



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

REQUEST FOR PROPOSALS

**KAPOLEI PARKWAY 9- ACRE VACANT PARCEL WITHIN THE VILLAGES OF
KAPOLEI
RFP No. 14-007-DEV**

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 October 10, 2014 at 10:00 AM in the HHFDC Board Room, 677 Queen Street, Suite 300, Honolulu, Hawaii.

Direct all questions, in writing, no later than November 10, 2014 to:

RFP Contact:

Beth Malvestiti, Project Manager
Hawaii Housing Finance and Development Corporation
Email: beth.e.malvestiti@hawaii.gov
Fax: (808) 587-0546

PROPOSALS DUE December 1, 2014

No later than 4:00 PM

A non-refundable application fee of \$250 must accompany the proposal.

Submit proposals to:

Beth Malvestiti
RFP No. 14-007 Kapolei Parkway 9-Acre Vacant Parcel
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 DEVELOPERS
Request for Proposals (RFP) No. 14-007-DEV

Kapolei Parkway 9-Acre Vacant Parcel within the Villages of Kapolei

The HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION (HHFDC) is requesting proposals from qualified developers capable of designing and developing an affordable residential project consistent with the vision and principles of HHFDC, whose mission is to increase workforce affordable housing in Hawaii.

Beginning September 30, 2014, copies of the RFP shall be made available as follows,

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. Fee shall be paid via cashier's check payable to "Hawaii Housing Finance and Development Corporation."
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 and must be prepaid via cashier's check payable to "Hawaii Housing Finance and Development Corporation."

A **Pre-Proposal Conference** will be held on October 10, 2014 at 10:00 AM 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, Beth Malvestiti, Project Manager, HHFDC, Email: beth.e.malvestiti@hawaii.gov. Fax: (808) 587-0600. The deadline for questions is November 10, 2014.

Proposals must be received no later than 4:00 PM on December 1, 2014 at Hawaii Housing Finance and Development Corporation, 677 Queen Street, Suite 300, Honolulu, Hawaii 96813.



Craig K. Hirai, Executive Director
Hawaii Housing Finance and Development Corporation

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| SECTION ONE: INTRODUCTION AND KEY INFORMATION | 1 |
| SECTION TWO: BACKGROUND AND OBJECTIVES | 11 |
| SECTION THREE: PROPOSAL REQUIREMENTS AND EVALUATION CRITERIA | 19 |
| SECTION FOUR: PROPOSAL FORMAT AND SUBMISSION | 27 |
| SECTION FIVE: SELECTION AND AWARD | 30 |
| SECTION SIX: SPECIAL PROVISIONS | 32 |
| SECTION SEVEN: ATTACHMENTS AND EXHIBITS | 39 |

SECTION ONE
INTRODUCTION AND KEY INFORMATION

1.1 TERMS AND ACRONYMS USED THROUGHOUT THE SOLICITATION

| | |
|--------------------|--|
| BAFO | = Best and Final Offer. |
| Contract | = Refers collectively to the ground lease agreement, development agreement, and any other document that may be executed as a result of this RFP, including any and all attachments, exhibits, and supplemental documents attached thereto. |
| CPO | = Chief Executive Director. |
| DAGS | = Department of Accounting and General Services. |
| Developer | = Successful Offeror. |
| DHHL | = Department of Hawaiian Home Lands. |
| Executive Director | = Head of the Hawaii Housing Finance and Development Corporation. |
| GET | = General Excise Tax. |
| 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. |
| Project | = The affordable housing development to be constructed on the Village 8 Parcel, TMK No. (1) 9-1-016: 88. |
| Project Owner | = The Successful Offeror who enters into a written agreement with HHFDC to acquire and develop the property described in this RFP. |

| | |
|---------------------------|--|
| Property | = The parcel of land identified by TMK No. (1) 9-1-016: 88. |
| Proposer | = Offeror. |
| RFP | = Request for Proposals. |
| State | = State of Hawaii, including all departments, attached agencies, and political subdivisions. |
| Successful Offeror | = The Offeror awarded a contract as a result of this solicitation. |

1.2 INTRODUCTION

The Hawaii Housing Finance and Development Corporation (HHFDC) seeks proposals from qualified and experienced developers capable of designing and developing an affordable residential project that is consistent with the vision and principles of HHFDC, whose mission is to increase the supply of affordable workforce housing in the State of Hawaii.

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 | September 30, 2014 |
| Pre-Proposal Conference (Oahu) | October 10, 2014 10:00 AM |
| Deadline for Questions and Clarifications | November 10, 2014 |
| State Response to Questions and Clarifications | November 24, 2014 |
| Proposal Due | December 1, 2014 No later than 4:00 PM |

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

1.4 PRE-PROPOSAL CONFERENCE

A **Pre-Proposal Conference** will be held on October 11, 2014 at 10:00 AM in the HHFDC Board Room, 677 Queen Street, Suite 300, Honolulu, Hawaii.

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. If work at a particular site or project is necessary, Offerors are encouraged to visit the location. No additional compensation to the Successor Offeror will be allowed by reason of any misunderstanding or error regarding site conditions, project layout or work to be performed.

Questions will be permitted at the Pre-Proposal Conference. However, any 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, submit all questions **in writing** to the RFP Contact.

1.5 QUESTIONS, CLARIFICATIONS, OR CHANGES

Any Offeror that has questions or requires clarification of the information provided in this RFP must submit specific questions or requests **in writing** to the RFP Contact listed on the cover of the RFP. The deadline for questions is specified in the RFP TIMELINE above. **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 regarding this RFP, 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, or otherwise during the solicitation process shall not be binding on HHFDC unless confirmed by written addendum.

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.

If Offeror takes exception to any terms, conditions, specifications, or other requirements described herein, Offeror initially should seek an informal resolution with the RFP Contact. If unresolved at the time offers are received, any exceptions taken to the terms, conditions, specifications, or other requirements described herein may be listed in the Exceptions section of the Offeror's proposal.

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. Offerors 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 RESERVED

1.8 GOVERNING LAWS AND RULES; COST OF LITIGATION

This RFP is being conducted pursuant to and in accordance with Hawaii Revised Statutes (HRS), §201H-§9(c) and all applicable Hawaii Administrative Rules (HAR) All proposals submitted in response to this RFP are subject to the HRS, HAR, and all terms, conditions, and requirements specified in the RFP.

The validity of the RFP and any of its terms or provisions, as well as the rights and duties of the State, HHFDC, and any party submitting a response to the RFP, shall be governed by the laws of the State of Hawaii. All matters not specifically addressed in the RFP, or a subsequent contract entered into, will be governed by the HRS as well as applicable HAR and any other local, state, and federal rules, laws, and regulations pertaining to and contracting with HHFDC and the State of Hawaii.

Any action at law or equity to enforce or interpret the provisions of the RFP shall be brought in a state court or competent jurisdiction in Honolulu, Hawaii.

This RFP and award of any Contract for the property is not subject to Chapter 103D, Hawaii Revised Statutes, or its related Hawaii Administrative Rules.

1.9 RESERVATION OF RIGHTS

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

- a. change or cancel this RFP;
- b. 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 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

The Successful Offeror shall be required to enter into a formal written agreement with the HHFDC, in accordance with the laws, rules and regulations of the State of Hawaii. The stated requirements appearing elsewhere in this RFP shall become part of the terms and conditions of the Contract as though incorporated into the Contract. HHFDC reserves the right to add or modify any Contract term or condition prior to execution of the Contract.

Following award of the Contract, and within ten (10) days after the prescribed forms are presented to the Successful Offeror for signature, unless otherwise specified by HHFDC, the Offeror shall execute and deliver to the HHFDC a Contract in the form required by HHFDC and in such number of counterparts as may be required by HHFDC.

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.

The Developer shall provide immediate written notice to the contract administrator should any of the insurance policies evidenced on its Certificate of Insurance form be cancelled, limited in scope, or not renewed upon expiration. Furthermore, each insurance policy required by the Contract shall contain the following clauses:

1. "The State of Hawaii and HHFDC is added as an additional insured with respect to operations performed for the State of Hawaii."
2. "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."

1.12 DOWNLOADED SOLICITATION

Any Offeror who downloads the solicitation documents online is advised to register its entity 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 must 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, and may be grounds for non-selection of a proposal.

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, the project, and/or the relevant property.

All submitted proposals shall become the property of the HHFDC and be subject to public disclosure in accordance with 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 necessarily 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.

The Selected Offeror shall produce documents to the RFP Contact to demonstrate compliance with this subsection. Any offeror making a false affirmation or certification under this subsection shall be suspended from further offerings or awards in the future. The RFP Contact shall verify compliance with this subsection.

Hawaii Compliance Express. Hawaii Compliance Express (HCE) is an electronic system that allows vendors/Developers/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 are strongly encouraged to register with HCE prior to submitting an offer to obtain proof of compliance. Offerors can register with HCE at the following link: <https://vendors.ehawaii.gov>. The annual registration fee is currently \$12.00 and the 'Certificate of Vendor Compliance' is accepted as proof of compliance for award, execution of the contract, and final payment. Offerors are advised to register on HCE soon as possible to ensure compliance documentation is available at the time of award.

Offerors are strongly encouraged to utilize HCE to obtain proof of compliance. Otherwise, offerors will have to separately obtain all required compliance documentation from the applicable agencies to demonstrate compliance.

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.

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.

Offerors 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 subject to disclosure pursuant to HRS, Chapter 92F.

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 for confidentiality 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 RESERVE

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 order of precedence shall be as specified in Section 6.1. 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, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Confidentiality of Material. All material given to or made available to the Developer by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the Developer 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 subDeveloper, employee, or agency of the Developer, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

Records Retention. The Developer and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for six (6) years from the date of final payment under the 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 response to this solicitation. If an Offeror submits more than one offer in response to this solicitation, then all such offers from Offeror shall be rejected.

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 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. If an offeror is not compliant 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 11-355, which states that campaign contributions are prohibited from a State and county government Developer during the term of the contract if the Developer 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. State of Hawaii will not reimburse such costs.

SECTION TWO

BACKGROUND AND OBJECTIVES

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 ABOUT THE VILLAGES OF KAPOLEI

- a. The Villages of Kapolei is a master planned community, which HHFDC is currently developing on lands in Kapolei, Oahu, Hawaii.
- b. HHFDC has established guidelines and requirements for the development of the Villages of Kapolei, which are set forth in the Zoning Map and the Villages of Kapolei Design Guidelines which are attached hereto as Exhibits A and B, respectively. All interested developers are informed that the Zoning Map and the Design Guidelines are subject to further change.
- c. The Villages of Kapolei is located in the area south of Farrington Highway and east of Fort Barrett Road in Kapolei, Hawaii. The Villages of Kapolei is currently planned to include approximately 5,000 single-family and multi-family housing units, affordable to families earning a range of incomes, as well as market units. The development also includes schools, commercial areas, parks, recreation centers, a golf course and other amenities which are complementary to a master planned residential community. Site construction activities began in late 1989, and the first homes were delivered in 1990.
- d. The overall marketing and pricing strategy of the Villages of Kapolei master plan is intended to provide housing opportunities for persons and families of all income levels.
- e. The Villages of Kapolei may also include housing opportunities for persons or families of all ages, social or economic circumstances, or physical or mental handicaps. Such persons or families include the elderly, persons or families who are homeless, persons with mental illness, persons with developmental disabilities, and persons with other handicaps.

- f. For more detailed information on the Villages of Kapolei and on HHFDC, developers may wish to review various documents available at the office of HHFDC during normal business hours, including:

1. Environmental Impact Statement for Kapolei Village, R. M. Towill Corporation, February 1988.
2. Declaration of Covenants, Conditions and Restrictions for the Villages of Kapolei Association, as amended. This is also available at <http://www.villagesofkapolei.com>.
3. 1989 Kapolei Village Condemnation Agreement.
4. Drainage Master Plan, R. M. Towill Corporation, February 2006.
5. Land Use Commission Decision and Order, August 23, 1988
6. Declaration of Conditions Imposed by the Land Use Commission, June 7, 1990
7. Information on HHFDC's Buyback and Shared Appreciation Program is located under, State Assisted Land and Housing Development Program: Chapter 15-307, Hawaii Administrative Rules (HAR). This is also available at <http://hawaii.gov/dbedt/hhfdc/about/15-307.pdf>.

2.3 HHFDC OBJECTIVES

The Hawaii Housing Finance and Development Corporation is seeking proposals from qualified developers interested in planning, designing and developing a single family residential project on the vacant parcel described in this RFP and installing a traffic signal at the intersection of Kapolei Parkway & Puainako Street.

Upon approval and execution of any development agreements, loan agreements and/or right of entries 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 but not limited to planning, design, permit fees, utility charges, and operation and management expenses, subject to the following conditions:

- a. The Project shall include the development of the Village 8 Parcel, TMK No. (1) 9-1-016: 88, totaling 9.105 acres, that is the subject of this RFP. See Exhibit C.
- b. The developer shall accept the property in an "AS IS, WHERE IS" condition, without any express or implied warranties or representations.
- c. Parcel is bounded by Puainako Street to the East, Kapolei Parkway to the North, Kapolei High School to the West and Kama'aha Avenue to the South.
- d. On November 6, 2013, HHFDC negotiated with DHHL and both parties executed a Memorandum of Understanding (MOU) giving HHFDC legal access to the vacant parcel from Puainako Street, which is located within DHHL's subdivision called Kaupea. See Exhibit D.

1. Developer will be solely responsible for roadway improvements to Puainako Street required by the City and County of Honolulu. If widening of Puainako Street is required, the additional width will be solely taken from the vacant parcel.
 2. Developer shall install a traffic signal at the intersection of Kapolei Parkway and Puainako Street and shall obtain bid pricing for the improvement prior to construction. Upon DHHL concurrence to the bid pricing, developer shall proceed with construction of the traffic signal. Upon completion, developer shall submit an invoice to DHHL for payment to reimburse Developer of said costs.
- e. Development of the Project may be in fee or leasehold. Transfer in fee to the developer shall be by quitclaim deed.
1. If transfer of the property to the developer is required on for-sale units before completion of any rental units, HHFDC may secure its interest in the value of the transferred property and secure performance by the developer by transferring the property subject to a second mortgage for the value of the transferred property and any improvement thereon, and all of the developer's projected profit for the Project. The second mortgage may be released by the payment into escrow of the prorated portion of the value of the transferred property and all of the developer's profit secured by the second mortgage, until the completion of the units.
 2. If the developer proposes constructing rental units, HHFDC will require that the project be developed under a ground lease from HHFDC for a term of up to 65 years. Rental units shall remain affordable for the term of the ground lease. The lease rent amount is open to offers and should be specified in the developer's proposal.
- f. The developer shall, on its own behalf or in conjunction with a non-profit or other entity acceptable to HHFDC, own, operate and manage any rental units.
- g. The developer's entire sales program may be monitored by HHFDC to ensure compliance with HHFDC's requirements. At a minimum, the developer's for sale program shall be subject to the following:
1. For Sale Affordable Units
Each unit shall be subject to a buy-back restriction and HHFDC's Shared Appreciation Equity Program in favor of HHFDC, pursuant to Section 201H-47, HRS, and Sections 15-307-121 to 131, HAR.
 2. For purposes of determining maximum affordable sales prices under this RFP, the following shall be assumed: 140% and below of the 2014 HUD Area Median Income (AMI), 33% of the HUD AMI adjusted for family size

according to the affordable unit types listed below, a down payment of 5% of the sales price, and a monthly payment based upon the prevailing interest rate for a 30-year fixed rate loan and an appropriate customer trust fund which shall include real property tax, condominium association maintenance fees (if any), mortgage insurance and homeowner's insurance.

| <u>Unit Type</u> | <u>Household Size</u> |
|------------------|-----------------------|
| Studio | 1 person |
| 1-bedroom | 2 persons |
| 2-bedrooms | 3 persons |
| 3-bedrooms | 4 persons |
| 4-bedrooms | 5 persons |

- h. The Project shall comply with the rules, regulations, ordinances, codes and standards of the City and County of Honolulu, any Federal and State requirements, and the Villages of Kapolei "Design Guidelines." HHFDC reserves the right to approve variations from the Design Guidelines. If there is a conflict between the County requirements and the Design Guidelines, the more restrictive requirement shall control.
 1. The developer shall design and construct vacant parcel units in a manner consistent with the units within the respective Village of Kapolei.
 2. The Project shall utilize indigenous species of plants for its landscaping whenever and wherever feasible pursuant to Section 15-307-26 (9), HAR.
 3. As master land developer of the Villages of Kapolei, HHFDC shall have the right to review all plans, specifications, and drawings for all on-site and off-site improvements.
- i. 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, the Villages of Kapolei Association (VOKA), and any other presentation as required by HHFDC.
- j. The developer shall be responsible for obtaining approval of any zoning or subdivision exemptions required for this Project from the City and County of Honolulu. The developer shall also be responsible for any further subdivision of the parcel(s) as may be required.
- k. 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.

- l. 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.
- m. 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 or any right of entry.
- n. HHFDC shall require copies of as-built plans for all Project improvements after each phase of construction has been completed. Composite and as-built plans shall also be made available to the VOKA and any created sub-association. All such plans shall be transmitted in hard copy as well as digital format.
- o. The developer shall coordinate construction of the Project with other activities taking place in the Villages of Kapolei. 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 Villages of Kapolei.
- p. 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.
- q. The Project shall be accessible to and usable by persons with disabilities in compliance with Section 103-50, HRS, and the developer 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).
- r. To the extent possible, the Project shall comply with 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.
 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 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.
- s. The developer shall submit evidence of market demand for the type of components being proposed. The selected developer shall 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.
- t. All owners of record, including condominium apartment owners and rental apartment unit owners shall be required to be members of the VOKA. The developer shall be solely responsible for any amendments to the Villages of Kapolei Declaration of Covenants, Conditions, and Restrictions, including, but not limited to, annexation and supplemental declarations and any other documents, that the Project may require for the residential units to be annexed to the VOKA. The developer shall also be responsible for the establishment of any sub-associations should the proposed Project include for sale condominium

components. The developer shall also be responsible for the annexation of any single family units and/or sub-associations to the VOKA.

For purposes of this RFP, the developer may assume that owners of each housing unit, both for-sale and rental units in the Project will initially have to pay an initiation fee of \$100.00 per unit to the VOKA and monthly association dues of \$35.00 per unit, subject to further change. The monthly maintenance fees are used for the maintenance of landscape and common elements within any and all the Villages of Kapolei, including but not limited to Village entry features, irrigation and landscaping along collector roads, recreation centers, common areas, and perimeter walls.

- u. The Project shall be completed within five years from the date of HHFDC Board approval of the developer for the Project. HHFDC may grant an amendment to extend the five-year completion date for an additional two years, solely at the discretion of HHFDC.
- 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.

2.4 RESERVED

2.5 RESERVED

2.6 BOOKS, RECORDS, ACCOUNTS AND REPORTS

If applicable, the Project Owner shall keep and maintain accurate, true and complete books and records (hereinafter collectively referred to as "books and records"), which shall fully reflect the financial condition, occupancy, physical condition, maintenance, and operational status of the project, together with all business licenses and permits required to be kept and maintained pursuant to the provisions of any applicable state or local law, regulation or rule now or hereafter in effect. These books, records, accounts, and reports shall be in addition to those documents and information required to be maintained or delivered to the HHFDC by the closing documents.

All books and records shall be kept at the Project Owner's principal office, or at the project location, or at such other place as the HHFDC and the Project Owner both agree upon in writing. A back-up set of the books and records shall be kept at a separate location. The books and records shall be available to the HHFDC and its representatives for examination, audit, inspection, and transcription. The HHFDC is herewith granted the right to photocopies of same, at the sole expense of the Project Owner. The Project Owner shall deliver to the HHFDC, upon such schedule as the HHFDC may establish from time to time, and in such media, including electronic media, as the HHFDC shall select, all information and supporting documentation which the Project Owner has maintained or which the HHFDC needs in order for the HHFDC to file any report to

HUD, and the RHTF administrator, or is required to be submitted by the HHFDC to any governmental or nongovernmental agency, or which the HHFDC needs to assess the financial condition, performance, occupancy, physical condition, maintenance and operational status of the project. Such items shall: (a) be in a form satisfactory to the HHFDC, (b) be certified to the HHFDC as true, complete, and accurate by the Project Owner, and (c) be taken from the books and records maintained by the Project Owner as aforesaid.

As part of their program compliance monitoring activities, HHFDC may require the Project Owner to provide certain reports on a periodic basis. The required project reports may include, but are not necessarily limited to, the following:

1. Annual audited financial statements
2. Leasing activity report
3. Units in service
4. Details of loan financings
5. Extraordinary costs or expenditures report

The above list is not inclusive of other information that may be requested by the HHFDC from time to time. Such additional requests may include, but are not limited to, support for the summary reports listed above; rent roll or other information requested by the HHFDC and other reports that are generated by standard property management software packages. The exact format of the reports is flexible to the extent that changes improve the quality and usability of information contained therein. However, budget and financial statements should be provided in a form and format that can be compared to the project pro forma. Submissions should also be compiled in a spreadsheet package such as MS excel. The HHFDC is contemplating other technologies to capture data and reserves the right to require their use at a future date. Reports shall be sent via e-mail to the designated HHFDC representative within twenty (20) calendar days of the end of the reporting period or the date that the request was submitted, except that year-end reports shall be sent within thirty (30) calendar days of the end of the year.

SECTION THREE

PROPOSAL REQUIREMENTS AND EVALUATION CRITERIA

| SUMMARY OF PROPOSAL REQUIREMENTS AND EVALUATION CRITERIA | |
|--|-----------------------------|
| EVALUATION CRITERIA | MAX POINTS PER CRITERION |
| <input type="checkbox"/> Compliance with RFP and Application requirement | Accept / Reject |
| <input type="checkbox"/> Development Experience | 25 Points |
| <input type="checkbox"/> Approach and Methodology | 35 Points |
| <input type="checkbox"/> Project Financing and Feasibility | 40 Points |
| Total Available Points | 100 Points |

Offeror's proposal shall describe in detail the Offeror's capability to meet the goals and objectives of this RFP and specifically the **BACKGROUND AND OBJECTIVES** in **Section Two**. When an interested offeror submits a proposal, it shall be considered a complete plan for accomplishing the objectives 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.

Proposals submitted in response to this RFP will be evaluated in accordance with the 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 Development Experience
- 3.4 Approach and Methodology
- 3.5 Project Financing and Feasibility
- 3.6 Confidential Information
- 3.7 Exceptions
- 3.8 Additional Information

All proposal requirements listed as a "Mandatory Requirement" in this section must be included in Offeror's response to this RFP. **PROPOSALS THAT DO NOT INCLUDE ALL MANDATORY SECTIONS WILL BE DEEMED NON-RESPONSIVE TO THIS RFP AND WILL NOT BE CONSIDERED FOR AWARD.** Failure to address any other documents listed in this Section Three may also be deemed non-responsive and not considered for award.

3.1 TRANSMITTAL LETTER (Proposal Requirement)

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, consultants, and/or subcontractors will be used, append a statement to the transmittal letter from each additional entity signed by an individual authorized to legally bind that entity and stating, in addition to the paragraph above:

1. The general scope of work to be performed by the entity; and
2. The entity's willingness to perform the indicated work in accordance with the RFP.

3.2 OFFER FORM (Proposal Requirement)

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 HHFDC should contact regarding the Offeror's proposal.

3.3 DEVELOPMENT EXPERIENCE (Mandatory Requirement, 25 points)

1. *Developer Description*

Provide an accurate description of the developer including narrative and quantitative metrics such as number of employees, dollar volume per year, and office locations, among other descriptive information.

2. *Development Team*

Identify the development team, including major consultants, to be involved in the planning and implementation of the development. The consultants identified may include, but not be limited to design architects and planners, economic/financial analysts, engineers, contractors, and legal counsel.

3. *Team Roles*

Identify the roles and submit resumes for the project manager and key individuals who will be involved in the development, implementation, and operation of the development.

4. *Developer Experience*

Describe the relevant development experience of the developer. Provide relevant examples of projects with similar entitlement and development challenges that are in completion or have been successfully completed by the developer. Similar projects include those with one or more of the following types of attributes: (1) partnerships

and/or negotiations with public agency landowners, (2) focal point of broader community, (3) sustainability and smart growth principles; (4) mixed-income residential component including affordable units; and (6) significant public outreach process, among others.

For each project identified by the developer, please provide the following information:

- 1.1. Project name and type.
- 1.2. Locations, including addresses, and photograph(s).
- 1.3. Size, mix of uses, and anchor tenants.
- 1.4. Development timeline (from developer selection/site control to completion of construction, indicating phasing as relevant).
- 1.5. Project cost, capital and financing sources used, and indications of economic performance.
- 1.6. General description including role of development team and key project personnel, unique challenges of project, occupancy and history.
- 1.7. Identification of developer and explanation if different from the proposed developer for the Property.

5. *Development Team Members' Experience*

Please provide relevant experience of the development team members. Provide no more than three projects per team member. Provide information including the project name, location, description, services provided, dates of service, and outcome of work effort. These projects may be the same as those submitted under section 3.3(1) above.

6. *References*

Please provide at least five references for the developer, including public and private entities.

3.4 APPROACH AND METHODOLOGY
(Mandatory Requirement, 35 points)

1. *Physical and Market Context and Development Opportunities and Constraints*

Describe the key opportunities and constraints as you see them from a market and planning perspective, and your experience addressing such issues or opportunities on past projects.

2. *Regulatory, Political and Community Context*

Summarize the developer's understanding of the regulatory, political, and community context including the key milestones or achievements that will help to achieve a successful project.

3. *Approach to Developing a Plan*

Summarize the developer's understanding of the process required for development of the Property, including the context for investigating, planning, and entitling the Property. Include examples from projects described in Section 3.3, Development

Experience, to illustrate successful strategies applied in previous planning efforts. Note that site diagrams, “bubble” plans, plan renderings or any other design work are not requested or required in this response.

4. *Development Concept and Strategy*

Provide, in a narrative and graphic description, your development concept for the site. This concept must correspond with the financial proposal (described in Section 3.5). The concept should, to the maximum extent practicable, incorporate the sustainability features articulated in the RFP. The submittal should include narrative descriptions as well as supporting maps and graphics. At a minimum, the development concept should include the following elements (proposers can select the best order for their own proposal):

- a. Development plan diagram(s) that clearly indicates the proposed roadway pattern, open space system, drainage ways, and distribution of land uses.
- b. Diagram(s) with supporting text, which describe the proposed infrastructure phasing and land development phasing.
- c. A diagram, supporting table, and narrative indicating the proposed affordable housing program, referring to the location(s), the number of units, income levels, length of commitment (for rental units, if applicable), occupancy type (e.g., family, elder, special needs, et cetera) and number of such units, and any social or special services proposed for the affordable component.
- d. Perspectives, graphics, and/or images with supporting text which describe: (1) building types, (2) building character, and (3) other identity elements, amenities, or other features.
- e. Narrative explaining the rationale for the proposed land use described in (a) through (d) above. The narrative may make reference to market information, emerging real estate trends, developer experience on similar projects, or other logic for the scale and mix of uses proposed in the land use concept. In the narrative, describe how the concept responds to HHFDC’s objectives for the site described in Section Two of the RFP.
- f. Describe the development strategy including how the developer would implement the development concept described above. At a minimum, the development strategy should include the following elements:
 - (1) *Predevelopment Period.* Include a schedule and narrative of the key steps that the selected developer intends to take to complete the predevelopment process including the attainment of all entitles, approvals, and agreements with third parties; refinement of all plans and engineering; the refinement of budgets, pro formas, and cost projections; and the attainment of funding commitments. This section should make clear which activities will take place sequentially and which shall take place contemporaneously.

- (2) *Infrastructure Approach.* Please identify the infrastructure that will be necessary for the development and describe your plans for constructing the necessary infrastructure.
- (3) *Project/Infrastructure Phasing.* Describe how you would approach project phasing and how your approach relates to the marketing of different components of the project.
- (4) *Marketing/Tenancing Strategy.* Please describe the marketing initiatives you intend to put in place to attract end users, as developer of the site.

3.5 **PROJECT FINANCING AND FEASIBILITY** (Mandatory Requirement, 40 points)

Development teams are requested to provide as much detail as possible on the financial aspects of their development concept, including a pro forma. The pro forma should provide a full set of project economics based on available information and the developer's own judgment recognizing that the pro forma will be refined as the development plan is developed. The ultimate business deal will be based on a refined pro forma, to be developed as part of negotiations with the selected developer.

Development Costs, Revenues, and Funding Strategy Narrative

1. ***Development Costs***
Provide narrative to describe estimated predevelopment costs, conceptual infrastructure costs, vertical building costs (if applicable) and other identified project costs. Make note of major uncertainties that may lead to significantly different costs than those estimated.
2. ***Project Revenues***
Describe all anticipated project revenues, including projected building rents and/or sale revenues, land sale/lease proceeds from third-party developers, and anticipated absorption rates. Provide a pro forma operating budget to summarize the rental income expected for your project for the full term of financing.
3. ***Development Financing Plan***
Provide an explanation of the likely financial structure of the project, including potential sources and amounts of equity and debt financing, as well as any expected public financing (e.g., for affordable housing). Please identify the minimum preferred return requirements for you as well as your financing partners. Specifically, describe how the predevelopment costs and the initial phases of infrastructure investments will be funded. The proposed financing plan shall include tables for both construction (interim) and permanent financing. The totals for construction and permanent financing must equal Total Development Cost.

4. ***Pro Forma***

The pro forma provides an opportunity for development teams to illustrate how to maximize development feasibility while meeting the goals and business objectives of HHFDC. A preliminary forecast of the revenues and expenses of the proposed project in the form of a pro forma Statement of Cash Flows for each year up to expected build-out of the plan should be provided. Be sure to consider all known project costs, including applicable fees such as the 'Ewa Transportation Impact Fee, DOE impact fees, TIAR updates, and management expenses, and make note of assumed funding that is contingent on another agency's action (e.g., tax credits for affordable housing). Note that the purpose of the pro forma is to allow HHFDC to understand the developer's approach and expectations of project economics and to provide a basis for business terms to be negotiated later. The line items can be modified and expanded as appropriate for this purpose.

5. ***Projected HHFDC Compensation***

Based on the pro forma cash flow, please provide projections for (1) the ground lease revenues and/or land sale proceeds to HHFDC and (2) quantify community benefits like affordable housing and open space that are assumed for pro forma purposes. Provide the nominal value and net present value to HHFDC (at a discount rate of 5%) of the land acquisition price, including the land sale proceeds, lease proceeds, and any other direct payments to HHFDC.

6. ***Use of State of Hawaii Resources***

Provide a description of the Offeror's proposed use of State of Hawaii resources. Please identify all sources. However, for purposes of scoring proposals under this RFP, "use of State of Hawaii resources" shall not include use of the vacant parcel, use of State of Hawaii tax exempt and bond authority, use of non-competitive 4% tax credits, and use of 201H exemption authority.

7. ***Financial Commitment***

With respect to financial commitment, please provide an estimate of the amount of money that will be invested by the developer before the project begins to produce positive cash flows, including predevelopment and operations costs as well as investments in capital improvements. Please identify the anticipated source of the developer's up-front funding.

8. If applicable, describe any exceptions or clarifications to HHFDC's key business objectives described in Section 2.3.

3.6 EVALUATION CRITERIA

| Criteria | Points |
|--|--------|
| DEVELOPMENT EXPERIENCE <ol style="list-style-type: none"> 1. Demonstrated success of assigned personnel in executing projects with similar characteristics to the project proposed. 2. Proactive and inclusive approach to public/community participation. | 25 |
| APPROACH AND METHODOLOGY <p>A. Project Design Concept and Strategy</p> <ol style="list-style-type: none"> 1. Well-thought out development concept with strong rationale. 2. Achievement of HHFDC goals for the project, including affordable housing, sustainability, and provision of safe and convenient infrastructure. 3. Realistic and creative approach to achieving a project that successfully integrates into the current surrounding communities and a rational marketing plan and strategy. <p>B. Timeliness of Development Expectations and commitments to initiate and complete development in a timely manner, including the developer's suggested guaranties or penalties.</p> <p>C. Number of Affordable Units Proposed and Community Benefits Number of affordable units by incomes levels served, and additional physical or programmatic elements proposed to benefit the future and existing community.</p> | 35 |

| | |
|---|------------------|
| <p>PROJECT FINANCING AND FEASIBILITY</p> <p>A. Financial Proposal</p> <ol style="list-style-type: none"> 1. Overall Financial benefit to HHFDC 2. Well-thought out approach to and assessment of predevelopment and infrastructure costs, including identification of potential challenges and uncertainties and corresponding mitigation/risk management strategies. 3. Complete project financial pro forma demonstrating a feasible project. 4. Minimum use of State of Hawaii resources.* | <p>40</p> |
|---|------------------|

*For purposes of scoring proposals, "use of State of Hawaii resources" shall not include use of the Kapolei Parkway 9-Acre Vacant Parcel, use of State of Hawaii tax exempt and bond authority, use of noncompetitive 4% tax credits, and use of 201H exemption authority.

3.7 CONFIDENTIAL INFORMATION
(Proposal Requirement, *if applicable*)

Confidential information shall be submitted in accordance with Section 1.18.

3.8 EXCEPTIONS
(Proposal Requirement, *if applicable*)

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.

3.9 ADDITIONAL INFORMATION
(Proposal Requirement, *if applicable*)

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.

SECTION FOUR

PROPOSAL FORMAT AND SUBMISSION

4.1 PROPOSAL FORMAT

Guidelines for formatting proposals:

- a. Proposal includes a one-page transmittal letter as the first page of the proposal.
- b. Proposal includes the Offer Form, OF-1 in Attachment 1 as the second page of the proposal.
- c. Proposal includes all content specified in Section Three in the order presented therein.
- d. Proposal is double-sided when possible. A double-sided sheet is considered equal to two pages.
- e. There is no page limit restriction on proposals.

Please do not include sales 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 the RFP. The submission of a proposal shall constitute the interested Offeror's indisputable representation of compliance with every requirement of the RFP and acknowledgment that the RFP documents are sufficient in scope and detail to indicate and convey a reasonable understanding of all terms and conditions of performance of the work to interested Offeror. Proposal shall include a non-refundable application fee of \$250.00 in the form of a cashier's check payable to "Hawaii Housing Finance and Development Corporation".

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

Beth Malvestiti, Project Manager
Request for Proposals No. 14-007-DEV
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 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 OF-1 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.

A proposal security is NOT required for this RFP.

Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237 and, if applicable, taxable under HRS Chapter 238. Vendors are advised that they are liable for the Hawaii GET and the applicable use tax at the current rates. To obtain a Hawaii Taxpayer ID number online, visit: <https://hbe.ehawaii.gov/>. Otherwise, visit the State of Hawaii Department of Taxation FAQs website at http://www6.hawaii.gov/tax/a7_faq.htm to find out more about obtaining a Hawaii Taxpayer ID number for GET and applicable Use tax purposes. If an Offeror is exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

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 is issued pursuant to HRS, § 201H-9(c).
- b. The procurement 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.
- c. Proposals shall not be opened publicly, but shall be opened in the presence of at least two (2) 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.

- d. The Executive Director, or an 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. **Acceptable 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 meet all mandatory requirements and any minimum qualifications specified in the RFP.
- e. 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.
- f. Any substantial oral clarification of a proposal shall be reduced to writing by the priority-listed Offeror. 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. The priority-listed Offerors shall be permitted to submit new proposals or to amend those submitted.
- g. Following any discussions, priority-listed offerors may be invited to submit a best and final offer (BAFO), if necessary. The Executive Director or 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.

- h. The date and time for Offerors to submit their BAFO, if required, may be indicated in the RFP Timeline in Section One. This date, if indicated, 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 the BAFOs in accordance with the evaluation criteria in Section Three, the Executive Director or an evaluation committee will make its recommendation. 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 price and the evaluation factors set forth in Section Three.
- b. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process.
- c. The Executive Director or an 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 Executive Director or an 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 Developer's proposal shall become a part of the contract. All proposals shall become the property of the State of Hawaii.

SECTION SIX

SPECIAL PROVISIONS

6.1 AGREEMENT

The Successful Offeror shall be required to sign and execute a Contract with HHFDC. A conflict in the development agreement and any of the following documents shall be resolved in the priority listed below with the development agreement taking precedence over all other documents.

- a. Development agreement, including all attachments, exhibits, and supplemental documents included in the Lease;
- b. Lease agreement, including all attachments, exhibits, and supplemental documents included in the Lease;
- c. RFP No. 14-007-DEV, including all attachments, exhibits, and supplemental documents included therein; and
- d. Lessee's accepted proposal.

6.2 LEASE TERM

If a ground lease is both parties' preferred financial arrangement for disposition of the site, HHFDC will consider lease terms of 65 years. The other terms of the ground lease will be negotiated between HHFDC and the Successful Offeror.

6.3 INSURANCE REQUIREMENTS

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

Developer 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 Developer or the Developer's officers, employees, agents or subcontractors.

a. Workers' Compensation

Developer 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. Workers' Compensation insurance premium expense for the Project personnel may be reimbursed by the HHFDC upon review and approval.

b. Liability Insurance

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

Coverage

Commercial General Liability
and
Automobile Insurance

Minimum Policy Limits

Lessee's commercial general liability and automobile liability, including products and completed operations coverage, and automobile liability insurance shall be written on occurrence form and contain broad form property damage and bodily injury coverage of a combined single limit of not less than \$3,000,000 per occurrence and \$5,000,000 in the aggregate arising out of or in connection with operations performed under this Lease. Automobile insurance, and basic no-fault and personal injury protection as required by Hawaii laws, shall be no less than \$1,000,000 per accident. If the Lessee does not own automobiles, it shall maintain Hired & Non-owned Automobile Liability coverage.

Pollution Liability

Pollution Liability Insurance covering Developer's liability for bodily injury, property damage and environmental damage resulting from sudden accidental and gradual pollution and related cleanup costs incurred by Developer's use of the property. Combined single limit per occurrence may not be less than \$3,000,000. Annual aggregate limit may not be less than \$5,000,000. The policy shall name the State, Hawaii Housing Finance and Development Corporation and the Lessor as additional insureds.

Property Insurance

Including Flood and Windstorm written on a replacement cost basis in an amount not less than 100% of the replacement cost of the buildings and contents,

including betterments and improvements, made by Lessee, located on the premises. Lessee shall be responsible for any deductible or self-insurance retention, and to provide these coverages on a primary basis. Coverage should be evidenced on form Acord 27, Evidence of Property Insurance.

Builder's Risk

Prior to commencement of any construction, Lessee shall procure an Inland Marine Builder's Risk coverage form providing coverage to protect the interests of the State of Hawaii, Lessor, Lessee, Lessee's Developers, sub-contractors, architects, and engineers, including property in transit on and off-premises, which should become a part of the project. The builder's risk insurance shall be written on an all risk, replacement cost, and completed value form basis for 100% of the projected completed value of current improvements to be constructed. Coverage should be evidenced on form Acord 27, Evidence of Property Insurance.

Developer's Pollution Liability Insurance

Any general contractor contracted to build a building on the premises shall be required to obtain and maintain Pollution Liability Insurance covering its liability for bodily injury, property damage and environmental damage resulting from sudden accidental and gradual pollution and related cleanup costs arising out of or caused by the operations and construction activities of said general contractor. Combined single limit per occurrence shall not be less than \$3,000,000 and aggregate limit of not less than \$5,000,000. The policy shall have tail coverage extending 5 years beyond the completion of the work contemplated by the applicable construction contract. The policy shall name the State of Hawaii and Lessor as

additional insured parties.

Each insurance policy required by the Lease shall contain the following clauses:

9. It is agreed that any insurance maintained by the State of Hawaii shall apply in excess of and not contribute with insurance provided by this policy.
10. The State of Hawaii and Lessor are added as additional insured parties for operations performed on the property under this Lease.
11. If a general aggregate limit is used, the general aggregate limit shall apply separately to this Lease.
12. Insurance shall include a cross liability or severability of interest clause.
13. If any of the above required insurance is cancelled before the expiration date thereof, Lessee shall provide Lessor with thirty (30) days advance written notice.

The above required insurance shall be primary and shall cover the insured for all operations to be performed under this Lease and on the leased premises, all operations performed incidentally, directly or indirectly connected with all operations to be performed under this Lease and on the premises, including operations performed outside the work area and all change order work.

Lessee agrees to a Waiver of Subrogation for each required policy described herein. When required by the insurer, or should a policy condition not permit the Lessee to enter into a pre-loss agreement to waive subrogation without an endorsement, the Lessee shall notify the insurer and request that the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should the Lessee enter into such an agreement on a pre-loss basis.

Lessee agrees to deposit with Lessor, on or before the effective date of this Lease, certificates of insurance necessary to satisfy Lessor that the insurance provisions of this Lease have been complied with. Lessee further agrees to keep such insurance in effect and current certificates of insurance on deposit with Lessor during the entire term of this Lease. The certificates of insurance shall refer to this Lease.

Lessor shall retain the right at any time to review and approve coverage, form, and amount of the insurance required by this Lease. If, in the reasonable opinion of Lessor, the insurance provisions in this Lease do not provide adequate protection for Lessor, Lessor may require the Lessee to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. Lessor's requirements shall be reasonable but shall be designed with due regard to the then prevailing prudent business practice in the State of Hawaii to assure protection from and against the kind of and the extent of risks which exist at the time a change in insurance is required.

Lessor shall notify the Lessee in writing of any changes in the insurance requirements desired by Lessor. If the Lessee does not deposit copies of insurance policies with Lessor incorporating such changes requested by Lessor within sixty (60) days of receipt of such notice, this Lease shall be in default without further notice to the Lessee and Lessor shall be entitled to all legal remedies, including termination of this Lease, and the Lessee shall be liable for all damages, costs, and fees. If any such insurance changes shall not be available at commercially reasonable rates, Lessee shall have the right to contest Lessor's request.

The procuring of the required policy or policies of insurance shall not be construed to limit the Lessee's liability under this Lease nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding the policy or policies of insurance, the Lessee shall be obligated for the total amount of any damage, injury, or loss incurred under or related to this Lease to the extent the Lessee is liable therefore under Sections 11, 15, or 32 of the Lease.

All rights or claims or subrogation against the State of Hawaii and Lessor, their officers, employees, and agents are waived.

Lessee shall procure from each of the insurers under all policies of insurance obtained pursuant to the provisions of this Lease, including but not limited to public liability and fire insurance, a waiver of all rights of subrogation which said insurer might otherwise have, as against the other party hereto, said waiver to be in writing and for the express benefit of the other.

6.4 RESERVED

6.5 RESERVED

6.6 RESERVED

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 Developer in connection with the contract, the Developer, 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 RESERVED

6.11 RESERVED

6.12 RESERVED

6.13 RESERVED

6.14 NON-DISCRIMINATION

The Developer 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 Developer 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 Developer represents that neither the Developer, nor any employee or agent of the Developer, 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 Developer'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 11-355, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the Developer is paid with funds appropriated by a legislative body.

6.19 COMPLIANCE WITH APPLICABLE LAWS

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

SECTION SEVEN

ATTACHMENTS AND EXHIBITS

Attachment 1: OFFER FORM, OF-1

Exhibit A: Zoning Map

Exhibit A: Location Map

Exhibit B: Villages of Kapolei Design Guideline

Exhibit C: Site Map

Exhibit D: Memorandum of Understanding with Department of Hawaiian Homelands

Exhibit E: First Hawaii Title Report

**OFFER FORM
OF-1**

**Kapolei Parkway 9-Acre Vacant Parcel within the Villages of Kapolei
STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
RFP No. 14-007-DEV**

Executive Director
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 in the General Conditions, attached in Exhibit A and made a part of the Contract; 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 the offer(s) submitted was (were) independently arrived at without collusion;
- 3) 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 Developer or in participation in the benefits of any program or activity funded in whole or in part by the State;
- 4) acknowledges and agrees that Offeror shall comply with HRS Section 11-355, which states that campaign contributions are prohibited from a State and county government contractor during the term of the contract if the Developer is paid with funds appropriated by a legislative body; and
- 5) 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.: _____

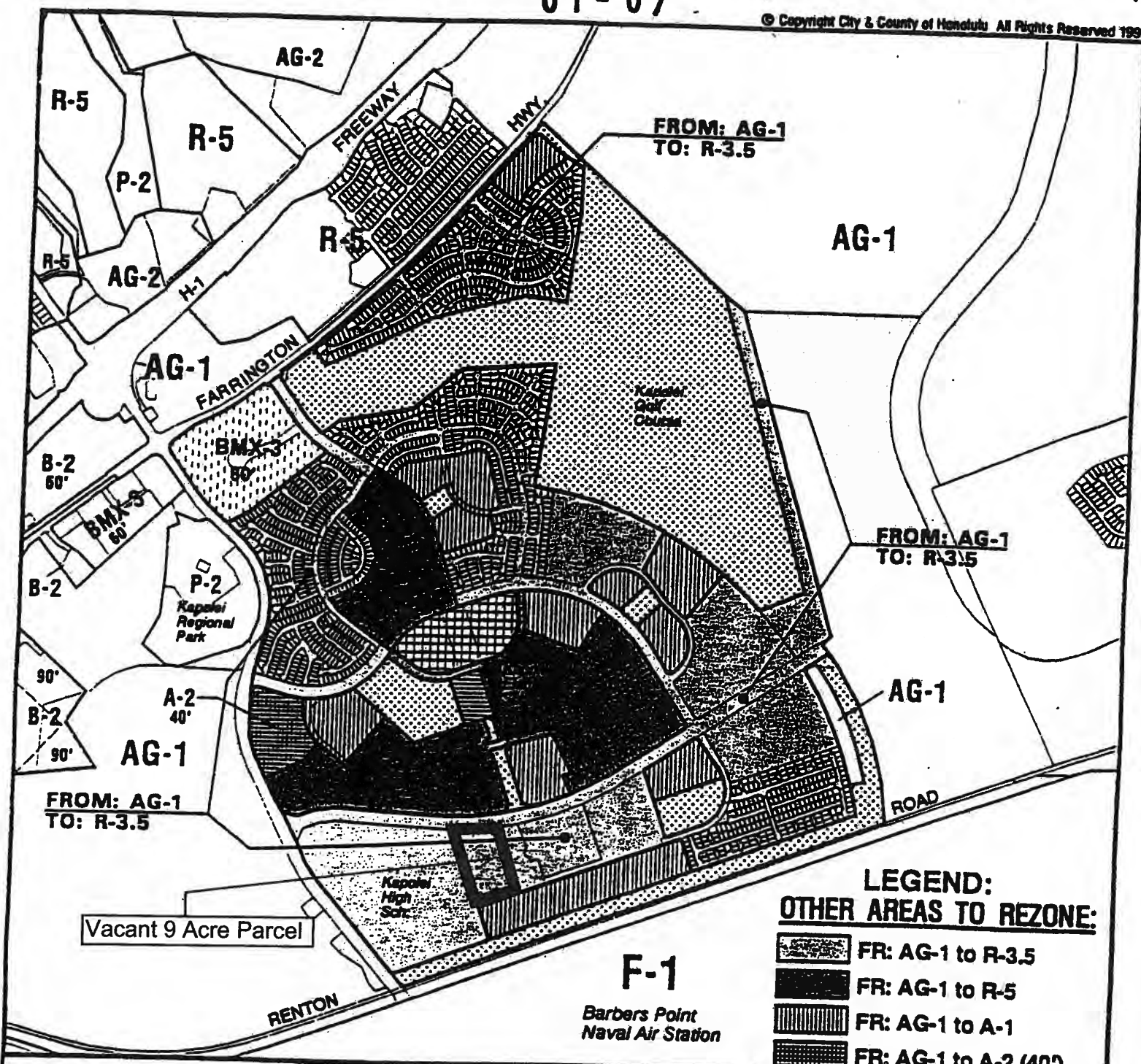
Fax No.: _____

Name and Title (Please Type or Print)

E-mail Address: _____

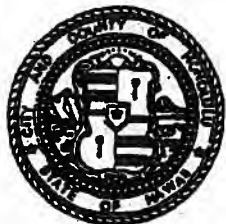
**** Exact Legal Name of Company (Offeror)**

****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:** _____



LEGEND: OTHER AREAS TO REZONE:

- FR: AG-1 to R-3.5
- FR: AG-1 to R-5
- FR: AG-1 to A-1
- FR: AG-1 to A-2 (40')
- FR: AG-1 to P-2
- FR: AG-1 to BMX-3 (60')
- FR: AG-1 to AMX-1
- FR: AG-1 to B-1



0 750 1500
Scale in Feet

PORTION OF ZONING MAPS NO. 12 & 13 (EWA BEACH - IROQUOIS POINT) (MAKAKILO)

APPLICANT: DEPT. OF PLANNING AND PERMITTING

TAX MAP KEY(S): 9-1-16, 59, 60, 68, 71, 72, 77 to 81,
84, 91, 92, 98, 99, 104 & 105


FOLDER NO: 99/Z-5

LAND AREA: APPROXIMATELY 888 ACRES

PREPARED BY: DEPT. OF PLANNING & PERMITTING
CITY AND COUNTY OF HONOLULU

PUBLIC HEARING: PLANNING COMMISSION CITY COUNCIL
9/27/00

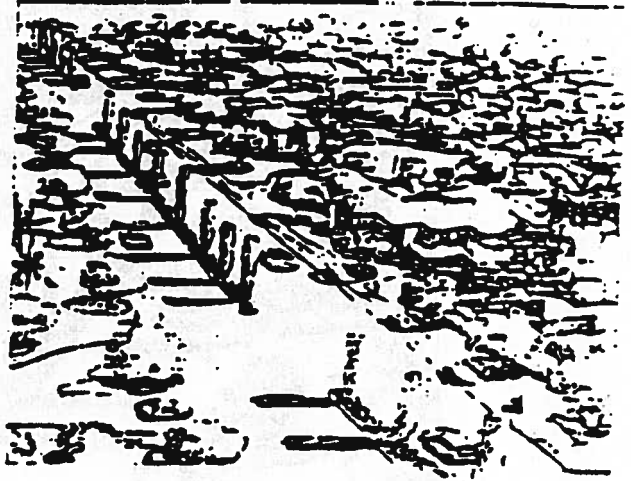
Exhibit A

An aerial photograph showing a mix of natural and developed land. A red arrow points from a text box in the lower-left towards a small, cleared area in the center of the image. The surrounding landscape includes fields, some buildings, and a road on the right side.

**Subject Parcel
TMK (1) 9-1-16-88**

Exhibit A

Design Guidelines

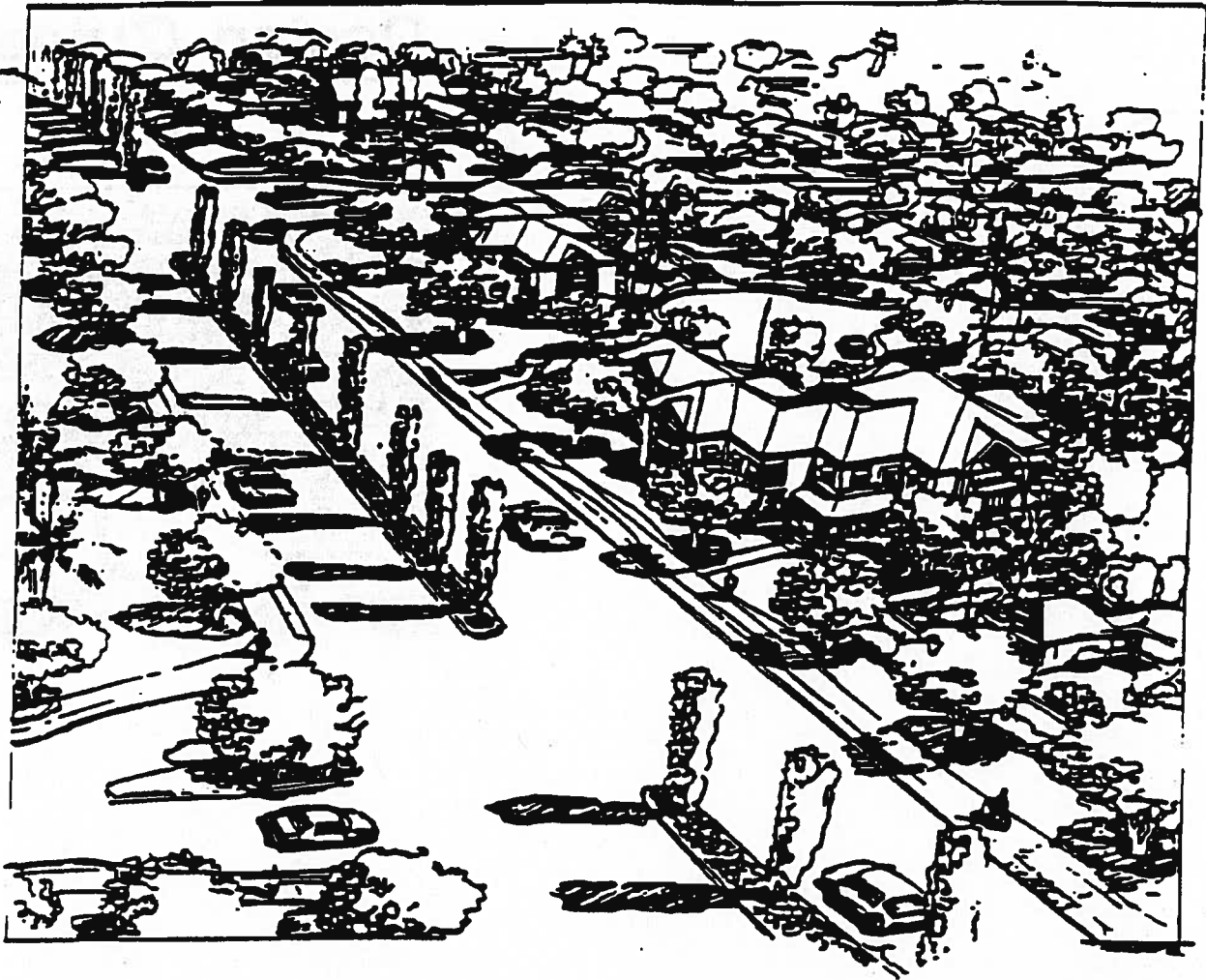


Kapolei Village

Exhibit B

KAPOLEI VILLAGE DESIGN GUIDELINES

INTRODUCTION



These design guidelines have been prepared by The Housing Finance and Development Corporation (HFDC) to provide the Developer/Builder for each residential village with general design parameters along with some specific requirements. It is the intent of these guidelines to provide the Builder with a great deal of flexibility in designing an interior village while ensuring a certain level of continuity throughout. Where the guidelines say "may," this is permissive, but "shall" and "will" are mandatory unless written approval has been obtained from HFDC to make a change from the guidelines.

All site plans, housing plans and elevations, walls, fences, signs, lighting, entry treatments and landscaping and irrigation plans must be approved by the HFDC Design Review Committee (DRC).

Some of the presentations are suggestions or concepts offered for your consideration. The intent of providing these suggestions and concepts is to increase communication between HFDC and the Builder. The Builder is encouraged to discuss concepts and ideas with the staff. Originality as well as new and innovative concepts will be given careful consideration by the HFDC staff.

The goal of HFDC for Kapolei Village is to "develop a quality residential community at a cost which will provide the majority of the housing for families which are currently unable to purchase homes on the open market." These guidelines have been prepared with these goals in mind. If you, the Builder, have any suggestions for additions or changes, we encourage you to discuss these ideas with our staff.

The guidelines have been divided into three sections:

1. Single-family Residential Standards
2. Multi-family Residential Standards
3. Street and Infrastructure Standards.

All plans must be approved by the Design Review Committee prior to or in conjunction with the public agency processing. Concepts, preliminary plans and elevations should be approved by the Committee before starting final plans.

A Declaration of Covenants, Conditions and Restrictions (CC&R's) has been or will be recorded for Kapolei Village. The Builder is advised that there are design constraints within the CC&R's.

Villages may have different housing mixes. Special effort is expected from the Builder's consultants to achieve a compatible blending of these housing mixes into a well-planned and developed community.

SINGLE FAMILY DETACHED RESIDENTIAL

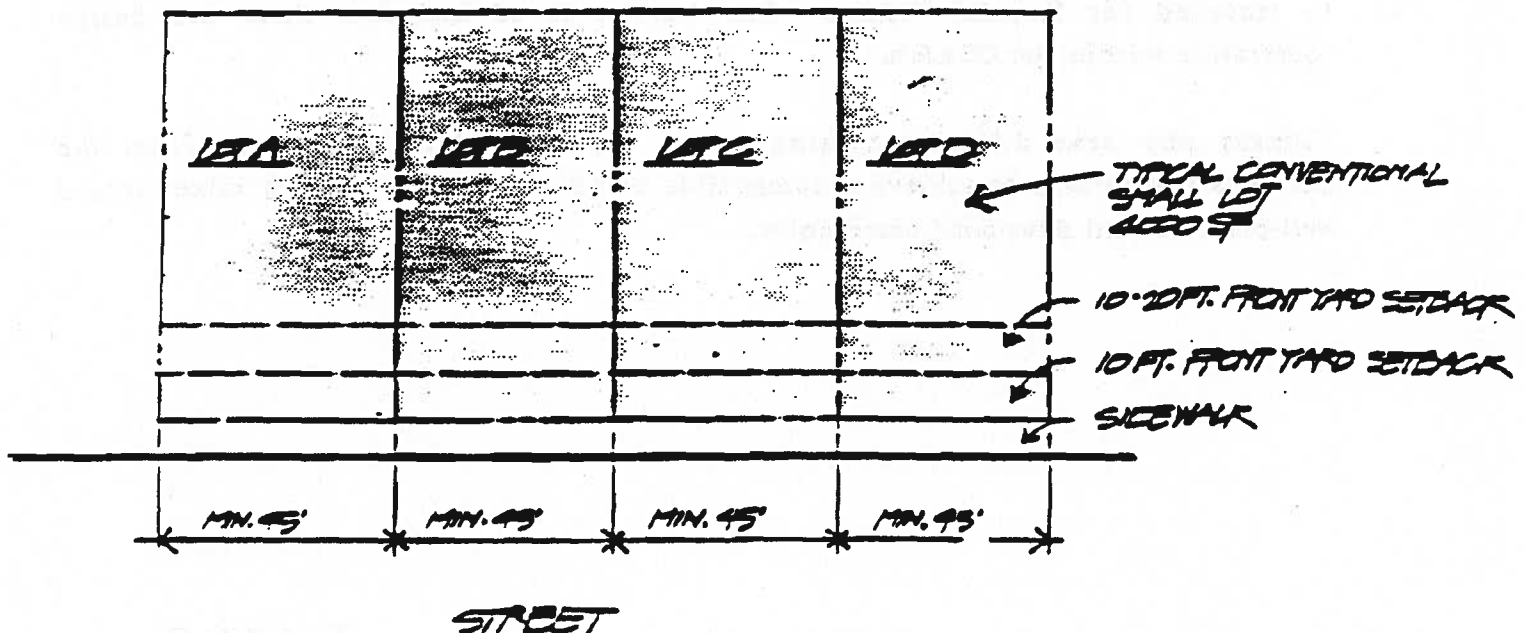
The dream of most prospective home purchasers in Hawaii is to own a single family detached house with a private yard and a two-car garage. This is a reality which HFDC hopes to achieve providing approximately three-quarters of the dwelling units at Kapolei Village to meet this demand.

However, due to the relatively high densities which are needed to make the overall development feasible, innovative planning and design will be required to provide the quality which is so necessary to create a successful neighborhood and community. In order to meet these density requirements while still providing single-family detached homes, these guidelines offer three different lot planning concepts:

Conventional Small Lots - These lots (which can also take the form of zero-lot-line home sites, Z-lots, angled lots and zipper lots) contain a detached home connected to a garage with direct driveway access to the street in front. Although this is the preferable layout and should be the dominant lot type throughout Kapolei Village, minimum widths for these types of lots have been imposed in order to reduce the visual impact of garage doors on the neighborhood street scene. These minimum widths may impose density constraints which make it difficult to achieve the required unit count for each village.

Conventional Small Lots

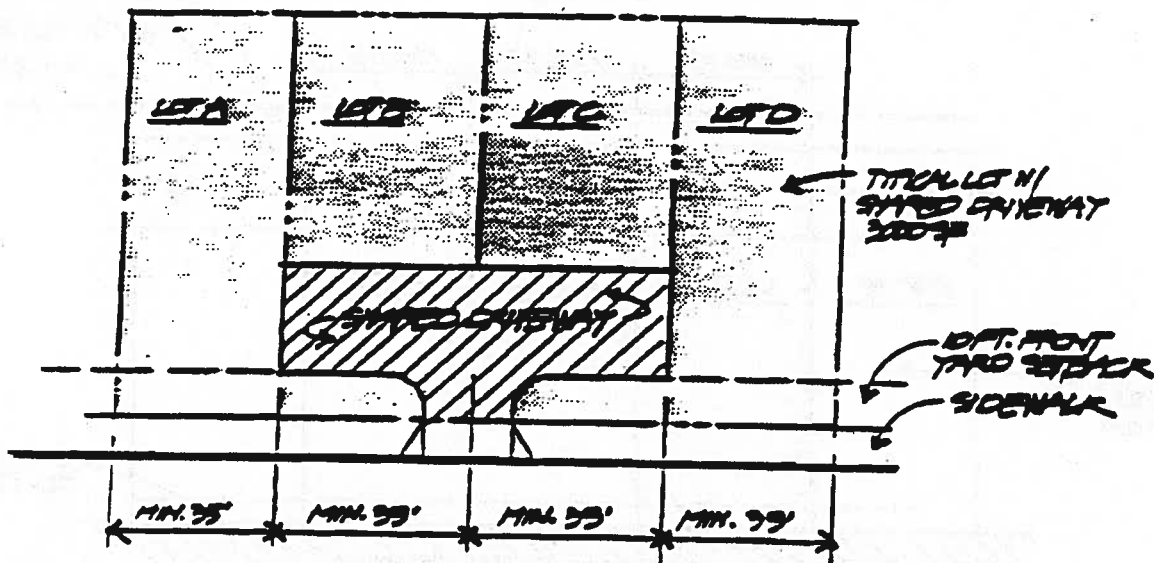
- Minimum lot width at front yard setback: 45 feet
- Desirable minimum lot size: 4,000 square feet



Lots with Shared Driveways - These guidelines permit narrower and smaller lots for detached single family homes that share driveways through the use of central motor courts for two to four units. Since garage doors do not dominate the street scene in this condition, narrower lots and higher densities may be possible if needed to achieve the required unit count. In addition, these types of lots are preferable to conventional small lots along major internal entry and collector roads where the number of residential driveways and backing movements into traffic should be minimized.

Lots with Shared Driveways:

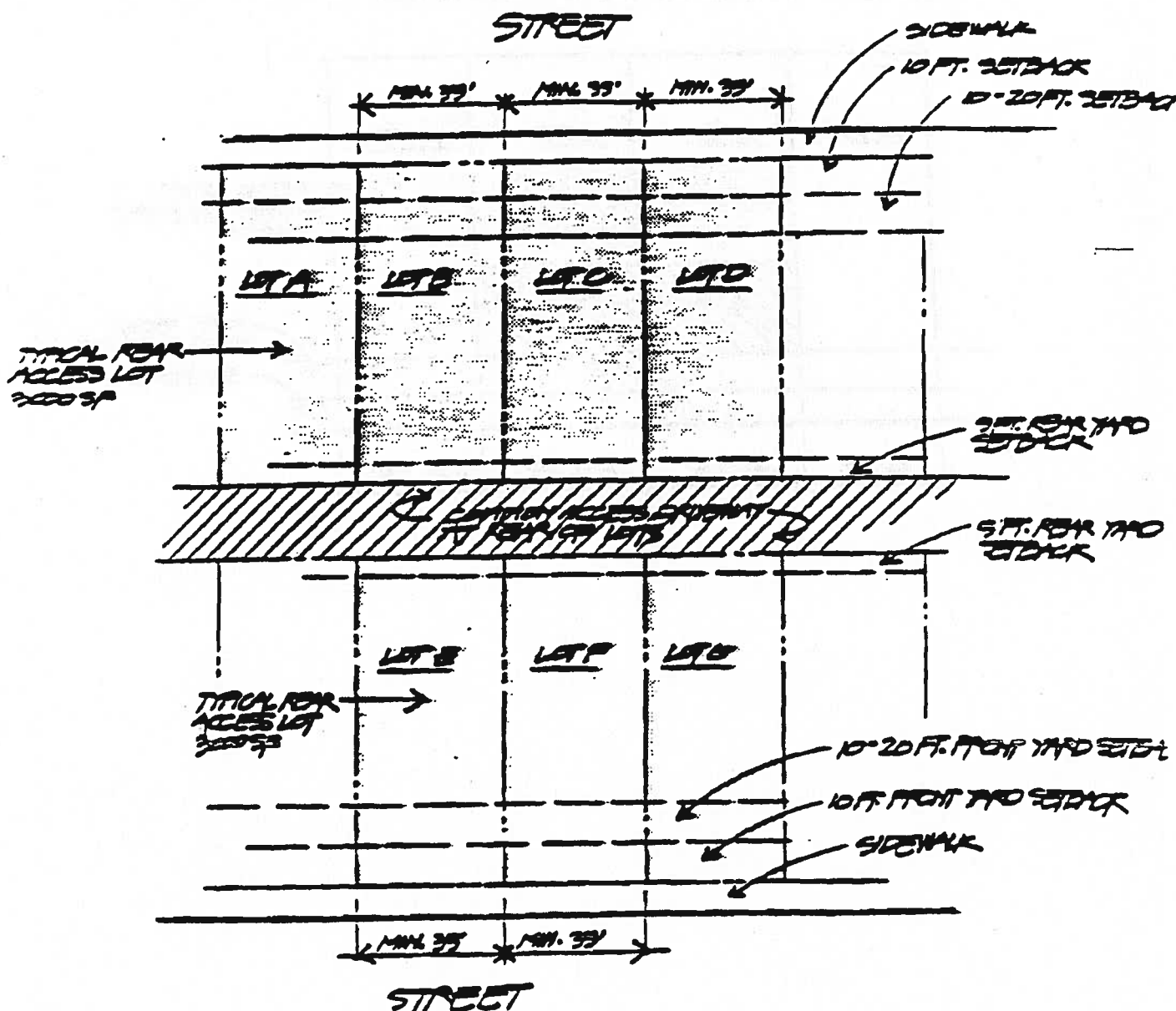
- Minimum lot width at front yard setback: 35 feet
- Desirable minimum lot size: 3,000 square feet



Rear Access Lots - Narrower and smaller lots are also permitted if the garages are placed at the rear of the lot and accessed by an alley. This allows the front of each house to dominate the street scene rather than the garage doors, and it eliminates all driveways, making it even better for entry or collector road frontage. However, care must be taken to design the alleys in such a way that they are not narrow strips of asphalt or concrete lined with garages and garbage cans.

Rear Access Lots:

- Minimum average lot width: 35 feet
- Desirable minimum lot size: 3,000 square feet



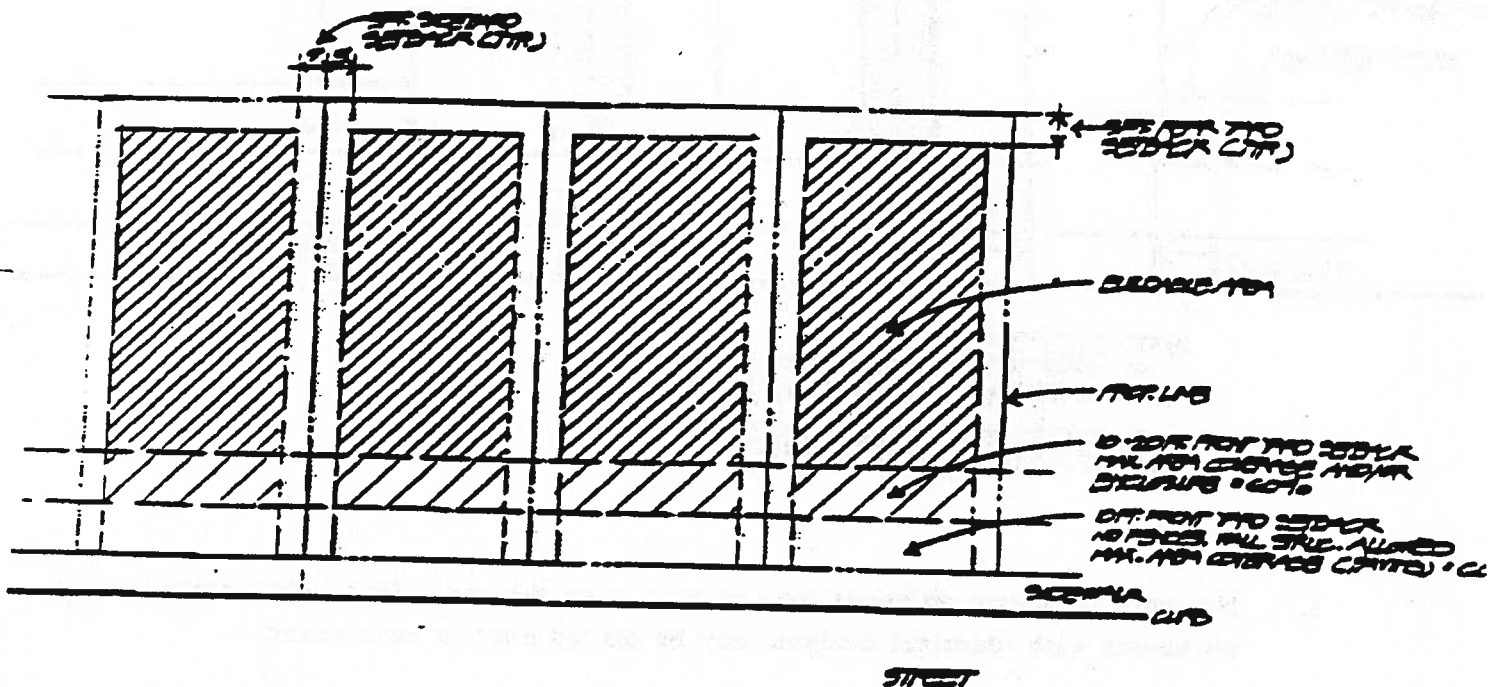
Other lots:

Pie-shaped lots, flag lots and other odd-shaped parcels shall be avoided except where conventional layouts or access cannot be efficiently provided.

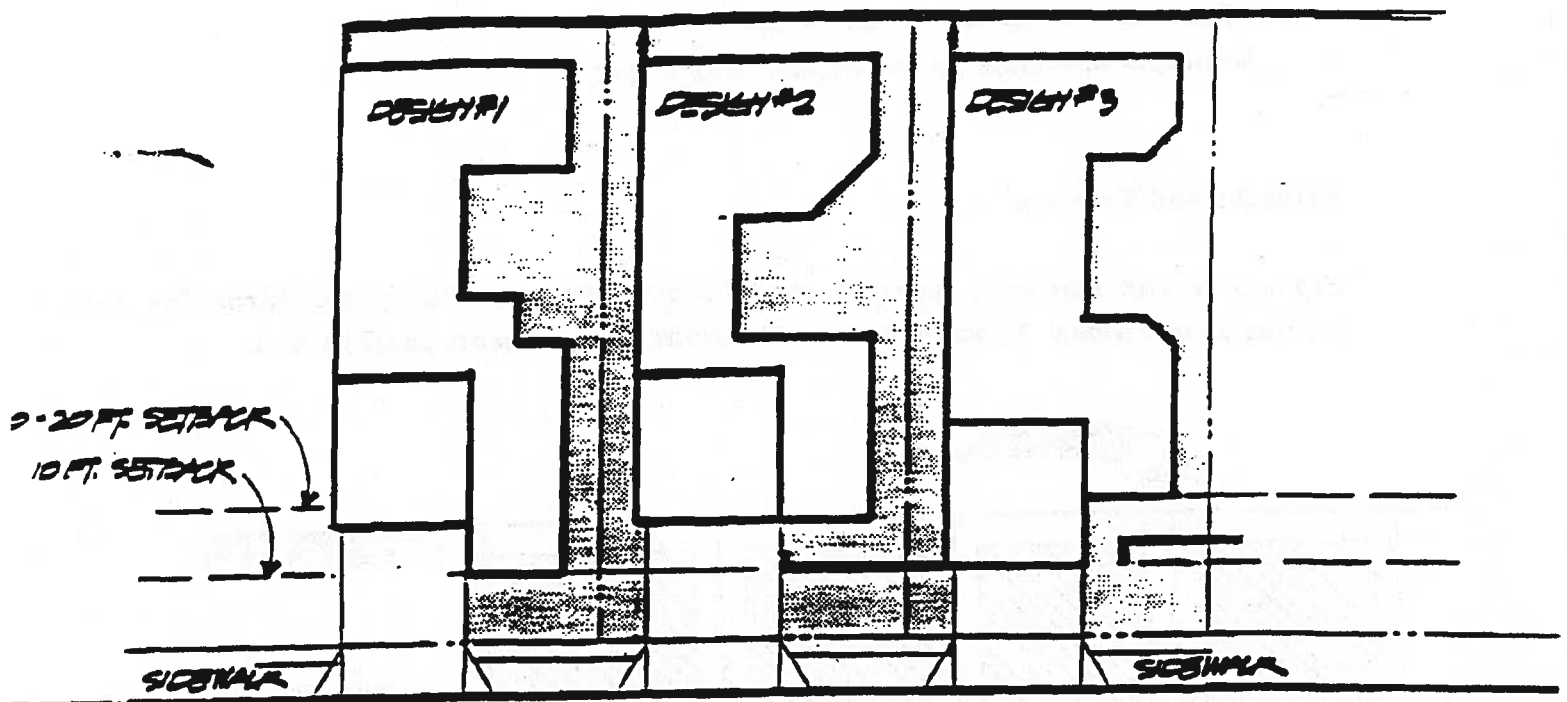
- Minimum average lot width: 45 feet
- Desirable minimum lot size: 5,000 square feet

Setbacks and Coverage

Front, side and rear yard setbacks shall follow City and County standards for zero lot line subdivisions. In addition, the following requirements shall be met:



1. No fences, walls or structures of any kind may be placed within 10 feet of the front property line, and no more than 60% of this area may be covered by driveways, walkways and other impervious surfaces.
2. Between 10 and 20 feet of the front property line, no more than 60% of the area shall be covered by any building or enclosed by any fence or wall.

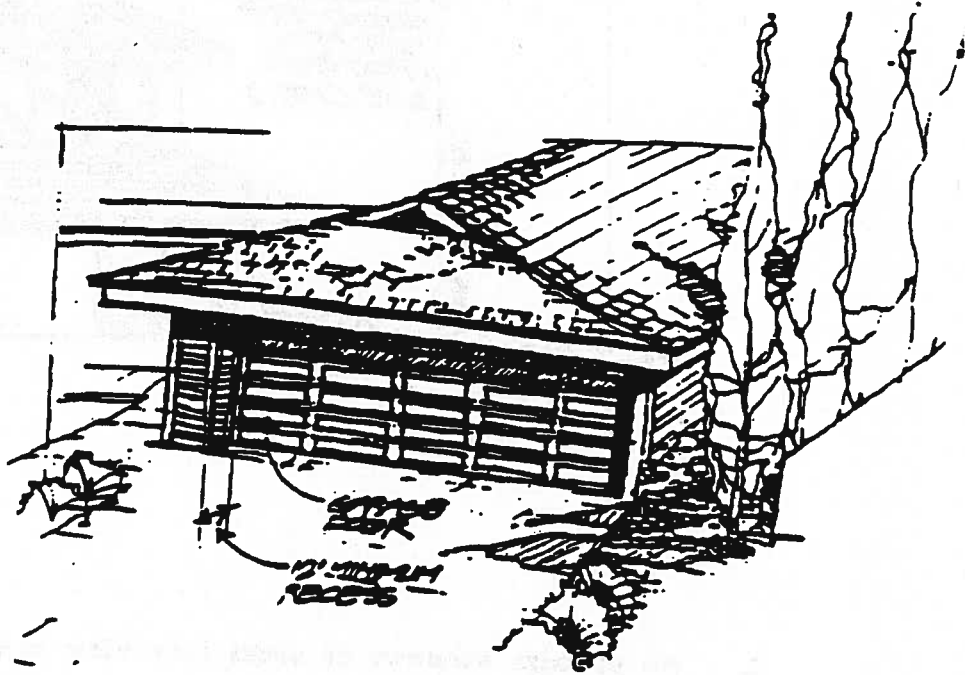


MAX STREET SETBACK
 NO MORE THAN 2 ADJACENT HOUSES
 MAY HAVE THE SAME FRONT YARD SETBACK
 NO HOUSES WITH IDENTICAL DESIGN MAY BE
 PLACED NEXT TO EACH OTHER

3. No more than two adjacent houses may have the same front yard setback and no houses with identical designs may be placed next to each other.
4. Maximum lot coverage (including garages) shall not exceed 50% of the total lot area.
5. Every effort should be made to maximize usable yard space for both visual and functional purposes. Narrow side yards should be avoided except where needed for access, ventilation or drainage.

Garages and Parking

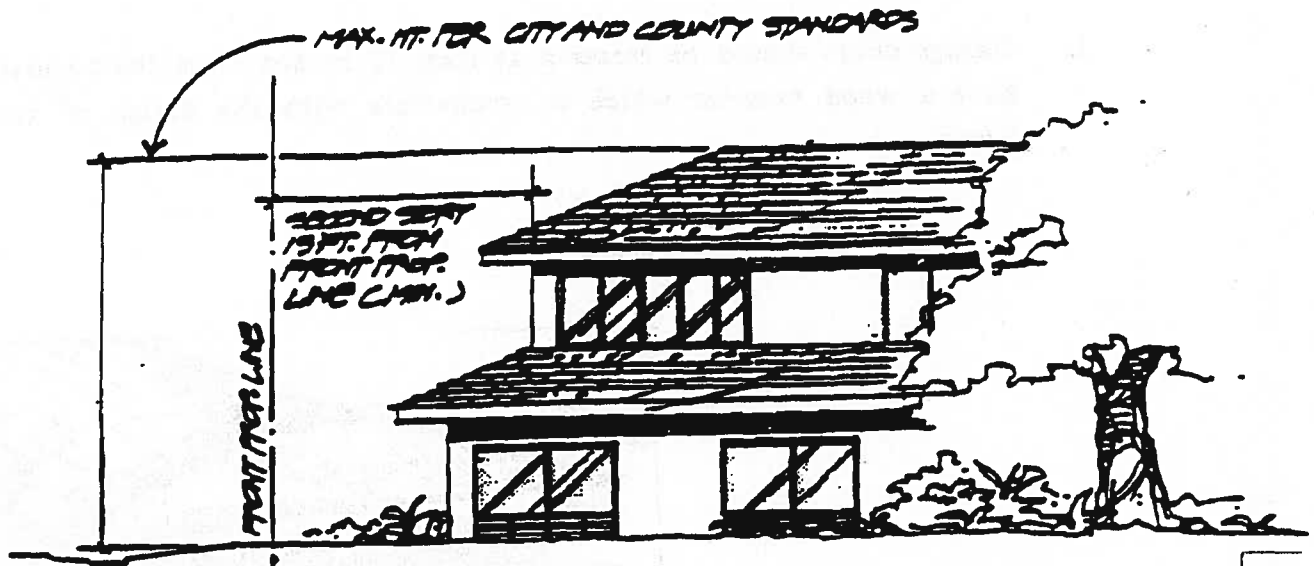
1. A 2-car enclosed garage with a garage door shall be required for all single-family detached homes.
2. Garages which are within 15 feet of the front property line shall have automatic garage door openers.
3. Garage doors should be recessed at least 12 inches from the building face and have a wood exterior which is compatible with the design of the adjoining house.



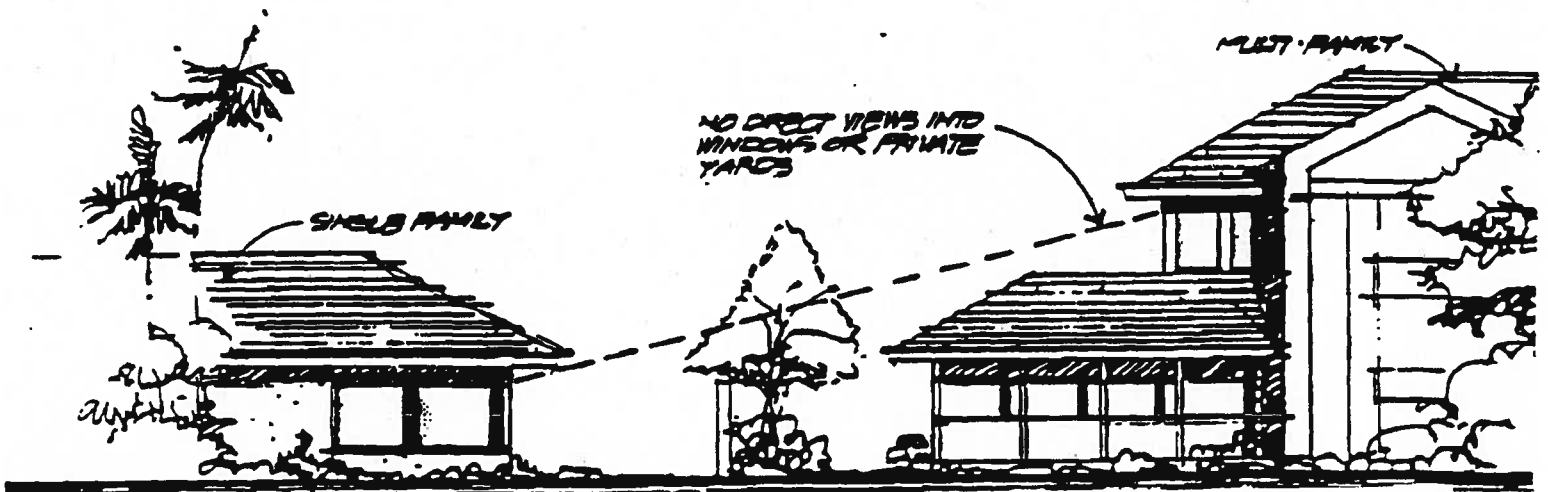
Building Heights and Elevations

Building heights shall not exceed City and County standards. In addition, the following guidelines shall be observed:

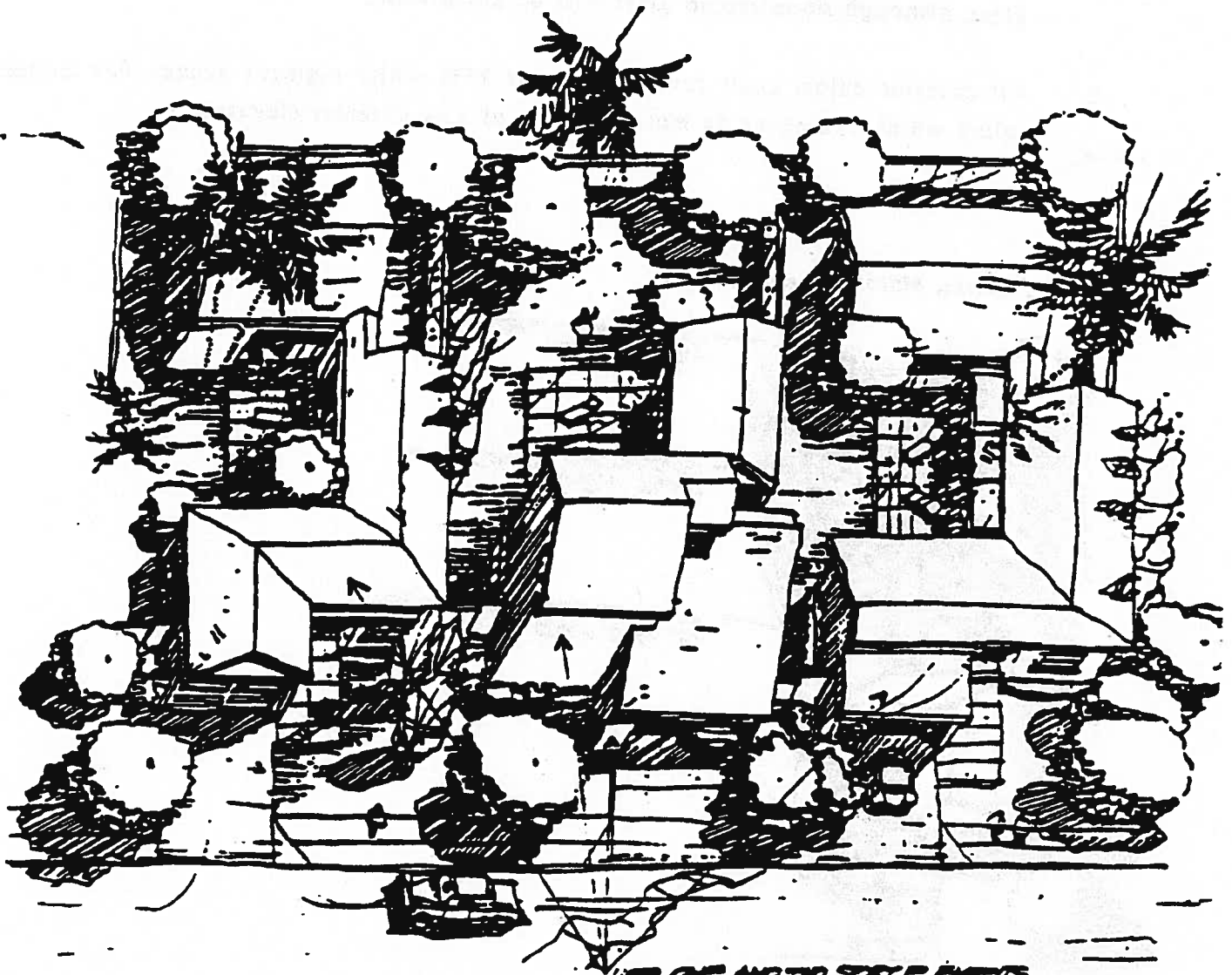
1. Second story portions of any house must be set back at least 15 feet from the front property line.



2. No upstairs windows or decks may view directly into side or rear neighbors' windows or private yard areas.



3. Front elevations should mix one and two story elements and utilize projections and recesses wherever possible to create a varied street frontage.

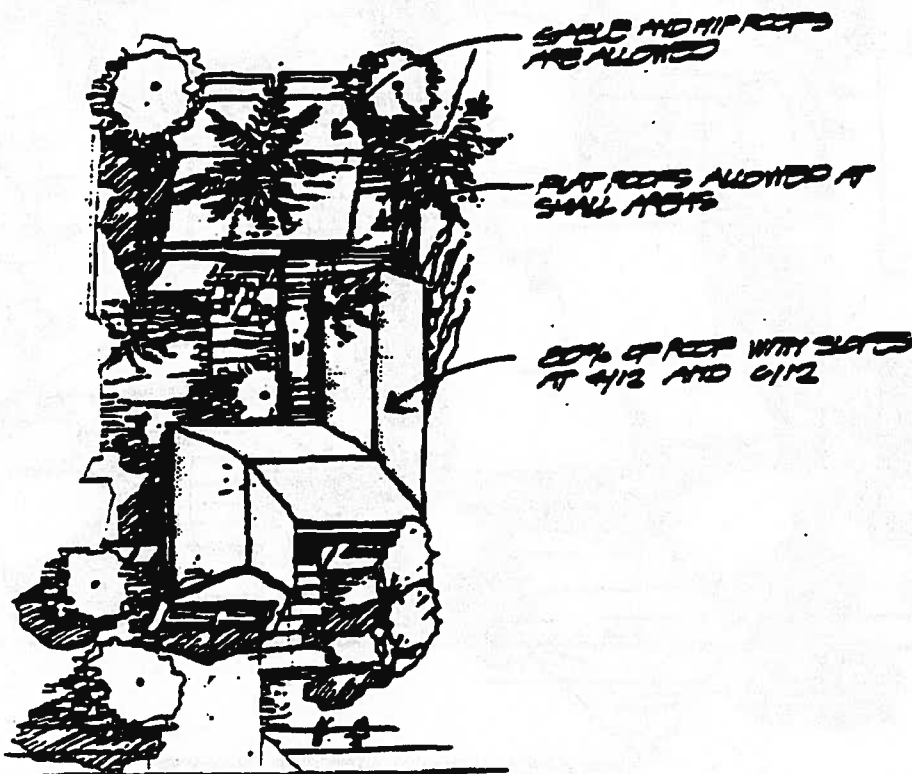


USE ONE AND TWO STORY ELEMENTS,
RECESSES AND PROJECTIONS AT
STREET FRONTAGE

Exterior Wall Materials and Colors

1. All exterior wall materials shall have non-reflective, textured surfaces (except glass, although no mirrored glass will be permitted).
2. All exterior colors shall contain at least 75% white pigment except for accent colors which can cover no more than 5% of any exterior elevation.

Roof Pitches, Materials and Colors



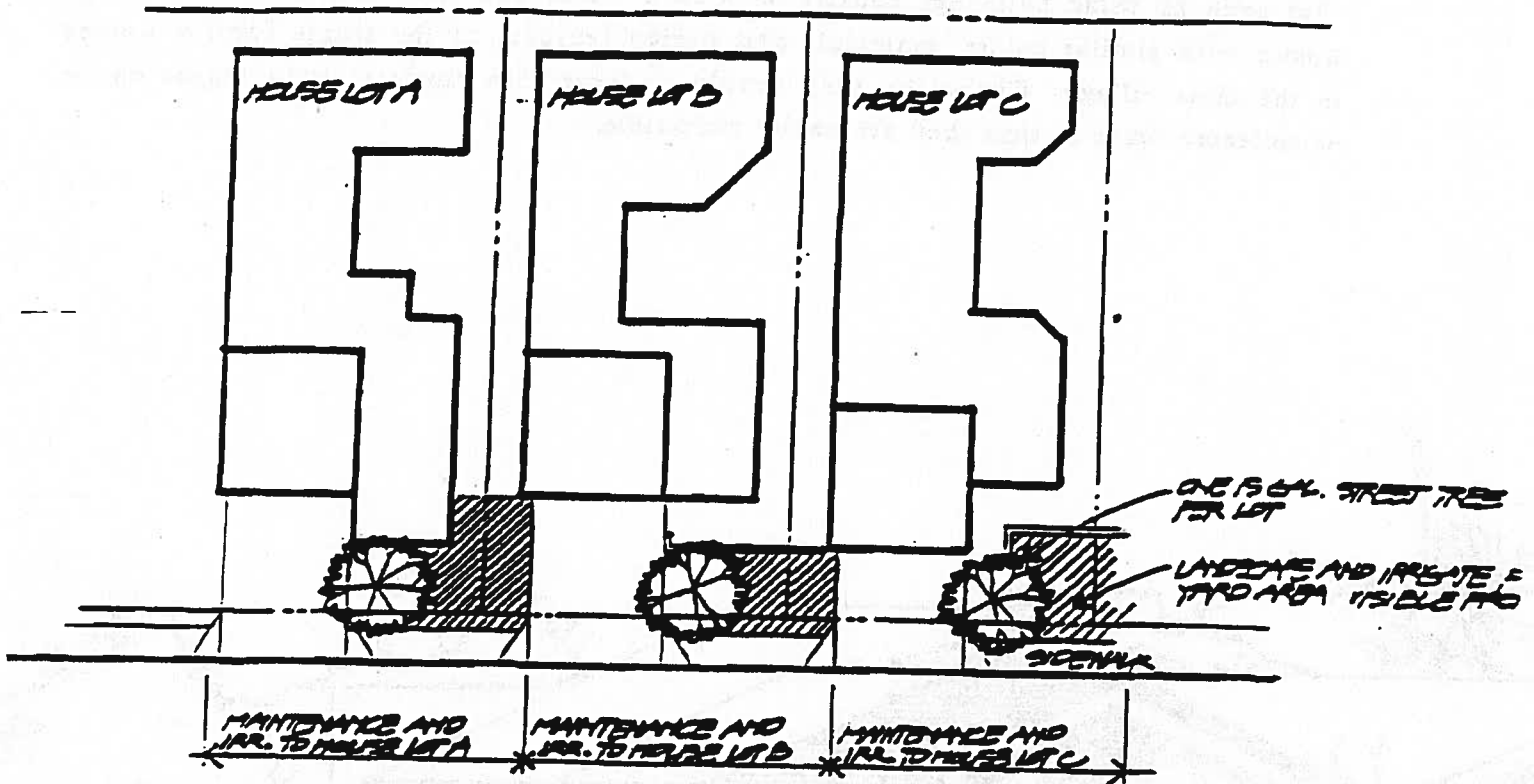
1. At least 80% of each house's roof must have slopes between 4 : 12 and 6 : 12. Both gable and hip roofs may be utilized, but mansard and other extreme roof styles are prohibited. Flat roofs may be used to cover small areas.
2. A minimum of 30-inch eaves are required over all wall openings (excluding vents).
3. Visible roof areas for all units in a village must be of non-reflective compatible colors unless otherwise approved.
4. Roof materials shall be consistent throughout a village area.

Fences and Walls

1. All side and rear yards must be enclosed with six foot high walls or fences except where house or garage walls serve as lot dividers.
2. All walls and fences must be constructed of opaque materials (no chain-link fences) which are compatible in design and color with the adjacent homes.

Landscaping Standards/Guidelines

1. All front yards (portions which are visible to the street) must be planted in grass and provided with irrigation systems including automatic controllers.



(The controllers and irrigation systems should be designed so that future homeowners can expand them to cover side and rear yard areas.)

2. At least one 15 gallon tree (minimum size 1.5" caliper, 8' high) must be provided within 5 feet of the front property line for each lot. (A master tree planting plan must be submitted by the Builder to the DRC).
3. Shrubs, ground cover and additional trees may be provided within five feet of any structure to soften the exterior elevations and break up the wall effect along the street.

MULTI-FAMILY RESIDENTIAL

In order to reach the lower end of the affordable housing market and provide dwelling units with costs commensurate with their lower sales prices, multi-family units are being prescribed for most villages at Kapolei. Although the units may be smaller and attached in either a horizontal or vertical format, they are intended to be totally integrated into the adjacent single-family neighborhoods. It is intended that each of these buildings consist of 4 to 8 units, and that they look like large homes with similar colors, materials and design features as the single-family homes in the same village. Generally, they should be located in clusters along major entry or collector roads so that they are easily accessible.

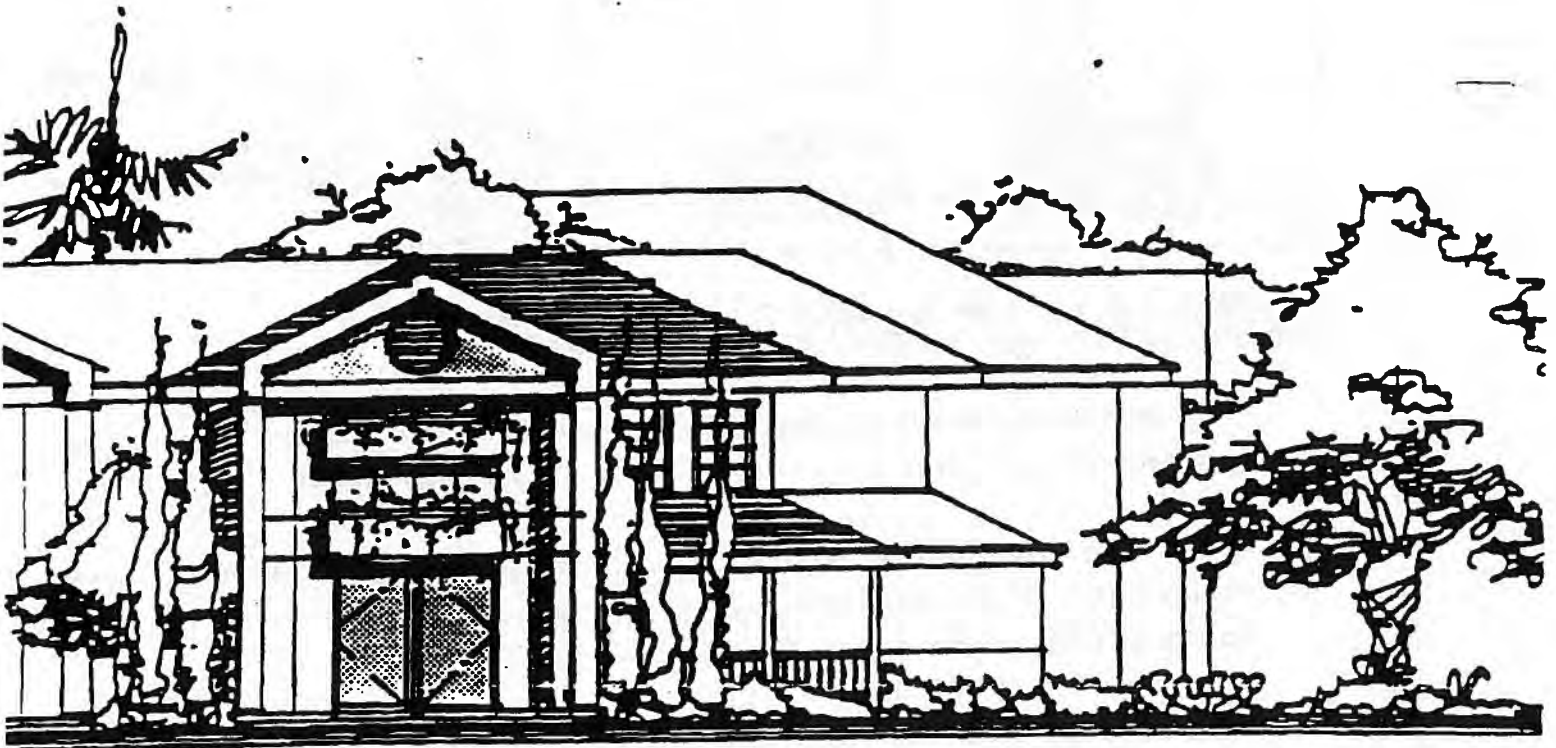


Exhibit B

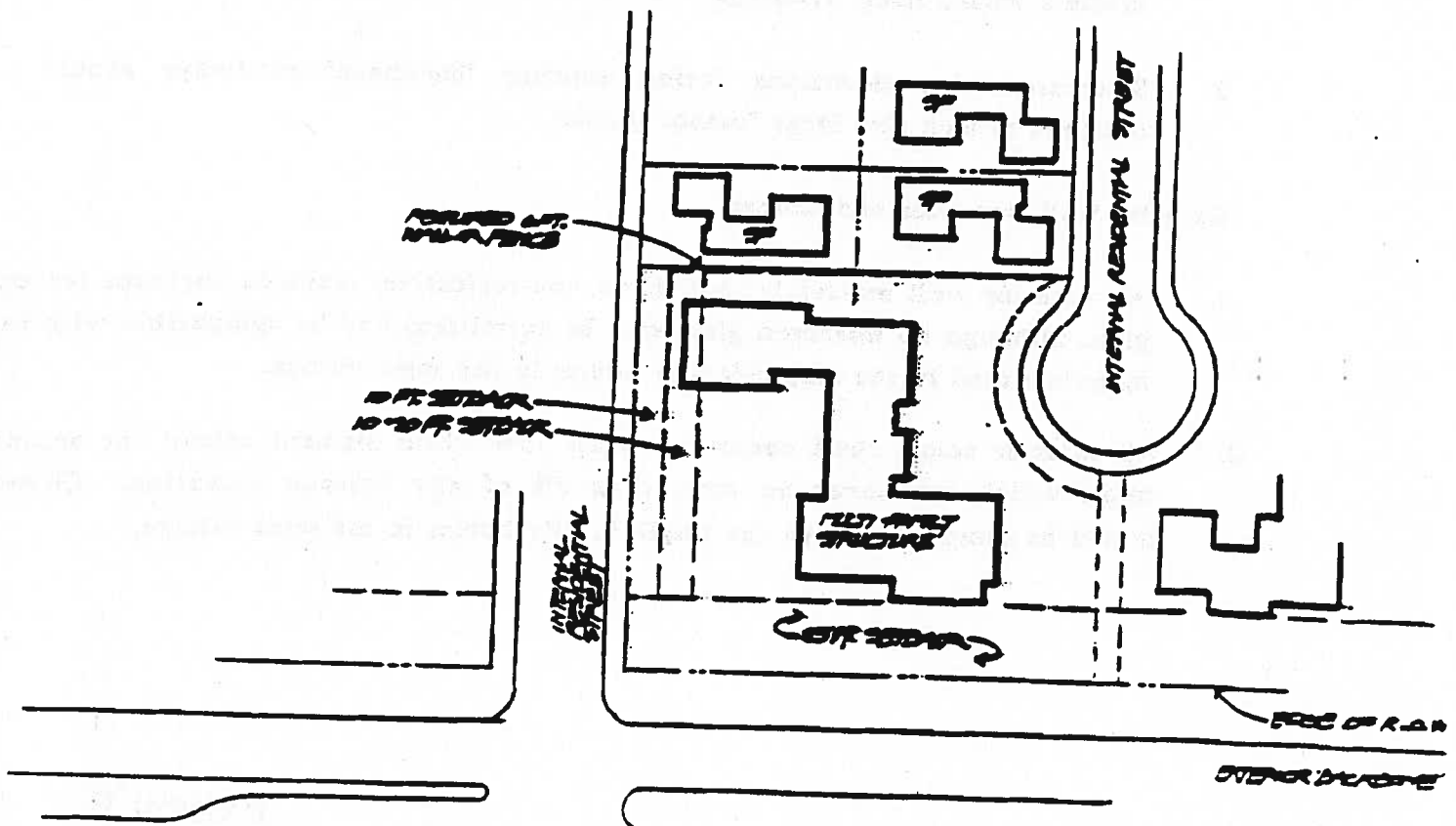
Lot Sizes and Dimensions

Minimum lot sizes and dimensions should follow City and County standards for low density multi-family housing (A-1 District). However, maximum lot sizes should not exceed approximately 2 acres since 30 to 40 units is the maximum number which is desirable in any one area.

Setbacks and Coverage

Setbacks shall conform to City and County standards for low density multi-family housing. In addition, the following requirements shall be met:

1. No fences, walls or structures of any kind may be placed within 10 feet of a property line fronting an internal residential roadway although berms will be permissible to screen open parking areas.
2. Between 10 and 20 feet of a property line fronting an internal residential roadway, no more than 60% of the area shall be covered by any building or enclosed by any fence or wall.
3. A minimum 25-foot setback shall be provided where multi-family structures front on an exterior "backbone" roadway. This entire setback area shall be unobstructed with walls, fences or other structures.



Parking

1. Open parking will be permitted for multi-family units. The parking ratio shall be 1.75 stalls per unit.
2. No parking will be permitted in the 25-foot setback area fronting on exterior "backbone" roadways.

Building Heights and Elevations

Building heights shall not exceed City and County standards for low density multi-family housing. In addition, the following guidelines should be observed:

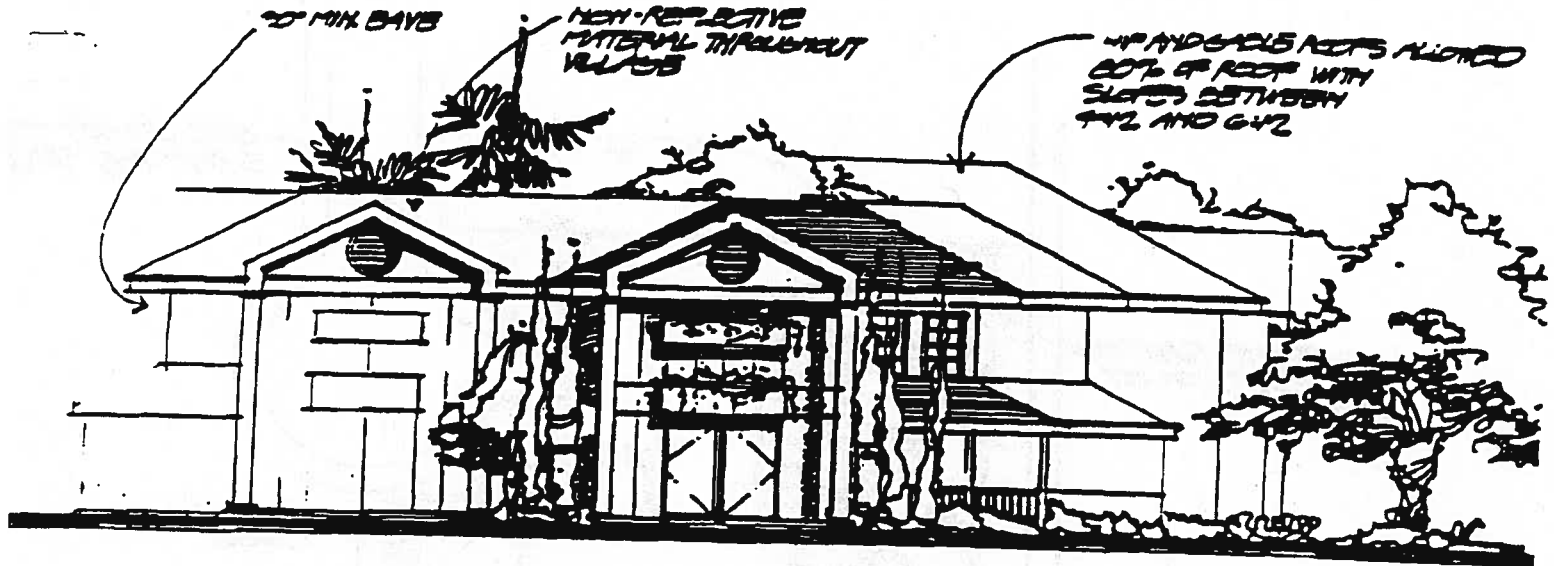
1. Where multi-family parcels abut single-family home sites, single story elements are recommended, and in no case should upstairs windows or decks view directly into adjacent single-family windows or private yard areas.
2. Front elevations should utilize projections and recesses wherever possible to create a varied street frontage.
3. Structures with elevations facing exterior "backbone" roadways should be designed to look like large "manor" homes.

Exterior Wall Materials and Colors

1. All exterior wall materials shall have non-reflective, textured surfaces (except glass, although no mirrored glass will be permitted) and be compatible with the materials used in the single-family homes in the same village.
2. All exterior colors shall contain at least 75% white pigment except for accent colors which can cover no more than 5% of any exterior elevation. Colors should be compatible with the single-family homes in the same village.

Roof Pitches, Materials and Colors

1. At least 80% of each building's roof which is visible from the street or adjoining properties must have slopes between 4 : 12 and 6 : 12 to match the slopes of adjacent single-family detached units. Both gable and hip roofs may be utilized, but mansard and other extreme roof styles are prohibited.
2. A minimum of 30-inch eaves are required over all wall openings (excluding vents).
3. Visible roof areas must be of non-reflective colors which are compatible with adjacent single-family units unless otherwise approved.
4. Roof materials shall be consistent throughout a village area.

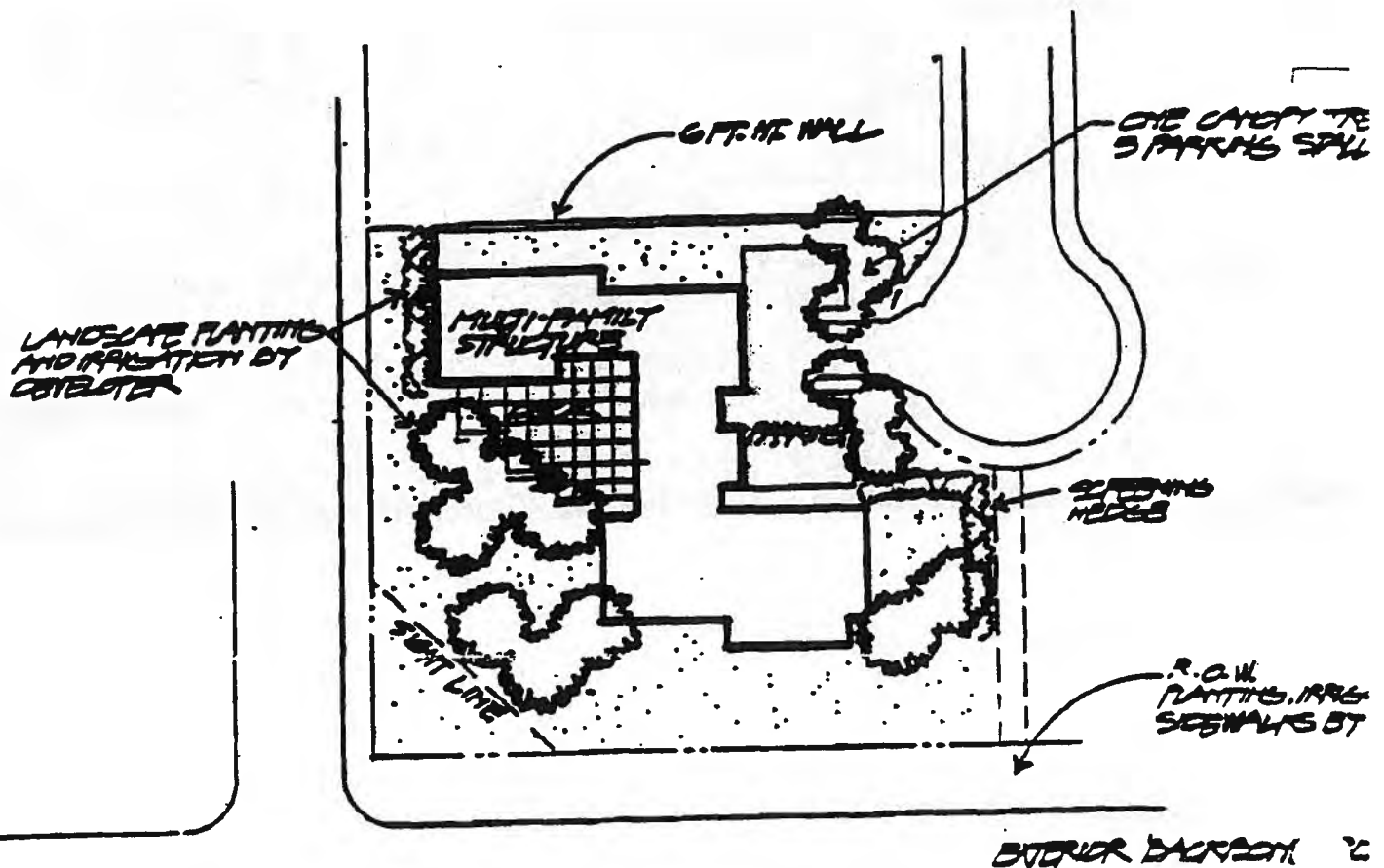


Fences and Walls

1. All side and rear yards abutting single-family residential units must be enclosed with six foot high walls or fences.
2. All walls and fences must be constructed of opaque materials (no chain-link fences) which are compatible in design and color with the multi-family and adjacent single-family structures.

Landscaping Standards/Guidelines

1. All yards must be landscaped and provided with irrigation systems including automatic controllers. (A landscape plan for the entire parcel must be submitted by the Builder to the DRC.)
2. All parking lots shall be landscaped with one canopy tree per 5 parking stalls. Parking lots fronting internal residential roadways or adjacent properties shall be screened with berms and/or hedges.



STREET AND INFRASTRUCTURE STANDARDS

A. Streets

Streets in interior villages within Kapolei Village should be generally curvilinear as HFDC wants to minimize the wall effect created by long straight streets. Cul-de-sacs (not exceeding 300 feet in length) shall be used as extensively as possible. All roads are to be dedicated to the City and County and must meet City standards except:

1. Rolled curbs may be utilized on minor streets and cul-de-sacs (44-foot rights-of-way and less).
2. Four-foot wide sidewalks may be placed adjacent to the curbs on these same streets. Where street signs, fire hydrants, ganged mailboxes and other curbside elements are required, sidewalks may be widened to maintain a constant unobstructed width.

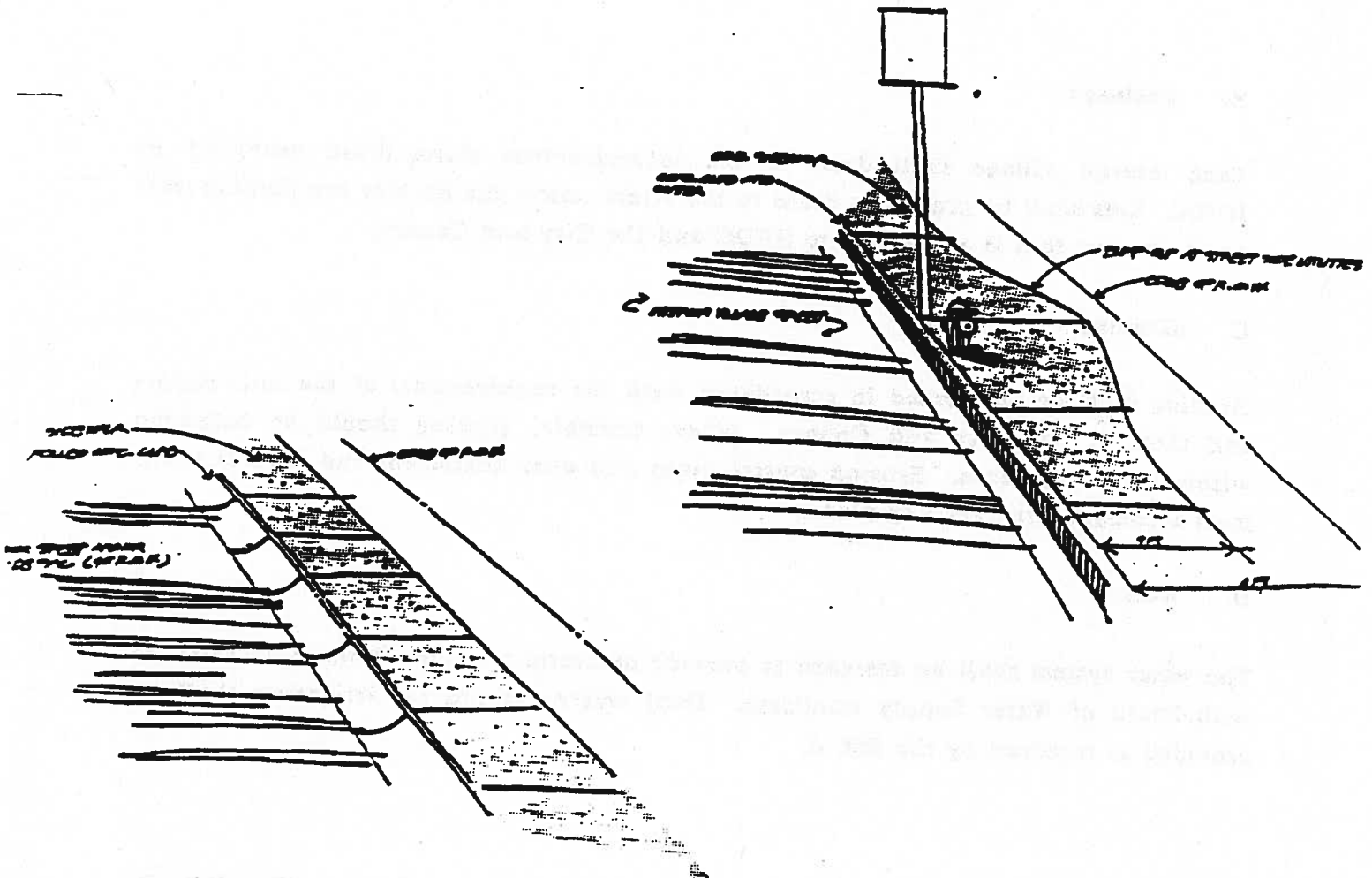
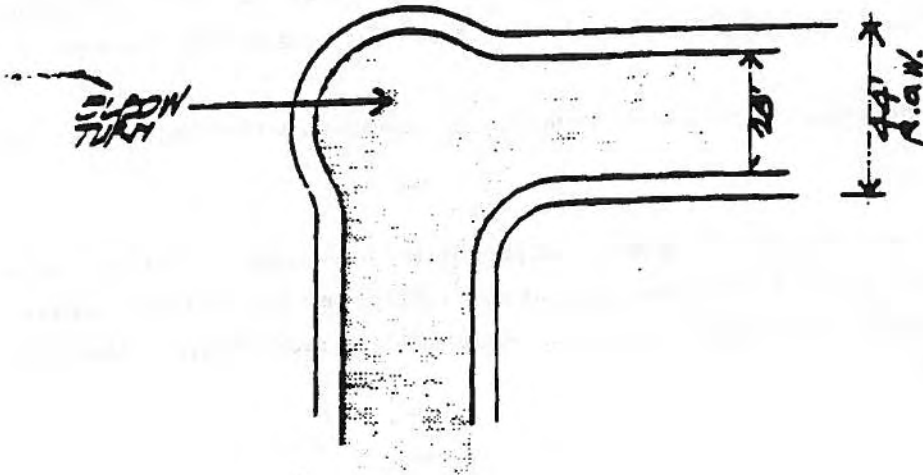


Exhibit B

3. "Elbow turns" will be permitted on minor streets and cul-de-sacs.



B. Drainage

Each interior village shall drain to the infrastructure storm, drain provided by HFDC. Lots shall be graded to drain to the street unless the Builder can demonstrate an alternative that is acceptable to HFDC and the City and County.

C. Grading

Grading shall be performed in accordance with the requirements of the soils report and those of the City and County. Where possible, grading should be balanced within the village area. Erosion control plans and dust abatement and control plans must accompany the grading plans.

D. Water

The water system shall be designed to provide domestic and fire flows in accordance with Board of Water Supply standards. Dual water systems for irrigation shall be provided as required by the Board.

LEGEND:

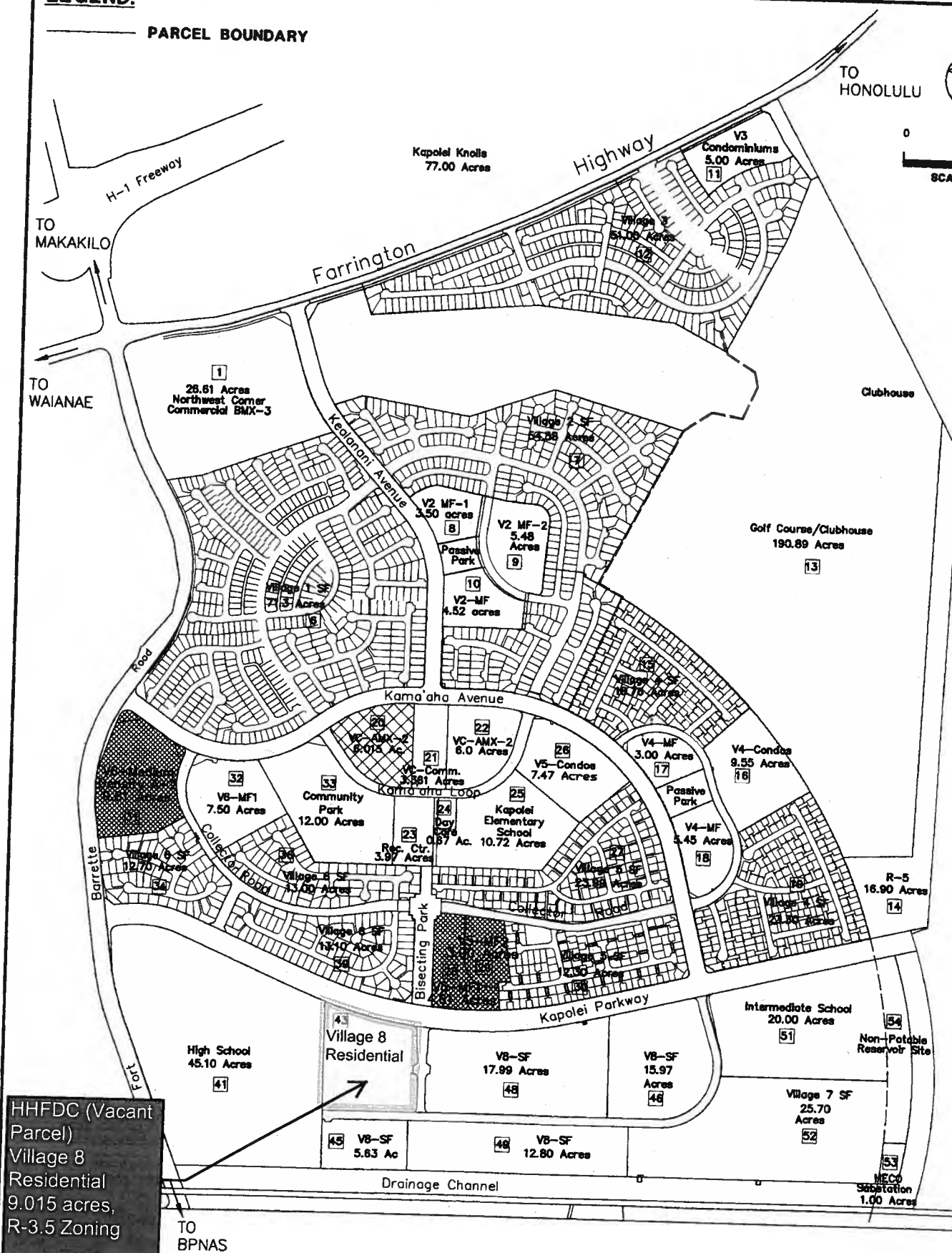
PARCEL BOUNDARY

TO
HONOLULU



0 1000

SCALE (FEET)



HHFDC (Vacant
Parcel)
Village 8
Residential
9.015 acres,
R-3.5 Zoning

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
VILLAGES OF KAPOLEI
HOUSING DELIVERY SCHEDULE

| | |
|---|--|
| Parcels under contract or pending development | |
|---|--|

Exhibit C

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING ("MOU") is made by and between HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawaii, whose principal place of business and mailing address is 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, (HHFDC), and the State of Hawaii DEPARTMENT OF HAWAIIAN HOME LANDS, whose principal place of business and mailing address is 91-5420 Kapolei Parkway, Kapolei, Hawaii, 96707 (DHHL),

WHEREAS, the parties desire to memorialize the intent to cooperate with each other on certain planning and development matters relating to the Village 8 Remnant Parcel, Villages of Kapolei, Tax Map Key No.: (1) 9-1-016: 88 (por.), containing an area of 9.105 acres ("Remnant Parcel"), as outlined in red on Exhibit "1," which is attached hereto and made a part of this MOU; and

WHEREAS, a portion of Village 8 (Kaupe'a) was transferred to DHHL under the Transfer Agreement dated December 30, 2004 between the parties. Approximately 9.105 acres of Village 8 was retained by HHFDC for potential future development as a park and second recreation center for the Villages of Kapolei. In the process of planning Kaupe'a and taking comments from the Honolulu Department of Planning and Permitting (DPP) into consideration, HHFDC's Remnant Parcel was situated as described hereinabove; and

WHEREAS, subsequent to the transfer, it was determined by HHFDC that HHFDC had fully satisfied its park dedication requirements for the the Villages of Kapolei Master Planned Community. Further, the Villages of Kapolei Association requested that the recreation center planned on the Remnant Parcel be moved to the more centrally-located Village Center parcel. Under the changed conditions, HHFDC determined that affordable housing would be the best use of the Remnant Parcel considering its R3.5 zoning; and

WHEREAS, the large lot subdivision creating both Kaupe'a and the Remnant Parcel contemplated the extension of Kama'aha Avenue to what is now Puainako Street in Kaupe'a. All access to the parcels created was to be from these two streets with no direct access from Kapolei Parkway. Access to the Remnant Parcel is shown at the intersection of Pukaua Street and Puainako Street; and

WHEREAS, legal access to the Remnant Parcel is at issue because the only practicable entry onto the Remnant Parcel is through Puainako Street, which is owned by DHHL.

NOW, THEREFORE, it is hereby agreed as follows:

1. HHFDC and DHHL shall cooperate in finalizing and executing an access easement agreement license for legal access to the Remnant Parcel over Puainako Street that meets the legal access needs of HHFDC to develop the Remnant Parcel, as well as DHHL's need to retain ownership of Puainako Road and to not increase its liability or maintenance costs due to traffic from the Remnant Parcel.
2. HHFDC intends to solicit through a Request for Proposal (RFP) process a developer for affordable housing units on the Remnant Parcel. HHFDC or its developer shall be responsible for creating a site plan utilizing the originally envisioned primary access point at the current intersection of Puainako Street and Pukaua Street. The developer may work with the City and County of Honolulu to obtain secondary access (right in/right out) from Kapolei Parkway. Unless approved by HHFDC and DHHL, no access to the Remnant Parcel from Kama'aha Avenue will be allowed.

3. HHFDC or its developer will be solely responsible for roadway improvements to Puainako Street required by the City and County of Honolulu. If widening of Puainako Street is required, the additional width will be solely taken from the Remnant Parcel.
4. HHFDC or its developer shall install a traffic signal at the intersection of Kapolei Parkway and Puainako Street and shall obtain bid pricing for the improvement prior to construction. Upon DHHL concurrence to the bid pricing for the cost of the traffic signal, HHFDC or its developer shall proceed with construction of the traffic signal, and upon completion, shall submit an invoice to DHHL for payment whereupon DHHL will reimburse HHFDC for said costs.
5. DHHL intends to license Puainako Street to the City and County of Honolulu after HHFDC completes its roadway improvements. HHFDC and DHHL shall negotiate in good faith to develop a maintenance agreement to handle such issues as may arise before the City and County of Honolulu assumes full maintenance responsibilities for Puainako Street.

This MOU may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed this 6th day of November, 2013.

APPROVED AS TO FORM:

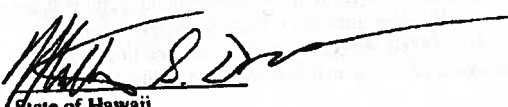
HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION

State of Hawaii
Deputy Attorney General

Karen Seddon
Executive Director

APPROVED AS TO FORM:

DEPARTMENT OF HAWAIIAN
HOME LANDS



State of Hawaii
Deputy Attorney General



Jobie K. Masagatani
Chairman

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING ("MOU") is made by and between HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawaii, whose principal place of business and mailing address is 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, (HHFDC), and the State of Hawaii DEPARTMENT OF HAWAIIAN HOME LANDS, whose principal place of business and mailing address is 91-5420 Kapolei Parkway, Kapolei, Hawaii, 96707 (DHHL),

WHEREAS, the parties desire to memorialize the intent to cooperate with each other on certain planning and development matters relating to the Village 8 Remnant Parcel, Villages of Kapolei, Tax Map Key No.: (1) 9-1-016: 88 (por.), containing an area of 9.105 acres ("Remnant Parcel"), as outlined in red on Exhibit "I," which is attached hereto and made a part of this MOU; and

WHEREAS, a portion of Village 8 (Kaupe'a) was transferred to DHHL under the Transfer Agreement dated December 30, 2004 between the parties. Approximately 9.105 acres of Village 8 was retained by HHFDC for potential future development as a park and second recreation center for the Villages of Kapolei. In the process of planning, Kaupe'a and taking comments from the Honolulu Department of Planning and Permitting (DPP) into consideration, HHFDC's Remnant Parcel was situated as described hereinabove; and

WHEREAS, subsequent to the transfer, it was determined by HHFDC that HHFDC had fully satisfied its park dedication requirements for the the Villages of Kapolei Master Planned Community. Further, the Villages of Kapolei Association requested that the recreation center planned on the Remnant Parcel be moved to the more centrally-located Village Center parcel. Under the changed conditions, HHFDC determined that affordable housing would be the best use of the Remnant Parcel considering its R3.5 zoning; and

WHEREAS, the large lot subdivision creating both Kaupe'a and the Remnant Parcel contemplated the extension of Kama'aha Avenue to what is now Puainako Street in Kaupe'a. All access to the parcels created was to be from these two streets with no direct access from Kapolei Parkway. Access to the Remnant Parcel is shown at the intersection of Pukaua Street and Puainako Street; and

WHEREAS, legal access to the Remnant Parcel is at issue because the only practicable entry onto the Remnant Parcel is through Puainako Street, which is owned by DHHL.

NOW, THEREFORE, it is hereby agreed as follows:

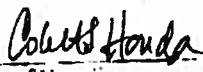
1. HHFDC and DHHL shall cooperate in finalizing and executing an access easement agreement license for legal access to the Remnant Parcel over Puainako Street that meets the legal access needs of HHFDC to develop the Remnant Parcel, as well as DHHL's need to retain ownership of Puainako Road and to not increase its liability or maintenance costs due to traffic from the Remnant Parcel.
2. HHFDC intends to solicit through a Request for Proposal (RFP) process a developer for affordable housing units on the Remnant Parcel. HHFDC or its developer shall be responsible for creating a site plan utilizing the originally envisioned primary access point at the current intersection of Puainako Street and Pukaua Street. The developer may work with the City and County of Honolulu to obtain secondary access (right in/right out) from Kapolei Parkway. Unless approved by HHFDC and DHHL, no access to the Remnant Parcel from Kama'aha Avenue will be allowed.

3. HHFDC or its developer will be solely responsible for roadway improvements to Puainako Street required by the City and County of Honolulu. If widening of Puainako Street is required, the additional width will be solely taken from the Remnant Parcel.
4. HHFDC or its developer shall install a traffic signal at the intersection of Kapolei Parkway and Puainako Street and shall obtain bid pricing for the improvement prior to construction. Upon DHHL concurrence to the bid pricing for the cost of the traffic signal, HHFDC or its developer shall proceed with construction of the traffic signal, and upon completion, shall submit an invoice to DHHL for payment whereupon DHHL will reimburse HHFDC for said costs.
5. DHHL intends to license Puainako Street to the City and County of Honolulu after HHFDC completes its roadway improvements. HHFDC and DHHL shall negotiate in good faith to develop a maintenance agreement to handle such issues as may arise before the City and County of Honolulu assumes full maintenance responsibilities for Puainako Street.

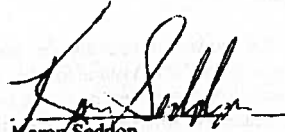
This MOU may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed this 27th day of August, 2013.

APPROVED AS TO FORM:


State of Hawaii
Deputy Attorney General

HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION


Karen Seddon
Executive Director

APPROVED AS TO FORM:

State of Hawaii
Deputy Attorney General

DEPARTMENT OF HAWAIIAN
HOME LANDS


Jobie K. Masagatani
Chairman



FIRST HAWAII TITLE CORPORATION

City Financial Tower ♦ 201 Merchant St. Suite 2000 ♦ Honolulu, Hawaii 96813
Telephone: (808) 521-3411 ♦ Facsimile: (808) 599-8792

STATUS OF TITLE REPORT (Limited Liability)

Issued for the sole use of:

Hawaii Housing Finance and Development Corporation
Attn: Beth E. Malvestiti, Project Coordinator
677 Queen Street, Suite 300
Honolulu, HI 96813

Order Number: 00212293

Customer Reference: (1) 9-1-016-088

For questions regarding this report, contact:

CustomerService@firsthawaii.com or call
(808) 521-3411 / Toll Free (800) 903-3411

Title Officer: Nanette Kodate

Effective Date of Report: May 05, 2014 as of 8:00 a.m.

This report (and any supplements or amendments hereto) is issued solely for the use and convenience of the person ordering this report in order to help determine the condition of title as of the date of this report indicated herein. It is neither a preliminary title report nor a commitment for issuance of title insurance and is not issued for the purpose of facilitating the issuance of a policy or policies of title insurance by FIRST HAWAII TITLE CORPORATION ("First Hawaii"). This report is not being issued on behalf of any title insurance underwriters of First Hawaii.

By accepting this report, the recipient acknowledges and agrees to the following: First Hawaii assumes a limit of liability of One Thousand and 00/100 Dollars (\$1,000.00) for any claims arising from the issuance of this report, inclusive of attorney fees and costs. Any duty or responsibility of First Hawaii arising from this report, including but not limited to any requests for further information, shall cease and terminate upon the expiration of thirty days from the Effective Date hereof. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Please read the exceptions set forth in Schedule "B" of this report carefully. It is important to note that this Status of Title Report is also not an abstract of title and does not reflect the history of all conveyances, liens, defects, and encumbrances affecting title to the land.

First Hawaii Title Corporation
Order Number: 00212293
Escrow No./Reference: 00212293

SCHEDULE A

FIRST HAWAII hereby reports that, subject to those matters set forth in Schedule "B" hereof, the title to the estate of interest in the land described in Schedule "C" hereof is vested in:

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and body corporate and politic of the State of Hawaii

FEE SIMPLE INTEREST

SCHEDULE B

Exceptions

1. Tax Key: (1) 9-1-016-088

The lien of any real property taxes due and payable.

2. Reservations in favor of the State of Hawaii of all mineral and metallic mines, including, but not limited to, geothermal rights, and the right to remove the same, all right, title, interest or claim to waters having their source upon or flowing over or under the property, easement for the free flowage of waters through, over, under and across the property, and any interests in the property that may have escheated to the State.

3. HOUSING FINANCE AND DEVELOPMENT CORPORATION-CAMPBELL ESTATE, KAPOLEI VILLAGE CONDEMNATION AGREEMENT

By and Between: STATE OF HAWAII, by its Board of Land and Natural Resources, HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and body corporate and politic, the STATE OF HAWAII DEPARTMENT OF TRANSPORTATION, an executive department of the State of Hawaii, and TRUSTEES UNDER THE WILL AND OF THE ESTATE OF JAMES CAMPBELL, DECEASED

Dated: April 11, 1989
Document No. 1650349
Book 23409
Page 224

4. Covenants, conditions, restrictions, reservations, agreements, obligations, exceptions and other provisions as contained in the following:

QUITCLAIM DEED

Dated: January 3, 1990
Document No. 1696820

but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons

First Hawaii Title Corporation
Order Number: 00212293
Escrow No./Reference: 00212293

5. The terms, provisions, covenants, easements and reservations as contained in the following:

DECLARATION OF CONDITIONS IMPOSED BY THE LAND USE COMMISSION

Dated: June 6, 1990
Document No. 1736622

but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons

The foregoing instrument was amended by the following:

| Document No. | Dated |
|--------------|----------|
| 1888121 | 02/06/92 |

6. Covenants, conditions, restrictions, reservations, agreements, obligations, exceptions and other provisions as contained in the following:

QUITCLAIM DEED

Dated: June 20, 1990
Document No. 1745093

but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons

SCHEDULE C

All of that certain parcel of land situate at Honouliuli, District of Ewa, City and County of Honolulu, State of Hawaii, described as follows:

Lot 16117, area 9.105 acres, more or less, as shown on Map 1264, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1069 of the Trustees under the Will and of the Estate of James Campbell, deceased;

NOTE: Lot 16117 will have access to a public road over Lot 7239, as shown on Map 594, Lots 6757 and 6768, as shown on Map 571, Lots 5349, 5354 and 5356, as shown on Map 505, and Lots 12259 to 12280, inclusive, as shown on Map 905, as set forth by Land Court Order No. 163146, filed on September 19, 2005.

Being a portion of the land described in Transfer Certificate(s) of Title No. **770,722** issued to the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and body corporate and politic of the State of Hawaii.

7. UNILATERAL AGREEMENT AND DECLARATION FOR CONDITIONAL ZONING

Dated: March 06, 2001
Document No. 2689090
Document No. 2001-032622

8. MEMORANDUM OF AGREEMENT

By and Between: HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF
HAWAII, ("HCDCH") a public body and body corporate and politic of the
State of Hawaii, and the DEPARTMENT OF TRANSPORTATION,
("DOT") State of Hawaii
Dated: November 27, 2002
Document No. 2005-068465

9. Restriction of vehicle access rights, as shown on Map 1317, as set forth by Land Court Order No. 168635, filed on December 07, 2006.

10. Any unrecorded leases, subleases, and/or tenancy agreements demising a portion of the land herein described, and any encumbrances affecting the same.

INFORMATIONAL NOTE(S):

- (a) The change of name of the HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII to the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION on July 01, 2006, as set forth by Land Court Order No. 166725, filed on July 03, 2006.

Villages of Kapolei – Kapolei Parkway 9 Acre Vacant Parcel 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 and 5 copies)

☐

Proposal includes development of parcel

☐

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. Estimated Project Revenues (Exhibit B)

☐

9. Pro Forma Operating Budget (Exhibit C)

☐

10. 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
Villages of Kapolei, Kapolei Parkway 9 Acre Vacant Parcel RFP Application Form

Section I - General Information Section

PROJECT LOCATION: This Application covers development of the following area in the Villages of Kapolei—

9 Acre Vacant Parcel: TMKs (1) 9-1-016: 88; 9.105 acres total

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

A) Project Classification

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

- | | |
|---|--|
| <input type="checkbox"/> Apartment building | <input type="checkbox"/> Commercial building |
| <input type="checkbox"/> Townhouse | <input type="checkbox"/> Single-family dwelling unit |
| <input type="checkbox"/> 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 | SF / unit | SF / unit | SF / unit | 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 units in the area.

Submit Exhibit 13

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

3. TARGET POPULATION

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

For Sale Units:

_____ units At or below _____% of area median household income
_____ units At or below _____% of area median household income
_____ units Total Number of Units in Project
_____ units Number of Special Needs units at _____% of area median

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

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

A) Development Budget

Please complete the attached Project Cost Breakdown for each group of parcels 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

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 | Comm (Yes or No) |
|----------------|--------|-----------------------------|-----------------------------------|--|---------------------|
| Sponsor Equity | | Equity | | | Yes |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

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

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.

| | | | | | |
|-------|--|--|--|--|--|
| | | | | | |
| Total | | | | | |

Permanent Financing: List sources of permanent financing.

| Source | Amount | Form (Loan or Equity) | Secured ⁵ Unsecured | Recourse ⁶ Non-recourse Related Party | Comm (Yes c |
|----------------|--------|-----------------------------|-----------------------------------|--|----------------|
| 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

1. If Project Type is FOR SALE PROJECT.
Please complete Estimated Project Revenues form (Exhibit B) (for each group of parcels proposed for development).
2. If Project Type is RENTAL PROJECT.
Please complete the Pro Forma Operating Budget Format for full term of financing (Exhibit C).

D) Revenue/Operating Budgets

1. If Project Type is FOR SALE PROJECT.
Please complete Estimated Project Revenues form (Exhibit B) (for each parcel proposed for development).
2. If Project Type is RENTAL PROJECT.
Please complete the Pro Forma Operating Budget Format for full term of financing (Exhibit C).

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.

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 all three groups of parcels in the Villages of Kapolei, as described in the attached Villages of Kapolei 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 for sale and 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 _____, 2014.

Applicant

By _____
Its _____

By _____
Its _____

Witness _____

INDEX OF APPLICATION EXHIBITS

AT TIME OF APPLICATION

- Exhibit A. Project Cost Breakdown Worksheet
- Exhibit B. Estimated Project Revenues (for-sale project only)
- Exhibit C. 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
Kapolei Parkway 9 Acre Vacant Parcel

| 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
Kapolei Parkway 9 Acre Vacant Parcel

| 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 | | |

Exhibit B
Estimated Project Revenues
Kapolei Parkway 9 Acre Vacant Parcel RFP

HOMEOWNERSHIP PROJECTS

Proposed Sales Prices

- a) 4 BR _____ S.F. @ \$ _____ x _____ = \$ _____
- b) 3 BR _____ S.F. @ \$ _____ x _____ = \$ _____
- c) 2 BR _____ S.F. @ \$ _____ x _____ = \$ _____
- d) 1 BR _____ S.F. @ \$ _____ x _____ = \$ _____
- e) Studio _____ S.F. @ \$ _____ x _____ = \$ _____

PARKING

- a) Garage @ \$ _____ x _____ = \$ _____
- b) Open Space @ \$ _____ x _____ = \$ _____

OTHER

- a) = \$ _____
- b) = \$ _____
- c) = \$ _____

TOTAL = \$ _____

Exhibit C
Pro Forma Operating Budget Format - Kapolei Parkway 9 Acre Vacant Parcels RFP

This form or a re-creation may be used. If recreating the format, use the exact headings and categories listed here.

| Part I - Rental Income | (1) | (2) | (3) | (4) | (5) [(1) x (3)] |
|--------------------------|--------------|---|--------------------------|---|---------------------|
| | No. of Units | Market Rental Rate (From Mkt. Study- For Comparison) | Tenant Rental Portion | Utility Allowance If Utilities Not Included In Tenant Rent | Total Mo. Income |
| <u>Low-Income Units*</u> | | | | | |
| Studio | | | | | |
| 1-Bedroom | | | | | |
| 2-Bedroom | | | | | |
| 3-Bedroom | | | | | |
| Total | | | | | |
| Total Annual Income | | | | | |

* (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.)

| | | | | | |
|---------------------|--|--|--|--|--|
| <u>Market Units</u> | | | | | |
| Studio | | | | | |
| 1-Bedroom | | | | | |
| 2-Bedroom | | | | | |
| 3-Bedroom | | | | | |
| Total | | | | | |
| Total Annual Income | | | | | |

Note: Program Allowable Rents and Utility Allowances available from HHFDC

Breakdown of Monthly Utility Allowance:

| Utility or Service | Studio | 1-Bedroom | 2-Bedroom | 3-bedroom |
|--------------------|--------|-----------|-----------|-----------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total | | | | |

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 | | Monthly Budget | % of Monthly Budget | Per Unit Per Month | Annual Budget | Per Unit Per Year |
|---------------------------------------|---------------|-------------------|------------------------|-----------------------|------------------|----------------------|
| Payroll Total | (# of People) | | | | | |
| 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 D

STATE OF HAWAII HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

VILLAGES OF KAPOLEI 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 requesting funds. Indicate 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 sales price/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 (If rental project)

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 for each group of parcels separately. Please provide a complete breakdown of the estimated cost of your project for each group of parcels separately.

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 for each group of parcels. 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

If "For Sale Project" please complete Exhibit B - Estimated Project Revenue separately for each applicable group of parcels.

If "Rental Project" please complete Exhibit C - Pro Forma Operating Budget Format for each applicable group of parcels. 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 AND FIVE COPIES OF THE FINAL APPLICATION AND YOUR CASHIER'S OR CERTIFIED CHECK MUST BE RECEIVED BY THE HHFDC BY 4:00 P.M. on the indicated deadlines.

Send or deliver Application materials to:

Beth Malvestiti
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Exhibit 9 Housing Development Experience

Name: _____

Page 1 of 1

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 | | |
| Ex | 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 | | | | | | | | |