

FOR ACTION

I. SUBJECT

Consider Authorizing the Executive Director to Enter into a Memorandum of Agreement among the Department of Business, Economic Development & Tourism, Business Development and Support Division (BDSD), Hawaii Community Development Authority (HCDA), and East-West Center Regarding a Project to Renovate, Improve, and Modernize the East-West Center Buildings (namely, Imin International Conference Center (with a postal address of 1777 East-West Road, Honolulu, HI 96848), Lincoln Hall (with a postal address of 1821 East-West Road, Honolulu, HI 96848), Hale Kuahine (with a postal address of 1811 East-West Road, Honolulu, HI 96848), Burns Hall (with a postal address of 1601 East-West Road, Honolulu, HI 96848), Hale Halawai (with a postal address of 1633 East-West Road, Honolulu, HI 96848), and Hale Manoa (with a postal address of 1711 East-West Road, Honolulu, HI 96848)), Identified in the East-West Center Capital Improvement Action Plan, Whereby HCDA's Responsibility will be Limited to: i) Review the Scope of Work Prior to Contract Execution for Consistency with the Project Details, ii) Monitor Project Progress by Regularly Reviewing Schedules, iii) Confirm Work Completed and Review and Approve Invoices for Payment, and iv) Provide Updates to BDSD on the Overall Progress of the Project.

II. BACKGROUND

The Center for Cultural and Technical Interchange Between East and West Act of 1960, Public Law 86-472, authorized the establishment in Hawaii of a center for cultural and technical interchange between East and West, and Act 82, Session Laws of Hawaii 1975 (Act 82), established an educational non-profit public corporation, the Center for Cultural and Technical Interchange Between East and West, Inc., better known and referred to as the "East-West Center", to administer and operate the center.

The qualifying standards and conditions related to the receipt of grant funds from the Hawaii State Legislature under Section 42F-103, Hawaii Revised Statutes, were made inapplicable to the East-West Center by Act 158 (SLH 2025). Grants, under Chapter 42F, HRS, means an award of state funds by the legislature.

The 2025 State Budget (Act 250, SLH 2025) appropriated \$5,000,000 to DBEDT's Office of International Affairs, East-West Center, for plans, design, construction, and equipment to renovate, improve, and modernize east-west center buildings. The Department of Business, Economic Development & Tourism/Business Development and Support Division (BDSD) received that \$5,000,000 appropriation through the efforts of a former Hawaii Governor, who is the current chairperson of the East-Center Board of Governors.

The funds will be used to make necessary capital improvements to buildings at the East-West Center, located on the University of Hawaii, Manoa campus, which includes the buildings named above.

BDSD, desirous of using the funds to complete the capital improvement projects, but not having much experience in carrying out a capital improvement project, asked HCDA for assistance in procuring a contractor to design and construct the projects and oversee its completion. HCDA, also being desirous of using the funds for the capital improvement projects wanted to provide this assistance to BDSD. However, after discussing the scope of this project, staff capacity, and the unknown, but possible future work demands relating to Act 252 (SLH 2025), HCDA respectfully declined to assist in the manner requested by BDSD.

Instead, HCDA offered to assist BDSD in a more limited capacity, subject to Board approval. BDSD and East-West Center are amenable to HCDA assisting with the capital improvement project at East-West Center as follows: i) reviewing the project scope of work prior to contract execution for consistency with the project details, ii) monitoring project progress by regularly reviewing schedules, iii) confirming work completed and reviewing invoices, and iv) providing updates to BDSD on the overall progress of the project.

The HCDA is authorized to cooperate with or assist public and private sector entities to engage in projects that improve the State. The making of necessary capital improvements to the buildings in the East-West Center and, more specifically, HCDA's assistance to BDSD, improve the State of Hawaii.

III. DISCUSSION

The respective roles and responsibilities of HCDA, BDSD, and East-West Center regarding the contemplated capital improvement project for the East-West Center will be memorialized further in a memorandum of agreement between the said parties (MOA). However, generally, what follows are the roles and responsibilities of the parties:

1. DBEDT: Act as the expending agency, review invoices approved for payment by HCDA, and provide general oversight over the capital improvement project.
2. HCDA: (i) reviewing the project scope of work prior to contract execution for consistency with the project details, (ii) monitoring project progress by regularly reviewing schedules, (iii) confirming work completed and reviewing invoices, and iv) providing updates to BDSD on the overall progress of the project.
3. EAST-WEST CENTER: Procure the necessary planning, design, and construction contractors, including but not limited to project managers, for the

capital improvement project, and present invoices to HCDA for review and recommendation to pay.

The terms and conditions of the MOA will also include an administrative fee, to be negotiated, payable to HCDA from the project funds.


The list of capital improvement projects contemplated to be implemented include the following:

1. Heating, Ventilation, and Air Conditioning Upgrades
2. Replace Electrical Transformer and Switchgear
3. Replace Room Smoke Detectors
4. Repair Ramp Railings
5. Replace Hot Water System
6. Roof Repairs and Leak Mitigation
7. Replace Wheelchair Lift
8. Other Repairs and Renovations

The agency has the staff capacity currently to assist BDSD in the limited capacity described herein. HCDA desires to assist BDSD, an attached agency, with this capital improvement project that will benefit the State of Hawaii.

IV. RECOMMENDATION

Authorize the Executive Director to (i) Enter into a Memorandum of Agreement among the Department of Business, Economic Development & Tourism, Business Development and Support Division (BDSD), Hawaii Community Development Authority (HCDA), and East-West Center Regarding a Project to Renovate, Improve, and Modernize the East-West Center Buildings (namely, Imin International Conference Center (with a postal address of 1777 East-West Road, Honolulu, HI 96848), Lincoln Hall (with a postal address of 1821 East-West Road, Honolulu, HI 96848), Hale Kuahine (with a postal address of 1811 East-West Road, Honolulu, HI 96848), Burns Hall (with a postal address of 1601 East-West Road, Honolulu, HI 96848), Hale Halawai (with a postal address of 1633 East-West Road, Honolulu, HI 96848), and Hale Manoa (with a postal address of 1711 East-West Road, Honolulu, HI 96848)), Identified in the East-West Center Capital Improvement Action Plan, Whereby HCDA's Responsibility will be Limited to: i) Reviewing the Scope of Work Prior to Contract Execution for Consistency with the Project Details, ii) Monitoring Project Progress by Regularly Reviewing Schedules, iii) Confirming Work Completed and Reviewing and Approving Invoices for Payment, and iv) Providing Updates to BDSD on the Overall Progress of the Project, and (v) Take all other Necessary Actions Related to this For Action.

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