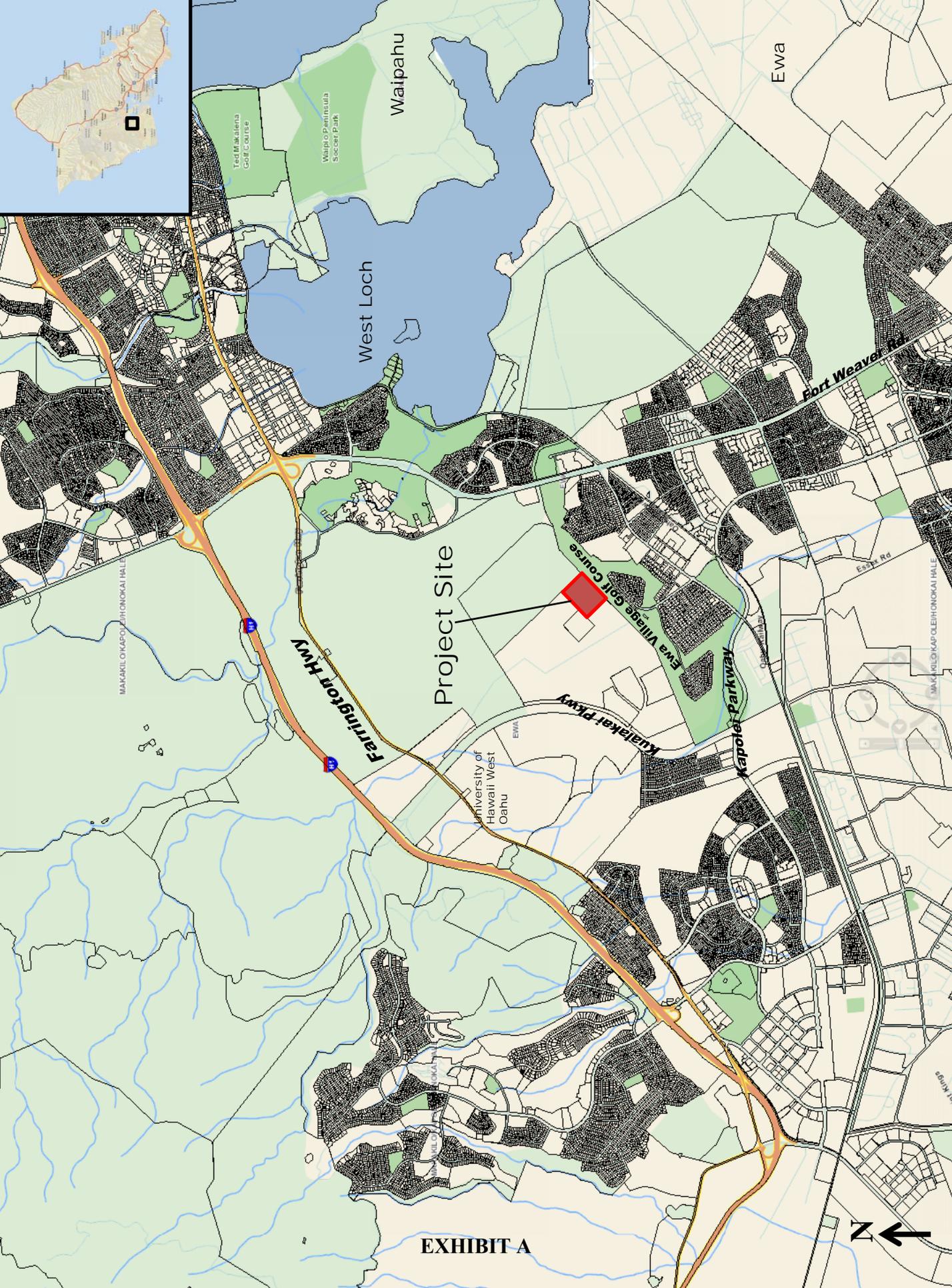
EXHIBITS AND ATTACHMENTS

Exhibit A: Vicinity Map

Exhibit B: Site Map

Attachment 1: OFFER FORM, OF-1

Attachment 2: APPLICATION FORM AND INSTRUCTIONS



Project Site

West Loch

Waipahu

Ewa

Ted Malena
Golf Course

Waipio Paninuiua
Soccer Park

Fort Weaver Rd

MAKALELO KAPOLEI HONOKAI HALE

Farrington Hwy

Kualakahi Pkwy

Kapolei Parkway

University of
Hawaii West
Oahu

MAKALELO KAPOLEI HONOKAI HALE

Ewa Village Golf Course

EXHIBIT A



ATTACHMENT 1

**OFFER FORM
OF-1**

**DEVELOPMENT OF A VACANT LAND PARCEL
WITHIN THE EAST KAPOLEI II PLANNED COMMUNITY
KAPOLEI, EWA, ISLAND OF OAHU, HAWAII**

**STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
RFP No. DEV-RFP-13-001**

Procurement Officer
Hawaii Housing Finance and
Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Dear Sir or Madam:

The undersigned has carefully read and understands the terms and conditions specified in this Request for Proposals, including all attachments, exhibits, and addenda, and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, the undersigned:

- 1) is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts;
- 2) is certifying that Offeror shall comply with all applicable federal and State laws prohibiting discrimination against any person on the grounds of race, color, national origin, religion, creed, sex, age, sexual orientation, marital status, handicap, or arrest and court records in employment and any condition of employment with the Contractor or in participation in the benefits of any program or activity funded in whole or in part by the State;
- 3) acknowledges and agrees that Offeror shall comply with HRS Section 11-205.5, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the contractor is paid with funds appropriated by a legislative body; and
- 4) acknowledges and agrees that Offeror shall comply with all the requirements, provisions, terms, and conditions specified in this RFP.

Offeror is:

- Sole Proprietor Partnership *Corporation Joint Venture
 Other: _____

*State of incorporation: _____

Hawaii General Excise Tax License I.D. No. _____ Federal Tax I.D. No. _____

Payment address (if other than street address below): _____
City, State, Zip Code: _____

Business address (street address): _____
City, State, Zip Code: _____

Respectfully submitted:

Date: _____

(x) _____
Authorized (Original) Signature

Telephone No.: _____

Fax No.: _____

Name and Title (Please Type or Print)

E-mail Address: _____

**** Exact Legal Name of Company (Offeror)**

**If Offeror is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the awarded contract will be executed: _____

ATTACHMENT 2

STATE OF HAWAII HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

EAST KAPOLEI II PLANNED COMMUNITY REQUEST FOR PROPOSALS APPLICATION INSTRUCTIONS

GENERAL INFORMATION SECTION

Please refer to these instructions as you complete this section of the Application.

NOTE TO ALL APPLICANTS: Applications must be fully completed in order to be accepted. Incomplete Applications **will not** be processed by the program staff for review and decision making by the Hawaii Housing Finance and Development Corporation (HHFDC) Board of Directors (Board).

The Application is prepared using Microsoft Word. The Application may be completed in Microsoft Word or compatible program. If you are typing this Application, please use at least a 10 point font.

Applicants must submit exhibits as part of this Application. Required exhibits pertaining to the section of the Application are referenced throughout the Application. Please refer to the list of exhibits included as part of the Application for details.

Applications should be packaged in a 3-ring binder format. Major sections of the Application should be identified by "Tabs."

APPLICATION CHECKLIST

Please complete, sign and submit with your Application package.

SUMMARY SHEET

Please complete each line item on the Summary Sheet.

APPLICATION FORM

APPLICANT INFORMATION

A) Applicant

TYPE OR PRINT CLEARLY the full Name, Address, Telephone & Fax Number, and Tax ID Number of your organization. Provide the name of a contact person whom we may contact with questions about your Application. The contact person should be knowledgeable about your proposed project. If the contact person is not affiliated with the Applicant's organization, then please fill in the blanks with the appropriate information.

TYPE OR PRINT CLEARLY the full Name, Address, Telephone & Fax Number and E-mail address of the person or company that completed the Application on behalf of the Applicant. Provide the name of a contact person whom we may contact with questions about your Application. The contact person should be knowledgeable about your proposed project. If the Applicant prepared the Application, please fill in "Same as Above" in the line designated for Application Preparer Name.

B) Organization / Entity

Check the box next to the category that best identifies the organization submitting this application. Indicate East Kapolei II, LDA PAR 2 RFP Application Instructions

whether the organization is a Limited Partnership, General Partnership, or Corporation. For State or County Applicants, indicate the agency or division making the request. If none of the categories is applicable, check the box labeled Other and describe your organization.

C) Project Team Information

Provide the name, address and telephone/fax numbers, and E-mail for each member of the project team. Also, please provide the name of a contact person for each organization. Also provide a brief description of the role and responsibilities of each team member.

If the Applicant is not the Developer for this project, please complete Exhibit 9 listing the experience of the Developer as developer and owner of affordable housing projects.

Please submit Exhibit 11 for the Property Manager.

PROJECT DESCRIPTION

Please complete this section separately for each parcel.

A) Project Classification

Check the box next to the category of project that you are planning. If none of categories are applicable, then check the Other box and describe your project. Describe the type of construction being proposed. Identify the number of buildings in this project and the description of each building. Indicate if the buildings are single-, two-, or three-story, etc.

B) Project Unit Mix

In this section, fill in the table with the information requested. Indicate the following:

No. of Buildings:	Indicate the total number of buildings in the project;
Gross Building Area:	Indicate the total square feet of all buildings in the project;
Total Units:	Indicate the total number of units in the project;
	Enter the number of each type of unit by bedroom size;
	Enter the square footage of each units.

The Total Units are the total number of units in the entire project. Note: If you are not planning to offer a particular type of unit (i.e., studio or four-bedroom units) then indicate that fact by typing in "NONE." If you are contemplating units larger than four-bedroom, then you may cross out one of the smaller categories and type in the exact unit size for your project.

C) Project Schedule

Fill in the blanks next to each of the categories with the projected dates for each item.

D) Parking

Indicate how many tenant, guest and handicapped parking spaces will be made available in your project.

E) Market Demand

Provide evidence of market demand for the type of units you are proposing.

After the developer has been selected, the developer may be required to provide a market analysis prepared by an independent firm, not affiliated with the developer and approved by the HHFDC (see below*), as to present and projected demand for the proposed development in the area. Such market analysis shall include, but not be limited to, the estimated number of individuals or families in the area within the applicable income limits needing affordable housing and the comparable rental rates for the area. As the market analysis should provide up-to-date

demographic information, it should be dated no earlier than six months from the date of HHFDC's request.

*In order to be approved by the HHFDC, the firm conducting the market study must provide the following documentation: a.) current Certificate of Good Standing, b.) evidence that conducting market studies is one of the primary purposes of the firm, and c.) affidavit certifying that the firm is not affiliated with the developer/applicant. In addition, an affidavit from the developer/Applicant certifying that they are not affiliated with the market analysis firm must also be submitted. All documentation must be to the satisfaction of the HHFDC.

TARGET POPULATION

Please complete this section separately for each group of parcels.

A) Income Level

Fill in the blanks with the number of units that your project will offer and the corresponding targeted income limits. Indicate the Total Number of Units in the project.

If your project includes units for Special Needs groups, then indicate the number of units you intend to provide and at what median income level they will target.

B) Length of Commitment

How long do you intend to keep the project affordable? Indicate how long (in years) you intend to serve the target population. If the project will be permanently affordable, then type in "Permanent."

C) Occupancy Type

Fill in the blanks with the number of units that the project will offer to any specific category of individuals. Also indicate what measures will be taken to accommodate this group. Please be advised that developers constructing/rehabilitating elderly housing projects may be subject to HHFDC's definition of "Elder." Pursuant to Chapter 201H, HRS, Elder is defined as a person who is a resident of the State and who has attained the age of sixty-two. The requirement of accepting only Elders as residents will depend on the actual funding sources used to finance the project.

SOURCES AND USES OF FUNDS

Please complete this section separately for each group of parcels.

A) Development Budget

Please complete an Exhibit A. Please provide a complete breakdown of the estimated cost of your project.

B) Sponsor Equity

Indicate the total dollar amount in the form of cash (or equivalents), or "in kind" contributions that your organization will directly contribute to the project. Attach a detailed list of the "in kind" contributions that your organization is making to the project. If your organization is NOT contributing any cash, or "in kind" goods and services to the project, please provide an explanation.

C) Financing Plan

Complete the tables for both construction and permanent financing. The totals for construction and permanent financing must equal Total Development Cost.

Provide the name of each source and whether there is any financing commitment in place. Include the nature of the loan including identifying the security and whether the loan is recourse or non-recourse and any relevant terms. If a commitment exists, please provide such evidence and the name and phone number of a contact person.

D) Revenue/Operating Budgets

For "Rental Project" please complete Exhibit B - Pro Forma Operating Budget Format. Part I is to be completed to provide a summary of the rental income for your project. Part II is to be completed to provide operating expenses. Part III details the Net Operating Income, the Annual Debt Service, the Pre-Tax Cash Flow and the Debt Coverage Ratio for the full term of the financing.

QUESTIONS

Respond to each question, but limit your response to ONE PAGE or less per question. Do not print more than one answer per page. Please begin each page with the appropriate numbered question.

ATTACHMENTS

Attach the documentation listed under the Index of Application Exhibits. Submit each item in the order requested and number the documents as indicated. If certain sections are not applicable, then insert a page with the statement "THIS SECTION IS INTENTIONALLY OMITTED" typed on it, along with a brief explanation as to why that exhibit is not applicable.

Final Comments to Applicants:

- Please remember to number each question and each page.
- A Table of Contents and a List of Attachments is highly recommended.
- Complete the forms whenever possible. In those cases where that is not possible, follow the exact format provided.
- Attach a cover letter, if you so desire.
- If you have any questions about completing the Application, contact the staff in sufficient time prior to the Application deadline.

THE ORIGINAL, THREE COPIES, AND 1 CD OF THE FINAL APPLICATION MUST BE SUBMITTED WITH YOUR PROPOSAL AS REQUIRED IN SECTION FOUR OF THE RFP.

East Kapolei II, LDA Parcel 2 RFP Application Checklist

(To be completed and signed by Applicant and returned with Application by submittal deadlines)

Done/Enclosed

Application Fee of \$250.00 by cashier's or certified check made payable to the
"Hawaii Housing Finance and Development Corporation"

Correct number of copies (1 original, 4 copies, and 1 CD)

Complete Application

1. Application Checklist (completed and signed)
2. Summary Sheet
3. General Information Section
4. Questions
5. Certifications and Assurances
6. Index of Application Exhibits
7. Project Cost Breakdown Worksheet (Exhibit A)
8. Pro Forma Operating Budget (Exhibit B)
9. All Exhibits attached

**HHFDC's receipt of this Application, consisting of the documents above-referenced,
does not constitute acceptance of this Application.**

**Applications must be submitted by the dates and times shown
in the RFP.**

Applications must be complete in accordance with this checklist.

**Incomplete Applications, late Applications and Applications that fail to meet individual
program criteria, shall be returned to the Applicant without further action.**

Applicant:

Applicant Representative:

(Signature, Date)

**State of Hawaii
Hawaii Housing Finance and Development Corporation
East Kapolei II, LDA Parcel 2 RFP Application Form**

Summary Sheet

I. PROJECT INFORMATION:

APPLICANT NAME: _____

PROJECT LOCATION: Development of the following parcel:

LDA – Parcel 2: TMK (1) 9-1-17: 109; 19.7 acres

Type of Project (Check all that apply):

- Single Family Multi-Family
 Townhomes Garden Style Apartment Mid-rise
 Other _____

 Mixed Use (Does this project include any commercial space?)

Number of Residential Buildings: _____

Total Buildings: _____

Total Development Cost: \$ _____

Total Development Cost per Unit: \$ _____

Land Price and Proposed Financing Sources:

Price for Land \$ _____

Construction Financing:

_____ \$ _____

_____ \$ _____

_____ \$ _____

Total \$ _____

Permanent Financing:

_____ \$ _____

_____ \$ _____

_____ \$ _____

Total \$ _____

Project Schedule:

Date:

Start Construction of First Phase _____

End Construction of Last Phase _____

**State of Hawaii
Hawaii Housing Finance and Development Corporation
East Kapolei II, LDA Parcel 2 RFP Application Form**

Section I - General Information Section

PROJECT LOCATION: This Application covers development of the following parcel in the East Kapolei II Planned Community

LDA Parcel 2: TMK (1) 9-1-17: 109; 19.7 acres

1. APPLICANT INFORMATION

A) Applicant Information

Applicant Name	
Applicant Tax ID Number	
Applicant Contact Name, Title	Phone Number
Applicant Address	Fax Number
	E-Mail Address

Fill in the information below if application was prepared by a person or entity different from the applicant.

Application Preparer Name	
Application Preparer Contact Name, Title	Phone Number
Applicant Address	Fax Number
	E-Mail Address

B) Applicant Organization / Entity (Check the appropriate box)

- Non-profit organization (Qualified, existing 501(c)(3) or (4) organization, as determined by the Internal Revenue Service)

If the Applicant is a Non-profit organization include Exhibit 1 and Exhibit 2.

- Private developer
 - Limited Partnership General Partnership
 - Corporation Limited Liability Corporation
 - Other _____
- County government _____

- State government _____

All Applicants must submit Exhibit 3, Exhibit 4, Exhibit 5, Exhibit 6, Exhibit 7 and Exhibit 8 as applicable.

C) Applicant Experience

- Applicant has no prior experience in developing or owning affordable housing.
- Applicant has prior experience in developing or owning affordable housing.

If the Applicant has experience in developing or owning affordable housing, please complete Exhibit 9.

D) Project Team Information (Complete with name, address and phone number)

Submit Exhibit 10 for all Project Team Members specified as part of this Application.

Developer:

Contact: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

Role/Responsibility: _____

If the Developer has experience in developing or owning affordable housing, please complete Exhibit 9.

Consultant:

Contact: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

Role/Responsibility: _____

General Contractor:

Contact: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

Role/Responsibility: _____

Architect:

Contact: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

Role/Responsibility: _____

Management Agent:

Contact: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

Role/Responsibility: _____

If Management Agent is selected or proposed as part of this Application, submit Exhibit 11.

2. PROJECT DESCRIPTION – LDA Parcel 2

A) Project Classification

What type of project are you planning? (Check all that apply)

- Apartment building Commercial building
- Townhouse Single-family dwelling unit
- Other (describe) _____

Type of construction: _____

Number of Buildings: _____

Building Description: _____

Submit Exhibit 12

B) Project Unit Mix

Fill in the appropriate number in the table below.

No. of Buildings	Studios	1 BR	2 BR	3 BR	4 BR
Gross Building Area	SF / unit				
Total Units					

If you need more space, attach a separate sheet with the information requested above.

C) Project Schedule

Indicate the approximate dates for the following:

	<u>Date</u>
Construction Timetable:	_____
Start Date:	_____
Completion Date ¹ :	_____
Projected Building Permit Date:	_____
Projected Occupancy Permit Date:	_____

D) Parking

How many parking spaces will be provided at the project site?

	Number	Ratio of Spaces/Units
Tenant	_____	_____
Guest	_____	_____
Handicap	_____	_____
Total	_____	

E) Market Demand

What evidence is there that substantiates the housing problems or the housing needs that you are attempting to meet with your project? Address the shortage or oversupply and/or demand for the

¹ If project consists of multiple buildings or phases, please include date on which construction on each building or phase will be completed.

units in the area.

Submit Exhibit 13

3. TARGET POPULATION – LDA Parcel 2

A) Income Level (Financing programs may have different income set aside requirements. If applying for more than one program please be sure that the most stringent requirement is met.)

Number of Units Target Population

Rental Units:

_____ units At or below _____% of area median household income

_____ units At or below _____% of area median household income

_____ units At or below _____% of area median household income

_____ units at Market

_____ units Total Number of Units in Project

_____ units Number of Special Needs units at _____% of area median

B) Length of Commitment (If rental project)

How long will your project serve the target population? _____ Years

C) Occupancy Type

Indicate the number of units allotted for each of the following:

Family _____ Elderly* _____ Handicapped _____
Homeless _____ Mentally Ill _____

***Please refer to the definition of Elder or Elderly Households as defined in Chapter 201H, HRS.**

What specific measures will be undertaken to accommodate these individuals?

4. SOURCES AND USES OF FUNDS – LDA Parcel 2

A) Development Budget

Please complete the attached Project Cost Breakdown for each parcel proposed for development (Exhibit A).

B) Sponsor Equity

Indicate the TOTAL AMOUNT of funds that your organization is contributing to the project².

\$ _____	Cash,
\$ _____	“In kind,” (Please provide an explanation)
<u>\$ _____</u>	Total Sponsor Equity

In Kind

² Only list items that shall remain in the project as a permanent source.

C) Financing Plan

Construction Financing: List sources of construction financing.

Source	Amount	Form (Loan or Equity)	Secured ³ Unsecured	Recourse ⁴ Non-recourse Related Party	Committed (Yes or No)	Int. Rate/ Term
Sponsor Equity		Equity			Yes	
Total						

³ If the financing is secured by a mortgage, please indicate the position of the mortgage relative to all financing.

⁴ If the financing is recourse, identify who the guarantor is and the terms of the guaranty.

Permanent Financing: List sources of permanent financing.

Source	Amount	Form (Loan or Equity)	Secured ⁵ Unsecured	Recourse ⁶ Non-recourse Related Party	Committed (Yes or No)	Int. Rate/ Term
Sponsor Equity		Equity			Yes	
Total						

Note: Total Permanent Sources must equal Total Development Cost

⁵ If the financing is secured by a mortgage, please indicate the position of the mortgage relative to all financing.

⁶ If the financing is recourse, identify who the guarantor is and the terms of the guaranty.

D) Revenue/Operating Budgets

For RENTAL PROJECT please complete the Pro Forma Operating Budget Format for full term of financing (Exhibit B).

Questions

1. What is the general concept of your project? What are the highlights of your project, i.e., commercial area concepts, common areas, recreation areas, meeting facilities, “tot lots,” laundry facilities, etc.?
2. When your project is complete, what other needs (i.e., beyond shelter) will your project meet?
3. Describe any associated social or special services that will be provided, if applicable.
4. What are the main contingencies to the project?
5. Describe anything else about the project that is not otherwise adequately covered by this RFP.

6. Certifications and Assurances

Whereas, Applicant Name (the “Applicant”) is submitting a proposal to the State of Hawaii – Hawaii Housing Finance and Development Corporation (the “Corporation”) for the development of LDA Parcel 2 in the East Kapolei II Planned Community, as described in the attached East Kapolei II, LDA Parcel 2 RFP, and,

Whereas, the Applicant understands that it is necessary that certain conditions be satisfied as part of the Application requirements.

Therefore, the Applicant certifies as follows:

1. The Applicant is eligible for award of the project under state statute and guidelines.
2. The Applicant agrees to comply with all applicable federal, state, and local regulations in the event that this Application is selected for development.
3. The Applicant will actively market in an ongoing manner all rental units and services included as part of the project.
4. The Applicant is prepared and has the authority within its charter, bylaws, or through statutory regulations to enter into a contractual agreement with the Corporation for the development and operation of the project proposed in the Application. The Applicant makes this Application and certification with full cognizance of its governing body.
5. The Applicant agrees that the Corporation will at all times be indemnified and held harmless against all losses, costs, damages, expenses and liabilities whatsoever in nature or kind (including, but not limited to attorney’s fees, litigation and court costs, amounts paid in settlement, and amounts paid to discharge judgment, any loss from judgment from the Internal Revenue Service) directly and indirectly resulting from, arising out of, or related to acceptance, consideration and approval or disapproval of this RFP.
6. The Applicant understands and agrees that the Corporation retains the right to contact local government officials, representatives of other funding programs, or other individuals to verify or obtain additional information about Applicant’s proposals. The undersigned hereby agrees and allows the release of any and all information to the Corporation in regards to the representations made within this Application. Such information may include credit history and ratings verifications, confirmation of involvement in past developments, and all other information, on the Applicant entity and principals, thereof, as may be required by the Corporation. This information will be used solely by the Corporation to aid in making a determination as to the awarding of development of the project to the Applicant and will not be disclosed outside the Corporation, except as required and permitted under law.
7. The Applicant has received, reviewed and accepts all the documents that are attached to the Application and made a part hereof.
8. The Applicant agrees to abide by all the terms, conditions and provisions of this RFP.

9. The Applicant understands and agrees that the Corporation's receipt of an Application does not constitute acceptance of the Application. The Corporation reserves the right to return an Application at any time without taking further action on the Application due to, but not limited to, the following:

- a. Failure to meet Application submittal requirements (e.g., timeliness, correct application fees, cashier's or certified check, correct number of copies).
- b. Failure to meet RFP requirements.
- c. Failure to disclose in the Application any known material defects about the development of the Project, any misrepresentation or fraud.
- d. Incomplete Application. The Application received by the deadline constitutes the final Application (the "Final Application"). Any Final Application deemed by the Corporation to be incomplete shall not be processed.

10. The Applicant understands and agrees that the Corporation reserves the right to accept or reject any Application, to make awards to as many or as few Applicants as it may select, and to make awards to entities other than applicants.

11. The Applicant further understands and agrees that:

- a. The Corporation reserves the right to cancel, suspend, or terminate, in part or in whole, this RFP, if the Corporation, in its sole discretion, deems it to be in its best interest to do so;
- b. The Corporation reserves the right to reject any Application submitted and may exercise such right without notice and without liability to any Applicant or other parties for their expenses incurred in the preparation of an Application.
- c. Applications are prepared at the sole risk and expense of the Applicant. The completion, receipt, or acceptance of an Application does not commit the Corporation to pay any costs incurred in preparation of the Application. The Corporation shall not be responsible for any costs incurred by the Applicant due to the cancellation, suspension, or termination of such RFP, or the rejection of any Application.

12. The Applicant understands and agrees that the Corporation in no way represents or warrants to any party which may include, but is not limited to, any developer, project owner, investor, or lender that the project is, in fact, feasible or viable. No director, commissioner, officer, agent, staff or employee shall be personally liable concerning any matters arising out of, or in relation to, the disapproval or the making of awards under this RFP.

13. That the foregoing information and the statements made in this Application are true, complete, accurate and correct to the best of the Applicant's knowledge, and hereby authorizes the Corporation to obtain further information and to verify any statement made as it deems necessary.

14. The Applicant understands that the completed and accepted Application is subject to Chapter 92F, Hawaii Revised Statutes, the Uniform Information Practices Act of the State of Hawaii.

In Witness Whereof, the Applicant has caused the document to be executed in its name on the _____ day of _____, 20____.

Applicant

By _____
Its _____

By _____
Its _____

Witness _____

INDEX OF APPLICATION EXHIBITS

AT TIME OF APPLICATION

- Exhibit A. Project Cost Breakdown Worksheet
- Exhibit B. Pro Forma Operating Budget Format
- Exhibit 1 Copy of a current IRS Tax Exemption Letter.
- Exhibit 2 Most recent Treasury Form 990 with all supporting documentation, as filed with the IRS.
- Exhibit 3 Certified copies of the organizational documents of the Applicant, including its articles of incorporation and bylaws, declaration of trust, partnership or limited partnership agreement, including any amendments thereto. Include a signature resolution if not encompassed within corporation bylaws.
- Exhibit 4 Copy of Applicant's most recent audited financial statements and reports prepared in accordance with generally accepted accounting principles. In the event the Applicant is an entity not yet formed, submit federal and state tax returns and financial statements for the previous three years, for the developer and principals of the applicant entity.
- The HHFDC may require a credit report from each and every officer of the Applicant entity, including each and every principal.
- Exhibit 5 Copy of an organizational chart for the sponsor and the owner of the project. If the ownership structure will be different at anytime during the development process, provide a separate organizational chart representing the ownership structure at such time.
- Exhibit 6 Tax Clearance Certificate from the Department of Taxation and the Internal Revenue Service. The Certificate should not be more than 30 days old.
- Exhibit 7 Certificate of Good Standing as issued by the Department of Commerce and Consumer Affairs.
- Exhibit 8 Trade and banking references for the Applicant.
- Exhibit 9 Housing Development Experience form provided as part of this Application, if applicable. Please fill in all information requested on the sheet using the most current information. (Sample of Exhibit 9 is attached.)

- Exhibit 10 Resume' for each member of the project team.
Resume' for key staff involved in the development ownership of this project from the sponsor and developer.
- In addition, please provide a list of development projects completed by the Developer, for at least the last five years. The list includes at minimum, the name of the project, address of the project, beginning and ending date of the contract or project, the year project was placed in service, name of owner of project, owner contact information and list of any federal, state or local subsidy used in the project and a brief description of the project. Letters of reference are welcome in addition to the resumes.
- Exhibit 11 List of affordable housing projects managed by the agent for the past five years. Include name of property, address of property, number of units, name of state, federal and local subsidy program in which the project is participating in and the term of involvement and contact information for property owner.
- Exhibit 12 All plans and designs using state funds or located on state land and incorporating the use of hot water shall include a solar water heating system or the developer shall submit an approval by the Energy Branch of the Department of Business Economic Development and Tourism, of a comparative analysis justifying the cost-benefit of using a conventional water heating system over a solar water heating system.
- Exhibit 13 Evidence of market demand for the type of project(s) being proposed.
- Exhibit 14 Project concept plans and specifications on half-sized 11" x 17" sheets to include a) site plan which delineates the building types, common elements and parking (including handicapped designations). Project Data must be included on the site plan sheet: zoning and building code information, both allowable and proposed, under which the project was designed (e.g., parking, height limits, floor area ratio, lot coverage, setbacks, type of construction, etc.); b) floor plans of each building type. Handicapped clear spaces shall be shown dashed on the plans and reference shall be made to the code from which it was derived (e.g., UBC, FFHAA, UFAS, etc.); c) exterior elevations of each building type. Applicant should be aware that a final copy of the plans will need to be approved by the State of Hawaii, Disabilities and Communications Access Board.

**EXHIBIT A
PROJECT COST BREAKDOWN WORKSHEET
LDA PARCEL 2**

Itemized Cost	Estimated Cost	Per Unit Cost
To Purchase Land and Buildings		
Land	_____	_____
Existing Structures	_____	_____
Demolition	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Site Work		
Off-Site Work	_____	_____
Detail: _____	_____	_____
_____	_____	_____
_____	_____	_____
On-Site Improvements	_____	_____
Detail: _____	_____	_____
_____	_____	_____
_____	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Rehabilitation and New Construction		
New Building	_____	_____
Rehabilitation* (SEE NOTE)	_____	_____
Accessory Building	_____	_____
Appliances	_____	_____
Contractor Overhead	_____	_____
Contractor Profit	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
* NOTE: Complete Rehabilitation Cost Itemization form attached		
For Contingency		
Construction Contingency	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Architectural and Engineering Fees		
Architect Fee-Design	_____	_____
Architect Fee-Supervision	_____	_____
Engineering Fees	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Interim Costs		
Construction Insurance	_____	_____
Construction Interest	_____	_____
Construction Loan Origination Fee	_____	_____
Construction Loan Credit Enhancement	_____	_____
Real Property Tax & Other Taxes	_____	_____
Subtotal	_____	_____

**EXHIBIT A
PROJECT COST BREAKDOWN WORKSHEET
LDA PARCEL 2**

Itemized Cost	Estimated Cost	Per Unit Cost
For Financing Fees and Expenses		
Bond Premium	_____	_____
Credit Report	_____	_____
Permanent Loan Origination Fee	_____	_____
Permanent Loan Credit Enhancement	_____	_____
Cost of Issuance/Underwriters Discount	_____	_____
Title and Recording	_____	_____
Counsel's Fee	_____	_____
Other: _____	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Soft Costs		
Feasibility Study	_____	_____
Market Study	_____	_____
Environmental Report	_____	_____
Tax Credit Fees	_____	_____
Rent-Up	_____	_____
Consultants	_____	_____
Other: _____	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Syndication Costs		
Organizational (Partnership)	_____	_____
Bridge Loan Fees & Expenses	_____	_____
Tax Opinion	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Developer's Fees		
Developer's Overhead	_____	_____
Developer's Fee	_____	_____
Consultant Fee	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
For Project Reserves		
Rent-up Reserve	_____	_____
Operating Reserve	_____	_____
Other: _____	_____	_____
Other: _____	_____	_____
Subtotal	_____	_____
Total Development Budget	_____	_____

Part II - Operating Expense Detail

Line Item	Monthly Budget	% of Monthly Budget	Per Unit Per Month	Annual Budget	Per Unit Per Year
Audit and Acctg. Fees	_____	_____	_____	_____	_____
Advertising	_____	_____	_____	_____	_____
Commissions	_____	_____	_____	_____	_____
Insurance	_____	_____	_____	_____	_____
(Fire, Gen., Med., Wrk. Comp, Flood, etc.)					
Janitorial Service	_____	_____	_____	_____	_____
Professional Fees	_____	_____	_____	_____	_____
Detail:	\$ _____				
_____	\$ _____				
_____	\$ _____				
_____	\$ _____				
Management Fees	_____	_____	_____	_____	_____
Office Supplies/Expenses	_____	_____	_____	_____	_____
Refuse	_____	_____	_____	_____	_____
Repair and Maintenance Total	_____	_____	_____	_____	_____
Building	\$ _____				
Elevator	\$ _____				
Grounds	\$ _____				
Painting	\$ _____				
Pest Control	\$ _____				
Pool	\$ _____				
Roads	\$ _____				
Roof	\$ _____				
Sewer	\$ _____				
Other	\$ _____				
Other	\$ _____				

Line Item	(# of People)	Monthly Budget	% of Monthly Budget	Per Unit Per Month	Annual Budget	Per Unit Per Year
Payroll Total						
Building Maintenance						
Grounds	#					
On-Site Manager	#					
Resident Manager	#					
Security	#					
Fringe Benefits	#					
Other	#					
Other	#					
Supplies Total						
Building	\$					
Electrical and Lighting	\$					
Elevator	\$					
Equipment	\$					
Grounds	\$					
Janitorial	\$					
Painting	\$					
Pest Control	\$					
Pool	\$					
Roads	\$					
Roof	\$					
Windows	\$					
Other	\$					
Other	\$					
Tax Credit Compliance Monitoring Fees						
Television/Cable						
Utilities Total						
Electricity	\$					
Gas	\$					
Telephone	\$					
Water & Sewer	\$					

Line Item	Monthly Budget	% of Monthly Budget	Per Unit Per Month	Annual Budget	Per Unit Per Year
Taxes Total	_____	_____	_____	_____	_____
Corporate Income	_____	_____	_____	_____	_____
General Excise	_____	_____	_____	_____	_____
Gross Income	_____	_____	_____	_____	_____
Payroll	_____	_____	_____	_____	_____
Real Property	_____	_____	_____	_____	_____
TOTAL OPERATING EXPENSES	_____	_____	_____	_____	_____
<u>Additional Expenses</u>					
Ground Lease	_____	_____	_____	_____	_____
Capital Expenditures	_____	_____	_____	_____	_____
Replacement Reserves	_____	_____	_____	_____	_____
TOTAL ADDITIONAL EXPENSES	_____	_____	_____	_____	_____
TOTAL COMBINED EXPENSES	_____	_____	_____	_____	_____

\$
\$
\$
\$
\$

Part III - Pro Forma Budget

	Year 1	Year 2	Year 3	Year 4 --- >	Continue through full term of
<u>INCOME</u>					
Low-Income Rental Income	_____	_____	_____	_____	_____
Market Rental Income	_____	_____	_____	_____	_____
Rental Subsidy Income (if any)	_____	_____	_____	_____	_____
Vacancy Allowance	_____	_____	_____	_____	_____
Net Rental Income	_____	_____	_____	_____	_____
Other Income	_____	_____	_____	_____	_____
Total Income	_____	_____	_____	_____	_____
<u>EXPENSES</u>					
Operating Expenses	_____	_____	_____	_____	_____
Ground Lease	_____	_____	_____	_____	_____
Replacement Reserves	_____	_____	_____	_____	_____
Other _____	_____	_____	_____	_____	_____
Total Expenses	_____	_____	_____	_____	_____
Net Operating Income					
Debt Service - Loan #1 (___% ___ Yrs Amort)	_____	_____	_____	_____	_____
Debt Service - Loan #2 (___% ___ Yrs Amort)	_____	_____	_____	_____	_____
Debt Service - Loan #3 (___% ___ Yrs Amort)	_____	_____	_____	_____	_____
Pre-Tax Cash Flow	_____	_____	_____	_____	_____
Debt Coverage Ratio	_____	_____	_____	_____	_____

Exhibit 9 Housing Development Experience

Name: _____

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Copy format and add pages as needed

	Name of Property, Address	Capacity of Applicant/ Developer	Type of Project	City, State	Number of Units		Financing/ Subsidy Program Utilized	Status of Project
					Affordable	Market		
E x	XYZ Towers LP fka XYZ Towers 16000 SW XYZ Lane Nowhere, HI	Developer/ General Partner	Family Mixed-use Mixed Income	Nowhere, HI	50@40% 100@60%	120	T/E Bonds LIHTC	Operating for 20 years
1								
2								
3								
4								
5								
6								
7								
8								