



Hawaii Community Development Authority
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
STATE OF HAWAII

REQUEST FOR PROPOSALS
No.: HCDA 04-2014
November 24, 2014

SEALED PROPOSALS
FOR

**Develop an Affordable Low- to Moderate-Income
“Micro Unit” Housing Project
at 630 Cooke Street
Kakaako Mauka, Honolulu, Hawaii**

Anthony J. H. Ching
Executive Director
Hawaii Community Development Authority

**REQUEST FOR PROPOSALS
TO DEVELOP AN AFFORDABLE LOW- TO MODERATE-INCOME
“MICRO UNIT” HOUSING PROJECT
ON PARCEL Tax Map Key: 2-1-051: 014
IN THE KAKAAKO COMMUNITY DEVELOPMENT DISTRICT
OF THE MAUKA AREA, OAHU, HAWAII**

The Hawaii Community Development Authority (“Authority” or “HCDA”), a body corporate and a public instrumentality of the State of Hawaii, is soliciting proposals to develop an affordable low- to moderate-income “micro unit” housing project on a parcel (Tax Map Key (“TMK”): 2-1-051: 014) in the Kakaako Community Development District Mauka Area on the island of Oahu (such district, the “District”; such area, the “Mauka Area,” both as described below; and any such proposal, a “Proposal”).

An electronic copy of this Request for Proposals (“Request” or “RFP”) may be downloaded from the Authority website at <http://www.hcdaweb.org>. Printed copies and CD’s are available at the Authority’s principal office at the address below from 8:30 a.m. to 4:00 p.m., Monday through Friday, excluding State holidays.

For a Proposal to be considered, one signed original and six copies must be delivered by the developer (“Respondent”) to the Authority by 2:00 p.m. Hawaii Standard Time, Monday, February 2, 2015. Proposals should be sent by registered or certified mail or delivered personally or by an internationally recognized courier service to:

Hawaii Community Development Authority
Attention: Anthony J. H. Ching, Executive Director
461 Cooke Street
Honolulu, Hawaii 96813
Telephone: 808-594-0300
Fax: 808-594-0299
E-mail: contact@hcdaweb.org

The Authority reserves the right to amend this Request, or to reject any and all Proposals if the Authority deems such rejection to be in the best interest of the Authority and the State.

For more information, please contact Mr. Deepak Neupane, P.E., AIA, by telephone at (808) 594-0300 or by e-mail at deepak@hcdaweb.org.

TABLE OF CONTENTS

Section A:	Introduction	1
Section B:	Purpose and Objectives	1
Section C:	Scope of Work	3
	I. Site Description	3
	II. Program Requirements	4
	III. Design Guidelines	5
	IV. Financing.....	8
	V. Due Diligence.....	9
Section D:	Guidelines for Responding to This Request	9
	I. Conditions	9
	II. Respondent's Requirements	11
	III. Proposal Requirements and Format.....	12
Section E:	Respondent Selection Procedure.....	15
Section F:	Discussions With Respondents.....	17
Section G:	Issuing Officer and Contact Person.....	17
Section H:	Evaluation Criteria.....	18
Section I:	Amendment of the Contract	20
Section J:	Meeting to Address Questions About This Request	20
Section K:	Schedule and Significant Dates	20
Section L:	Appendices	22

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SECTION A: INTRODUCTION

The Hawaii State Legislature created the HCDA in 1976 to plan, regulate and implement the redevelopment of specially designated community development districts in the State of Hawaii - including 600-acres in the Kakaako Community Development District (“KCDD”) located within Honolulu’s primary urban core. The KCDD is currently undergoing major redevelopment, with many projects under construction or approved to start construction, and many more proposed developments in review. This redevelopment is incrementally realizing planned goals for Smart Growth through urban infill of mixed-use neighborhoods.

The HCDA has adopted a revised Mauka Area Plan which identifies the need for a mix of housing options, including residential development that offers different densities, building types, and configuration in accordance with appropriate urban design guidelines; integration both vertically and horizontally of residents of varying incomes, ages, and family groups; and an increased supply of housing for residents of low or moderate income. Furthermore, it is expected that residential development will provide necessary community facilities, such as open space, parks, community meeting places, child care centers, and other services, within and adjacent to residential development.

It is the agency’s interest to be a leader in facilitating better development, to actively promote new strategies for revitalizing neighborhoods, and to establish Kakaako as the most desirable and sustainable urban place in Hawaii in which to work, live, visit, learn and play.

SECTION B: PURPOSE AND OBJECTIVES

The purpose of the HCDA issuing this RFP is to solicit development proposals in order to select and enter into a development agreement for planning, design, construction, financing, and operation and an affordable low- to moderate-income residential project to be located on a State-owned land parcel at 630 Cooke Street in Kakaako, TMK: 2-1-051: 014 (“Project”). The HCDA anticipates leasing the development parcel [630 Cooke Street in Kakaako, TMK: 2-1-051: 014] to a developer selected through this RFP process for the development of the Project.

This is a response to a recognized need for a lower-cost housing option that allows people with low to moderate income and limited housing needs to live in a desirable mixed-use neighborhood with access to transit.

Proposals should present a residential development that is in-line with existing plans for the neighborhood, that meets current housing demands, that overcomes typical development challenges, and that proves innovative strategies. As such, the HCDA’s objectives for this development include:

Planned Vision:

- Realizing a Project that is consistent with the vision of the Mauka Area Plan, and compatible with the neighborhood character.
- Providing a home and suitable living environment for its residents.
- Implementing Smart Growth by developing infill projects in the primary urban core, and Transit-Oriented Development (“TOD”) by focusing building near transit stations.
- Initiating a catalyst for future growth, diversification and stimulation of local economy.
- Generating positive spillover effects in community development, such as supporting a housed workforce for local jobs and businesses.
- Promoting inclusive and mixed demographic composition of residents by accommodating diverse social and economic groups.
- Encouraging greater social interaction among neighbors to sustain a level of community.

Housing Demands:

- Providing desirable affordable housing that can accommodate diverse targeted users, such as single people, single parents, couples, students, retirees, the elderly, immigrants, special needs populations such as handicapped or homeless, etc.
- Fostering an adequate and diverse supply of housing – in particular by supporting lower-cost housing options, such as small efficiency “micro” units.
- Providing housing that includes features which will encourage public transit ridership and make more efficient use of existing public infrastructure.
- Recognizing distinct demographic trends and changing lifestyle needs.

Development Challenges:

- Providing affordable housing for local demand, despite market pressure to build larger, more expensive units due to high land costs and speculative offshore investors.
- Demonstrating financial viability for innovative housing models so that developers and investors can better understand margins and market dynamic.
- Highlighting real and perceived barriers for new development standards, such as regulations for parking, financing, etc.
- Recalibrating expectations for basic housing to comfortably provide minimal necessities while being flexible and efficient.
- Overcoming logistical construction challenges of efficiency and cost for building materials and equipment.
- Embracing opportunities to build community relations, and strive to identify and consult with local stakeholders.
- Proposing a quality project with some innovation, which is financeable and can be completed on time and within budget.

Innovative Strategies:

- Proving emerging and viable types of housing, and prototyping innovative building typologies and construction methods.
- Designing and building a showcase project which can be similarly replicated throughout the KCDD and urban Honolulu.
- Elevating sustainability as necessary aspect of developing increased density in compact urban centers, with a project that particularly seeks to maximize capacity while minimizing impact.
- Thinking creatively of ways to advance longstanding, accepted development practices.
- Adapting with changing times and new trends, to be a competitive city developing for long-term success.

SECTION C: SCOPE OF WORK

The Respondent whose Proposal is accepted by the Authority will provide the following principal services (such services and any ancillary services specified in a contract between the Authority and Respondent, the “Consultant”, for their performance, the “Work”; such contract, the “Contract”; and the undertaking of the Work, the “Project”).

The Project shall conform to requirements set out in the Mauka Area Rules, and shall be in support of the vision established in the Mauka Area Plan. (See Appendix A, Kakaako Mauka Area Plan, September 2011; Appendix B, Kakaako Mauka Area Rules, September 2011.)

The Respondent will be responsible for assembling a Development Team, including at minimum a contractor, architect/planner, marketing agent, and managing agent. The Development Team will design, construct, and lease the completed units.

I. Site Description

The proposed development site (“Site”) is located on a 10,409 square foot parcel (TMK: 2-1-051: 014) on the island of Oahu, in the State of Hawaii (see Appendix C, Site Plan). The Site is within the City and County of Honolulu and the KCDD. The KCDD is located on the southern shore of the island of Oahu, and lies between Waikiki and Downtown/Capitol District. The KCDD is divided into “Mauka” and “Makai” areas, and the development site is located within the Mauka Area which is bounded by Punchbowl Street, South King Street, Piikoi Street, and Ala Moana Boulevard.

The Mauka Area is further subdivided into neighborhoods which recognize distinct variations in land use and urban form, and provides a framework for realizing unique neighborhoods with a special sense of place and identity. The Site is located on the edge of the “Pauahi” Neighborhood Zone, which is planned to be a mixed-use “urban village”. The Site is surrounded by parcels similarly entitled to be developed to an allowable maximum height of 400 feet.

Approximately 29 acres of the Pauahi Neighborhood have been planned by landowner Kamehameha Schools’ Kaiāulu ‘O Kaka’ako Master Plan (“KKMP”). The KKMP envisions Cooke Street as a landscaped corridor with pocket parks, courtyards, public gardens and playgrounds, and which will connect Mother Waldron Playground Park to Makai Gateway

Park, leading to Kakaako Waterfront Park. The Site is less than one block away from the historic Mother Waldron Playground Park, which is a planned focal point of the neighborhood.

The Site is positioned to be transit-oriented, benefitting from good accessibility to local transit systems including bus and rail. The Site is equidistance between the planned “Civic Center” and “Kakaako” rail stations, at approximately a quarter-mile or 5-minute walk in either direction. The elevated rail guideway will pass by the Site less than half a block away, along Halekauwila Street, and is planned to offer pedestrian and bicyclist facilities underneath. The Mauka Area Plan identifies Cooke Street as a “Pedestrian Supportive Environment” where infrastructure and land use attract short (half mile or less) walking trips as well as recreational walkers and joggers.

Currently, the proposed Site is utilized as a surface parking lot and a community garden for the residents of the nearby Na Lei Hulu Kupuna senior housing.

II. Program Requirements

The HCDA is issuing this RFP to develop affordable low- to moderate-income housing. Proposals should meet the housing demand for a diverse group of residents of varying incomes, ages, and occupancy sizes as described herein. In order to achieve this, Proposals may need to offer a mix of unit types and sizes. Overall, Proposals should focus on providing an increase in density and a decrease in housing costs. Smaller efficient units, such as micro units, are suggested as appropriate for meeting the goals of these dual goals for density and affordability, and the other objectives of this RFP described herein. However, other innovative housing typologies or building methods may also be considered.

Additionally, it is expected that the Project will provide space for community-based facilities. An exact use may be suggested in the Proposal, or may be designed as flexible space to be determined after a better understanding of the expected tenant makeup.

Other typical program requirements, such as parking, open space, etc., can be referenced in the Mauka Area Rules. Proposals should follow development parameters consistent with the Mauka Area Plan and Mauka Area Rules. Proposals should conform to permissible uses for the Site.

Unit Type and Size:

- A relative mix of unit types and sizes is preferable.
- Smaller efficient units, such as “micro units”, should make up a majority of the dwelling units in the Project if proposed. A micro unit is generally around 300 square feet and occupied by no more than two people. Micro units typically contain a separate closet, kitchen sink, cooking and refrigeration appliances, and separate bathroom containing a toilet and bathtub or shower.
- Smaller efficient units that provide common areas or shared amenities should do so in a way that promotes community.
- Larger “regular” units should be incorporated as needed to balance economic viability, and to maximize use of the site.

Target Income Groups:

- Units should target groups with less than 100% of the Area Median Income (“AMI”).
- Pricing should be based upon AMI limits defined by the HCDA (see Appendix D, HCDA AMI Limits for 2014).
- At least 40% of the units within the Project should be reserved for persons with incomes that do not exceed 60% AMI.
- Monthly rent and all utilities and other building operating costs (excluding telephone, cable television, and internet service) should not exceed 30% of the adjusted gross monthly income (“AMGI”) of the target AMI.

Community-Based Spaces:

- Space should be considered for on-site services relating to health, safety, education, and welfare of the building and community population.
- Design of flexible use of space may be considered sufficient in the absence of suggested programming.
- Space may be considered for on-site “Housing First” supportive services.
- Public Facilities Dedication is not required, since the Project is targeting low to moderate affordability levels.

Mixed-Use:

- Recognizing that not every project necessarily be mixed-use, Proposals are strongly suggested to incorporate ground floor uses which will promote an active street frontage.
- Commercial use or community spaces may be appropriate for ground floor frontage.

III. Design Guidelines

The purpose of these guidelines is to establish minimum criteria for the design of quality housing. The following guidelines are provided as advisory; however, substantial deviation of these guidelines will disqualify Proposals.

These guidelines are not intended to supersede other rules or regulations by the HCDA or other agencies having jurisdiction. Proposals should follow development parameters consistent with the Mauka Area Plan and Mauka Area Rules, and any other legal or administrative requirements.

Site and Streetscape:

- Relationship to Neighborhood:
 - The facade materials should visually and physically harmonize with the immediate neighborhood.
 - Color, texture, material, and fenestration should be used to relate to adjacent buildings, and reinforce the human scale at the base level.
 - The design should be pedestrian friendly and provide architectural elements that generate activity, interest and interaction at the street level.

- **Outdoor Space:**
 - A variety of outdoor spaces should be programmed and landscaped for specific uses according to the needs of the Project's intended residents.
 - Outdoor spaces should be buffered from vehicular service areas.
 - Wherever possible, windows should be located to ensure surveillance of public and private outdoor spaces.
 - Adequate exterior lighting should be maintained for pedestrian walkways.
- **Street Frontage:**
 - The ground floor of the street front element should activate the street.
 - The building should feature use of special materials, details, or changes in color or texture to distinguish the ground floor from rest of the building and create greater variation at the pedestrian scale.
- **Building Massing:**
 - The facade should be designed in segments to maximize variation. Each segment should contain a variety of scales, materials, patterns, window types/arrangements, and/or balconies.
 - Architectural definition of the top floor should create a prominent or distinct building edge against the sky.

Building:

- **Entry and Lobby:**
 - Primary residential entry should be differentiated from any commercial entry.
 - The lobby should be visible from the street to ensure security.
 - The lobby should be treated as an inviting space, and designed with materials and furnishings that are attractive, durable, and easy to maintain.
- **Interior Circulation:**
 - Public circulation space should be minimized.
 - Interior circulation should have minimal number of changes in direction.
- **Community Spaces:**
 - A variety of community spaces should be programmed for specific uses, and to supplement smaller living spaces. Ensuring adequate common area for functions such as cooking, dining, doing laundry, and gathering, will meet basic livability standards.
 - Common spaces should be conveniently located and directly accessible from public circulation.
 - Common areas and spaces like corridors and stairwells become more important in buildings containing a larger number of smaller units. Common areas that are accessible to all residents are encouraged. These areas could be designed for multiple purposes, such as a reading room, lounge area, or meeting rooms.
- **Service Spaces:**
 - Provide trash chute, recycling room, and trash compactor if Proposal entails an elevator building with 30 or more dwelling units.
 - The trash room should be located for convenient access and minimal transportation of garbage through building's circulation space or across outdoor space.

- **Parking:**
 - Multi-modal accommodations are encouraged, such as shared parking, car-sharing, bike-sharing, bike parking, etc.
 - Minimum parking requirements are specified in the Mauka Area Rules for being located within 1,200 feet of the Project site, within the Mauka Area, or outside the boundary, or other arrangement to the satisfaction of the HCDA Executive Director. Given the Site proximity to frequent transit service, special consideration will be given to Proposals with less than minimum parking provided. Special consideration will be given to Proposals who propose unique ownership characteristics or operational criteria (e.g., shared parking or car-sharing).
 - Suggested minimum bike parking for Proposals that contain micro units is to provide one bicycle parking space for every two such dwelling units.
 - Special consideration will be given to Proposals with unique ownership characteristics or operational criteria (e.g., supportive housing that serves seniors or the disabled).

Dwelling Unit:

- **Micro Units:**
 - A diversity of unit sizes may be considered, but micro units should make up majority of unit mix.
 - Micro units should measure approximately 300 square feet. Micro units typically contain a separate closet, kitchen sink, cooking and refrigeration appliances, and separate bathroom containing a toilet and bathtub or shower.
 - Proposals should consider all three dimensions of units to amplify the sense of openness. Floor to ceiling heights should be maximized. Loft spaces should be considered.
 - Micro units should have a sense of openness along exterior walls using balconies, bay windows, window groupings, etc. Micro units should have adequate number and/or size of windows to provide substantial access to light and air.
 - Interior surfaces should be designed to accommodate multi-functional use of the space for living, sleeping, dining, etc. For example, counter tops could be used as dining and work space, and “Murphy-beds” could increase the flexibility of living space.
 - Efficient and attractive storage systems are encouraged. Built-in features and storage that functions as furniture should be considered. Providing furniture for the units is not required.
 - The materials for interior finishes, architectural details, and equipment should be durable.
 - Appropriate attention should be given to building code standards and safety requirements depending on building configuration and size, including but not limited to early warning systems, fire suppression and/or containment, structural protection, egress, etc.
- **Sustainability:**
 - Proposals should consider demonstrating capability to qualify for Certification through the Enterprise Green Communities Program, which is a comprehensive green building framework for affordable housing that

- provides cost effective standards for creating healthy and energy efficient homes. (See Appendix E, Green Communities Checklist.)
- Passive environmental design, including building orientation and openings, should maximize access to natural light and natural ventilation.
- Active, on-site renewable energy producing features may be considered as opportunities for offering a positive return for future residents, while producing and preserving greater project affordability.
- Landscaping should prioritize selection of native species.
- Roofing and paving should be light colored to reduce Urban Heat Island Effect.
- Low-impact development strategies should be identified for managing drainage of storm water runoff, and on-site retention.
- An urban garden/roof garden, in replacement of existing on-site community garden, is encouraged.
- Accessibility:
 - In addition to meeting other applicable laws, an adequate number of units should be designed to accommodate elderly and/or handicapped persons.
 - Adequate sitting space with a view of the street or open space should be provided in the lobby. Adequate sitting space should be provided in appropriate outdoor areas.
 - Every studio unit should be designed to accommodate two persons sleeping separately.

IV. Financing

Assemble Financing:

The Respondent shall provide in their Proposal clear indications for sources of construction and permanent financing, whether by loan(s) or grant(s), etc.

The Respondent shall provide an equity contribution in the form of cash and/or payment of pre-development costs, secure necessary construction and permanent financing, provide guarantees if required, and meet any other terms and conditions as required by the HCDA, other lenders, and/or investors.

Private Financing:

If Respondent is proposing private financing, a letter of interest from lenders must be included. Letters must be dated no earlier than three months from the date of submission of the Respondent's Proposal. The letters should indicate a willingness to provide construction and permanent financing in an amount and with terms consistent with the Proposal.

Public Financing:

If Respondent is proposing public financing from a City or State agency then it should be clearly described what funds will be sought and any incumbent requirements for that funding.

Competitive Sources:

Any Proposal that includes funding or financing which is awarded on a separate competitive basis must submit an alternate scenario using non-competitively awarded sources and must provide appropriate letters of interest from those sources.

V. Due Diligence

While compliance with the applicable laws and regulations may occur after the selection of a Proposal, the Respondent should take into consideration these requirements and indicate if they expect them to have any influence on their Proposal. The preparation of supporting documents, as well as the review and approval by other agencies, should be factored into the Proposal development timeline as necessary.

Obtain Permits and Approvals. The Respondent will be required to obtain all valid permits and approvals, as required by City, State, and Federal agencies, prior to commencing work.

Hawaii Revised Statutes (“HRS”) Chapter 6E. The Respondent will be responsible for complying with all applicable provisions of HRS Chapter 6E.

Traffic Impact Assessment. The Respondent may be responsible for preparing a Traffic Impact Assessment Report (TIAR).

Adequate Infrastructure. The Respondent may be responsible for demonstrating the availability of infrastructure is sufficient to accommodate the level of development presented in the Proposal.

HRS Chapter 343. The Respondent will be responsible for complying with all applicable provisions of Chapter 343, HRS.

HRS Chapter 201H Application. As necessary, the Respondent will be responsible for pursuing an exemption process provided by Chapter 201H, HRS, if seeking HRS Chapter 201H exemptions.

Participate in Public Hearings. The Respondent may be required to participate in one or more public hearings, at which the Respondent will present the Proposal to the community.

Additionally, in the course of processing a Development Permit, the HCDA may request clarification, correction, or supplemental information.

SECTION D: RESPONSE TO THIS REQUEST

I. Conditions

- a. Respondent shall prepare its Proposal at its own expense.
- b. A Proposal may be organized in any manner that the Respondent believes will best present the information required in Section D.3 below.

- c. Before submitting a Proposal, a prospective Respondent shall submit a “notice of intent to submit proposal” by December 15, 2014 in the same manner as submission of a Proposal or by fax or e-mail. The notice is for informational purposes only. Failure to submit the notice will not preclude a prospective Respondent from submitting a Proposal.
- d. All changes to this RFP will be made by the HCDA in the form of written addenda, which the HCDA will send to prospective Respondents that have submitted the notice of intent to submit proposals or registered using the web form.
- e. The HCDA will make available to prospective Respondents at its office copies of relevant materials on file, including previous plans, studies, rules, and environmental impact statements for the KCDD.
- f. If Respondent wishes the HCDA to keep confidential trade-secret or other proprietary material included in a Proposal, Respondent must indicate in writing those portions of the Proposal that contain such material. Pursuant to Hawaii Administrative Rules (“HAR”) §3-122-58, material designated for “confidential” treatment must be readily separable from the remainder of the Proposal to facilitate inspection of the remainder. Comingling of confidential and non-confidential information will result in all information’s being treated as non-confidential.
- g. Respondent and any subcontractor must comply with all applicable laws or regulations, including but not limited to, Federal Register 24 CFR, Part 85, and to all other pertinent Federal, State and County laws such as the following: Equal Employment Opportunity, Non-Discrimination in Employment, Anti-Kickback Act, Labor Standards, Work Hour, Women’s Business Enterprises, Non-Segregated Facilities, Environmental Protection, Conflicts of Interest, Access, Inspection and Retention of Work and Records, Consolidated List of Persons or Firms Currently Debarred, Violations of Various Public Contracts Acts Incorporating Labor Standard Provision, Unauthorized Lobbying, Affirmative Action, and Interest Exclusion.
- h. The HCDA may cancel this Request in whole or in part at any time without cause and without liability to any Respondent, prospective Respondent, or other party, if such action is determined to be in the best interest of the State. In submitting a Proposal, the Respondent expressly agrees that the HCDA shall not be liable for any loss of profit, predevelopment costs, lost opportunity, consequential damages, or other damages or claims of any kind relating to, in connection with, or in any way arising in connection with the Respondents preparation and submittal of the Proposal.
- i. Respondent shall certify in its Proposal that it is submitted without collusion or fraud, that Respondent has not offered or received any kickback or inducement from any developer, supplier, manufacturer, subcontractor, or any other party in connection with the Proposal, and that Respondent has not conferred upon or offered or promised to confer upon any past or present member, officer, or employee of the HCDA (or any other party related to or designated by such individual or any party on behalf of or for such individual’s benefit, such as a creditor of the individual) any payment, gift, loan, subscription, advance deposit, travel services or other compensation of any value, nominal or otherwise.

- j. The HCDA reserves the right to request clarification of any part of a Proposal or to request additional information required to evaluate the Proposal. Any incomplete or conditional Proposal or Proposal not in conformity with this Request will be rejected. (A conditional Proposal is one conditioned upon the satisfaction of any condition, such as Respondent's entering into a contract with a third party.)
- k. The Proposal must comply with Hawaii Administrative Rules §3-122-112. If Respondent's Proposal is accepted by the HCDA, Respondent must promptly furnish proof of compliance with §103D-310(c), HRS.
- l. No security is required to submit a Proposal.
- m. A Respondent may submit only one Proposal. Multiple or alternative Proposals from a Respondent will disqualify the Respondent.
- n. It is HCDA's intent to enter into a development agreement for the Project with the Respondent selected through this RFP. It is expressly made clear here that selection of the Respondent by the HCDA does not by itself invest any development rights to the Respondent until the Respondent successfully executes a development agreement with the HCDA.

II. Respondent's Requirements

Responsibilities and Terms:

The submission of a Proposal shall constitute representation by the Respondent of compliance with all requirements 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 Respondent must:

- a. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments, plans referred to herein, addendum, and any other relevant documents. All necessary documents for this RFP will be made available on HCDA's website.
- b. Become 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 Respondent that is ultimately selected by the HCDA for this Project shall be responsible for all improvements, costs and expenses associated with and required for the design, development, construction, operations, and management of the Project including but not limited to the following:

- a. The selected Respondent shall accept the property in an "as is" condition, without any express or implied warranties or representations of any kind.
- b. All predevelopment duties, including site investigation and other due diligence activities, planning, design, and permitting the Project, preparing and

processing any analyses, and obtaining all necessary entitlements and government approvals, preparation of environmental impact statement or environmental assessment documents, and the off-site and on-site improvement requirements for development of the site.

- c. Designing, constructing, and operating the facilities including leasing, management, maintenance, and security.
- d. Providing financing for the entire Project without subordinating the land.
- e. The Project and associated parking is intended to be developed as a for rental project.
- g. The HCDA can consider a ground lease of up to 65 years.
- h. The Proposal shall incorporate environmental sustainability measures into the Project in its design, demolition, construction, and management operations. The Respondent shall meet U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED®) ratings base standards, or another comparable, nationally recognized, and consensus-based guideline, standard or system.

III. Proposal Requirements and Format

Qualifications:

Proposals shall include the following information at minimum to demonstrate Respondent's experience, qualifications, and history of reliable, quality work:

- a. Identification of the Respondent. Provide the complete name and address of Respondent's firm. Provide the name, mailing address, email address, telephone number, and fax number of the primary contact for the Proposal. Identify Development Team's key personnel by position and expertise. Provide the associated resumes of the Development Team and key design consultants, joint ventures or limited partners, and number of years in business.
- b. Provide previous relevant project experience by Respondent and project team (including joint venture partners) with brief descriptions of previous projects, relevant photographs, dates, locations, concepts, land uses, sizes, construction costs, and role of the development entity, etc.
- c. Provide previous experience in ongoing management and operation of affordable rental housing projects by Respondent and project team of properties with uses similar to those described in this RFP including description of previous projects and role of consultants in the Proposal.
- d. Provide satisfactory evidence that the Respondent has the financial capability to develop the Project as described in this RFP. This can be in the form of audited financial statements of the company for the past two consecutive years.

- e. Provide at least four references for the Respondent identifying name, contact address, telephone number and email address for the contact person.

Development Proposal:

Development proposals shall include the following:

a. Development Concept

Provide a narrative description of the design concept, rationale, and development program. Include a summary of uses and floor areas. The submittal should include statements indicating how the design concept satisfies the development objectives and conditions specified in the RFP. There should also be a description of the benefits to be realized by the State as a result of the Respondent's development concept.

b. Design Program

The design program should include at minimum the following:

- Building massing, elevations, sections and floor plans,
- Building orientation and build to lines,
- Construction method,
- Rental housing unit type and mix,
- Target affordability,
- Community-based space,
- Commercial space,
- Open space,
- Landscaping, and
- Parking and loading.

c. Design Proposal

Design proposals shall be developed to a level of detail appropriate to that of a schematic design phase of an architectural project. The following drawings shall be included in the proposal:

- Site plan at 1"=20' scale.
- Typical floor plans at 1/16"=1'-0" scale.

- Building cross and longitudinal sections and exterior elevations at 1/16"=1'-0" scale.
- Vignettes and/or 3 dimensional renderings of the proposed development illustrating its relationship to the surrounding areas, character and scale.

d. Business Plan, Financing, and Benefit to the State

Provide the following to support feasibility and key assumptions of the Proposal, including but not limited to items below. Those Respondents selected as Priority-Listed Respondents ("PLR") may be required to generate more detailed information when requested by the HCDA for the Best and Final Offer ("BAFO"):

- Market and feasibility analysis, including market support, and assumptions. Proposed marketing and leasing plan, tenant concepts.
- Provide proforma development budget, cash flow, and income and operation analysis for the first thirty (30) years of the Project. Assumptions shall be clearly stated. Respondents shall transpose details of their proforma onto HCDA's Development & Financial Summary sheet (see Appendix I).
- Description of the Respondent's proposed deal and lease structure to the State. This is intended to provide the HCDA the concept on lease terms and benefits to the State. Revenue to the State shall be clearly identified with the assumptions/qualifications relating to these estimates. Similarly any financial participation from the City, State or Federal government on development cost for any component of the Project shall be clearly identified.
- Financing concept and supporting documents should provide sufficient information for the HCDA to ascertain the Respondent's ability to finance the proposed Project with equity and/or borrowed funds and the likely source of those funds. The Respondent shall submit any letters of interest and support from possible lender candidate(s) for this Project.
- Pre-development, design and permitting, and construction schedule in Gantt chart form beginning upon execution of a development agreement, lease documents, and ending with construction completion.

e. Statement of Non-Collusion

The Respondent shall certify in its Proposal that its response is made without collusion or fraud, that it has not offered or received any kickbacks or inducements from any other developer, supplier, manufacturer, or subcontractor in connection with the Proposal, and that it has not conferred on any HCDA officer or employee, past or present, any payment, loan, subscription, advance deposit, travel services or items even of nominal value.

Submittal Format:

a. Original and Copies

Respondent shall submit one (1) Original and six (6) copies of the Proposals. An Offer Form shall accompany the submittal and shall have an original, authorized signature of the Respondent (see Appendix H, Offer Form).

b. Sections

Proposals shall be organized into sections, following the format below with tabs separating each section.

(i) Respondent Qualifications

- Identification of Respondent
 - Development Team
 - Resumes
- Previous Relevant Project Development
- Previous Relevant Project Operation/Management
- Financial Capacity
- References

(ii) Development Proposal

- Narrative
- Design Proposal
 - Plans, Sections and Elevations
 - Renderings
- Business Plan
 - Market Analysis
 - Budget and Proforma
 - Deal Structure and Benefit to State
 - Financing Concept
 - Schedules
- Statement of Non-Collusion

SECTION E: RESPONDENT SELECTION PROCEDURE

1. Only Proposals that are received on or before the required due date in Section K below and that comply with applicable provision of Section D above will be considered. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more HCDA officials. All proposals and other material submitted by Respondents become the property of the State and may be returned at the State's option.
2. Proposals which do not fully comply with the applicable requirements of Section D above will not be further considered.
3. An Evaluation Committee ("Committee") formed by the HCDA Executive Director will be utilized to screen the proposals. The Committee will evaluate the Proposals in accordance with the evaluation criteria in Section H of this RFP. The Proposals will be classified initially as acceptable, potentially acceptable, or unacceptable. The Committee will make

a recommendation to the HCDA for the selection of the responsive, responsible Respondent whose Proposal is determined by the Committee to be the most advantageous to the State based on the evaluation criteria.

4. The Committee may, if it deems necessary or advisable to do so, conduct interviews and discussions (collectively, "Discussions") with Respondents whose Proposals the Committee determines to be eligible for acceptance. Proposals may be accepted on evaluation without holding any Discussions. However, if deemed necessary, prior to entering into discussions, a "priority list" of responsible Respondents submitting acceptable and potentially acceptable Proposals will be generated. The PLR may be limited to a minimum of three responsible Respondents who submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Respondent's Proposal before a BAFO is tendered.
5. If during discussions there is a need for any clarification or change in the RFP, the RFP will be amended by an addendum to incorporate such clarification. Addenda to the RFP will be distributed only to the PLR.
6. A Respondent may be asked to disclose potential conflicts of interest during the selection process.
7. The date and time for PLR to submit their BAFO, if any, is to be determined by the HCDA. PLR's will be notified by duly issued addendum of the due date and time. If the Respondent does not submit a notice of withdrawal or a BAFO, the Respondent's immediate previous offer shall be construed as its BAFO.
8. In accordance with the evaluation criteria in Section H for the BAFO, the Committee will make its final evaluations and recommendation for Respondent selection for the HCDA's approval.
9. Public hearings may be conducted in accordance with Act 61, Session Laws of Hawaii 2014 in the selection process. A presentation of the recommended Respondent's BAFO may be conducted at the public hearing in front of the HCDA. When rendering a decision regarding the acceptance of a Proposal, the HCDA will render its decision at a separate public hearing to provide the general public with the opportunity to testify at its decision-making hearing. The recommended Respondent may be required to present its development proposal to the HCDA at these public hearing. The HCDA shall be the final decision makers in accepting the Respondent's Proposal, and shall not be bound solely by the recommendation of the Committee. If the HCDA does not accept the selection of the recommended Respondent, the HCDA may request revisions to the recommended Respondent's Proposal and/or reconsider Proposals submitted by other Respondents at HCDA's sole discretion.
10. Upon approval of the selection of a Respondent by the HCDA, the HCDA Executive Director will negotiate a lease and development agreement for the development of the Project, the term and conditions of which will be subject to approval by the HCDA.
11. The HCDA may impose a deadline from the date of the HCDA's approval of the Respondent, for the negotiation and execution of a lease and development agreement. If the HCDA and the Respondent do not execute the development agreement by the end of

such deadline, the HCDA may terminate negotiations and thereafter consider Proposals submitted by the next highest-ranked Respondent.

12. The selected Respondent must complete a set of schematic site plans, floor plans, and elevations that include any modifications to the original plans included in the Proposal in response to this RFP, as agreed upon by the HCDA and the Respondent, and submit them to the HCDA for review and approval.

SECTION F: DISCUSSIONS WITH RESPONDENTS

1. Any discussions, if held after the Pre-Proposal Conference, will be held only with Respondents placed on a "priority" list prepared by the Committee.
2. To prepare the list, the Committee will first classify each Proposal as "acceptable," "potentially acceptable," or "unacceptable."
3. All "responsible" Respondents who submit acceptable or potentially acceptable Proposals are eligible to be placed on the list. A Respondent is "responsible" or "nonresponsible" in the sense of §103D-310(b), HRS, and HAR §§3-122-108 to 3-122-109.
4. If numerous acceptable or potentially acceptable Proposals are submitted, the Committee may rank the Proposals and limit the list to three or more responsible Respondents who submitted the highest-ranked Proposals.

SECTION G: ISSUING OFFICER AND CONTACT PERSON

This RFP is issued by the HCDA. The Issuing Officer's name, address, telephone number, and facsimile number are as follows:

Anthony J. H. Ching, Executive Director
Hawaii Community Development Authority
461 Cooke Street
Honolulu, Hawaii 96813
Telephone: (808) 594-0300
Facsimile: (808) 594-0299

All communications with the HCDA during this RFP solicitation by the Respondent, their officers, employees, consultants, and agents shall be directed to the Contact Person, whose name, address, telephone number, and facsimile number are as follows:

Deepak Neupane, P.E., AIA, Director of Planning & Development
Hawaii Community Development Authority
461 Cooke Street
Honolulu, Hawaii 96813
Telephone: (808) 594-0300
Facsimile: (808) 594-0299

Please note that copies of documents transmitted by Respondents via fax shall be limited to Notification of Intention to Submit an Offer, written inquiries, confirmation of receipt of addenda, and to the modification or withdrawal of an offer.

SECTION H: EVALUATION CRITERIA

The Committee will review and evaluate each Proposal and BAFO, if necessary, and assign points as provided below. Points will be assigned and prorated by weighted percentage according to the extent that a Proposal meets or exceeds evaluation criteria.

For criteria which are not readily measurable, such items shall be evaluated based on reasonableness, feasibility, benefit to the State, and congruence with HCDA's vision for a desirable affordable housing project.

Affordability and Programming

Weight 30%

Proposals will be evaluated based on the ability to offer increased density and decreased housing costs. Proposals that provide for the greatest affordability to a range of incomes, and providing maximum number and/or mix of units will be given preference.

- Affordability:
 - The Committee will consider the reach of affordability across income groups, and overtime.
 - The Committee will consider use of proven strategies for producing and preserving housing for low-income households. Examples may include cross-subsidization between higher and lower income housing, means for funding operating and maintenance expenses, securing project- or tenant-based rental assistance, specially-designed durability, etc.
- Programming:
 - The Committee will consider how the Project maximizes the number of units on the site.
 - The Committee will consider how the Project addresses the unique living issues with small, efficient units.
 - The Committee will consider how the Project will provide for an intended occupancy that will contribute to a more inclusive, mixed community.
 - The Committee will consider how the Project will contribute to the community.
 - The Committee will consider how the unit types and mix provide new housing options, to meet changing demographics and demand.

Quality of Design and Innovation

Weight 30%

Proposals will be evaluated on overall quality of design and innovation. Proposals that exceed standards and provide the best quality possible while also introducing some innovation will be given preference.

- Quality of design:
 - The Committee will consider site planning, lot coverage, building orientation and massing, floor plate ratio, relationship to surrounding context, streetscape treatment, major architectural features, exterior elevations, interior layouts, building materials, etc.
 - The Committee will consider the incorporation of sustainable and accessible design features.
- Innovation:
 - The Committee will consider the design of efficient unit and floor plan layouts.
 - The Committee will consider the design of built-in components, shared common areas, etc.
 - The Committee will consider the demonstration of flexible and economical construction methodologies. Construction innovation should demonstrate an improved ability to conform to urban design guidelines and requirements, and/or to reduce development costs.

Financial Feasibility

Weight 20%

Proposals will be evaluated based on estimated development costs, proposed rents, demonstrated financial condition to complete the Project, the feasibility of the financing sources proposed to finance the Project, and the ability to support operating expenses, capital costs, and debt service. Proposals that minimize the amount of gap financing needed while maximizing the number of affordable units will be given preference.

- The Committee will consider the completeness and feasibility of the Proposal, the conformance with the RFP.
- The Committee will consider the Respondent’s ability to finance the Proposal.
- The Committee will consider the total budget submitted and the competitiveness and reasonableness of the proposed pricing and development costs.

Development Experience, Management, and Capacity

Weight 20%

The Committee will consider the Respondent’s demonstrated ability to successfully carry out a quality Project of this type, size, and complexity in a timely manner.

- The Committee will consider the quality of construction and design in projects completed or currently being built by the Respondent.

- The Committee will consider the extent of the Respondent's development and/or management experience, in terms of number, size, type, and scale of projects completed within recent past years.
- The Committee will consider the Respondent's history of delivering quality projects on time and within budget.
- The Committee will consider the extent of the Respondent's sustainable design experience.
- The Committee will consider any adverse findings, or equally, lack thereof.

SECTION I: AMENDMENT OF THE RFP

The HCDA reserves the right to amend the RFP at any time if deemed necessary and if it is in the best interest of the HCDA and the State.

SECTION J: MEETING TO ADDRESS QUESTIONS ABOUT THIS REQUEST (PRE-PROPOSAL CONFERENCE)

A pre-proposal conference will be held on December 8, 2014 at a time to be determined at the HCDA's principal office to address questions regarding this Request.

Responses to all questions will be collectively provided at the pre-proposal conference and as an addendum to be posted on HCDA's website.

SECTION K: SCHEDULE AND SIGNIFICANT DATES

The schedule set out herein represents HCDA's best estimate of the schedule that will be followed. All times indicated are Hawaii Standard Time (HST).

<p>Deadline for Offerors to Submit Written Inquiries to be Answered at the Pre-Proposal Conference</p> <p>Time: 4:00 P.M.</p> <p>Submit to: HCDA Executive Director Hawaii Community Development Authority 461 Cooke Street Honolulu, Hawaii 96813</p>	<p>December 1, 2014</p>
<p>Pre-Proposal Conference</p> <p>Time: 10:00 A.M.</p> <p>Location: Hawaii Community Development Authority 461 Cooke Street Honolulu, Hawaii 96813</p>	<p>December 8, 2014</p>

<p>Site Inspection (If necessary)</p> <p>Time: Immediately following the Pre-Proposal Conference</p> <p>Location: 630 Cooke Street</p>	
<p>Deadline to Submit Notice of Intent to Submit Proposal</p> <p>Time: 2:00 P.M.</p> <p>Submit to: Hawaii Community Development Authority 461 Cooke Street Honolulu, Hawaii 96813</p>	<p>December 15, 2014</p>
<p>Final Deadline to Submit Written Questions to the HCDA</p> <p>Time: 2:00 P.M.</p> <p>Location: Hawaii Community Development Authority 461 Cooke Street Honolulu, Hawaii 96813</p>	<p>January 15, 2015</p>
<p>Proposal Due Date</p> <p>Time: 2:00 P.M.</p> <p>Location: Hawaii Community Development Authority 461 Cooke Street Honolulu, Hawaii 96813</p>	<p>February 2, 2015</p>

The HCDA will develop a schedule for BAFO, if necessary, after the initial evaluation of the Proposals, at which time the Respondent that are selected to provide a BAFO will be duly notified of the submittal deadlines.

For a Proposal to be considered, a signed original and six (6) copies must be delivered to the Authority at its principal office by 2:00 p.m. Hawaii Standard Time, Monday, February 2, 2015.

The Pre-Proposal Conference will take place at the date, time, and place specified above. Prospective Respondents may submit written inquiries to the Contact Person to be answered at the Pre-Proposal Conference by the date specified. These inquiries, and new oral questions as time permits, will be answered at the Pre-Proposal Conference. Spontaneous answers to any oral questions will be provided by the HCDA; however, Respondents are informed that responses to the oral questions will be provided for informational purposes only and will not be binding. If a Respondent wishes to receive a formal answer to oral questions arising from discussions at the Pre-Proposal Conference, the Respondent shall submit such questions to the Contact Person by the Final Deadline for Written Inquiries. All official responses will be provided in writing via addendum to the RFP.

Questions and inquiries concerning this RFP after the Pre-Proposal Conference must be submitted to the HCDA in writing as indicated and up until the date specified above. Questions shall be directed to the Contact Person, and will be collectively responded to by addenda.

Interested Respondents shall submit a “Notice of Intent to Offer” letter with a corporate resolution or “authorization to sign” no later than the date specified above addressed to the Contact Person. The Notice of Intent to Offer will form the official list of interested Respondents, and the recipient list of any future communication and/or addenda relating to this RFP.

The terms and requirements of this RFP cannot be changed prior to the date for receipt of Proposals except by duly issued and written addendum which will be posted on the HCDA website. Respondents on the official list of interested Respondents will be notified of addenda that may be posted. Respondents will be responsible for obtaining any issued addenda from the HCDA website.

One (1) original and six (6) copies of Respondent’s Proposals are due by the date and time specified above. Timely receipt of offers shall be evidenced by the date and time registered by the HCDA time stamp clock. Offers received after the deadline shall be returned unopened. Proposals shall be placed in a sealed envelope(s) or container(s). An “Offer Form” (See Appendix H, Offer Form) shall be enclosed in the Proposal package.

A Respondent may modify or withdraw their Proposal prior to the established due date in writing to the Contact Person. The modifications or withdrawal may be mailed, hand-delivered or transmitted by fax. Modifications or withdrawals must be accompanied by a duly executed certificate of resolution authorizing the signer to modify or withdraw the Proposal.

The RFP may be cancelled and any or all Proposals rejected in whole or in part, without liability, when it is determined to be in the best interest of the State. The State shall not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred by the Respondent in the event this RFP is cancelled or a Proposal is rejected.

SECTION L: APPENDICES

Respondents may access the Proposal documents made available on the HCDA website. It is recommended that Respondents access the Proposal packet before the Pre-Proposal Conference.

Exhibits to this RFP include the following documents:

- A. Kakaako Mauka Area Plan, September 2011;
- B. Kakaako Mauka Area Rules, September 2011;
- C. Site Plan;
- D. HCDA Area Median Income Limits, 2014;
- E. Green Communities Checklist;
- F. Final Supplemental Environmental Impact Statement, 2009;
- G. As Built Drawings for Improvement District 3;
- H. Offer Form; and
- I. Development & Financial Summary.