



STANFORD CARR DEVELOPMENT, LLC

June 15, 2016

Hawaii Community Development Authority  
State of Hawaii  
547 Queen Street  
Honolulu, Hawaii 96813  
Attention: Mr. Deepak Neupane

Subject: Request for Best and Final Offer for Kakaako Makai Innovation Block at Lot C (RFP)

Ladies and Gentlemen:

In response to HCDA's request for a Best and Final Offer to develop the Innovation Hale and Sandbox Buildings referenced in the subject RFP, we hereby reaffirm our Request for Proposal dated February 8, 2016, with the following modifications:

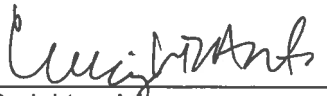
1. SCD will commit to developing the Sandbox Building at a direct construction cost not to exceed \$7.3 million after taking into account savings from value engineering of the current design by Ferraro Choi and Associates, Ltd. Provided, HCDA will be responsible for non-construction costs, which would include design professional fees for value engineering and post design services, engineering and archaeological monitoring and testing, surveying, governmental fees, builder's risk insurance and furniture and fixtures. SCD will provide development services at no charge to the State, but would like the value recognized as an in-kind contribution for grant purposes, if the opportunity arises.
2. HCDA will remove and relocate the existing overhead electrical lines currently traversing Lot C and commission a Phase 2 environmental report.
3. The monthly ground lease rent proposed excludes parking charges. HCDA will make available adequate onsite parking for Innovation Hale occupants at monthly rates not to exceed \$75 month, until a permanent parking structure is developed by HCDA, at which time, parking rates will be adjusted to reflect market conditions. Visitor parking will also be made available.

We appreciate your consideration and we request that all financial information provided with the RFP remain confidential and only be used for the purposes of evaluating this proposal.

Mahalo,

  
Stanford Carr  
Stanford Carr Development, LLC

  
Al Hirata  
Fisher Hawaii

  
Creighton Awa  
'ike