



HAWAII HOUSING FINANCE & DEVELOPMENT CORPORATION

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CRAIG K. HIRAI
EXECUTIVE DIRECTOR

ADDENDUM NO. 1

September 26, 2018

RFP NO: DEV-RFP-18-001

**RFP TITLE: KEAWE STREET APARTMENTS AT THE VILLAGES OF LEIALI`I AFFORDABLE
FAMILY RENTAL HOUSING PROJECT**

PROPOSALS DUE: Wednesday, October 31, 2018 NOT LATER THAN: 2:00 p.m. HST

This Addendum modifies or clarifies the solicitation documents only to the extent indicated herein, and all portions thereof not specifically affected by the addendum shall remain in full force and effect. All addenda shall be added to and form a part of the RFP documents.

- Item #1 Add:** Pre-Proposal Conference Questions and Answers, attached herewith.
- Item #2 Add:** Pre-Proposal Conference Attendance Sheet, attached herewith.
- Item #3 Add:** Phase 1A Honoapiilani Highway Realignment drawings, HDOT, 5/13/11, attached herewith.
- Item #4 Add:** BCH comments dated 1/25/13 to HDOT Phase 1A drawings, attached herewith.
- Item #5 Add:** HDOT response dated 1/27/13 to BCH comments to Phase 1A drawings, attached herewith.
- Item #6 Add:** Title Guaranty of Hawaii, Inc. Title Report dated 9/4/18 for TMK No. (2) 4-5-021: 003, attached herewith.

Item #7

Add: The following Section 6.1.mm shall be added to Section 6, Project Requirements, Section 1, Offeror Requirements, of the RFP:

“mm. Chain Link Fencing Around Large Rock Pile. The Successful Offeror shall be responsible for constructing a 6’ high chain link fence and 20’ access gate around the large rock pile within the eligible project area below the 130’ elevation as shown on Figure 8 attached herewith, with “No Trespassing” signs prominently secured to the fence around the rock pile as part of the development of the Project, if the large rock pile is not removed by the Successful Offeror. The gate shall be secured and locked by the Successful Offeror until a replacement chain and lock is provided by HHFDC.”



Craig K. Hiral, Executive Director

END OF ADDENDUM NO. 1

Please execute the receipt on this page and return immediately to the Hawaii Housing Finance and Development Corporation, 677 Queen Street, Suite 300, Honolulu, Hawaii 96813.

Receipt of Addendum No. 1

Receipt of Addendum No. 1 is hereby made a part of the Request for Proposals DEV-RFP-18-001 – Keawe Street Apartments at the Villages of Leiali'i Affordable Family Rental Housing Project, Lahaina, Maui Hawaii, issued by HHFDC on August 29, 2018.

Signed: _____ Title: _____

Company: _____ Date: _____

The Offeror shall be responsible for incorporating Addendum No. 1 into its copy of the Request For Proposals.

ADDENDUM NO. 1, ITEM #1
9/19/18 – PRE-PROPOSAL CONFERENCE QUESTIONS AND ANSWERS
RFP – KEAWE STREET APARTMENTS AT THE VILLAGES OF LEIALI’I
AFFORDABLE FAMILY RENTAL HOUSING PROJECT

<p>#1</p>	<p>Question: Per the For Action dated 6/14/18 attached to the RFP, \$5M in DURF funding has been approved for a pre-development and interim loan, of which \$2M may be used for pre-development costs. The DURF interim loan will be repaid by the Project’s permanent financing, except to the extent allowed to be allocated to offsite infrastructure by HHFDC. Does this mean that the entirety of the interim DURF loan must be spent on offsite infrastructure costs?</p> <p>Answer: No.</p> <p>Commentary: HHFDC understands that this project has higher risk than a normal infill project since it is the first project of the master plan and it has yet to be determined whether some of the off-site requirements will be triggered by this one project. This is the primary reason HHFDC is offering the \$2M pre-development DURF loan, which may be forgiven if the project is determined to be unfeasible for reasons not within the developer’s control.</p>
<p>#2</p>	<p>Question: Will income averaging be available for this project?</p> <p>Answer: Income averaging is not available for this RFP.</p>
<p>#3</p>	<p>Question: Is the maintenance of a 50’ area outside of the project for fire and rodent control mandatory?</p> <p>Answer: Yes; it’s for the protection of the proposed RFP project.</p>
<p>#4</p>	<p>Question: When will the studies being conducted by Munekiyo Hiraga be complete and available?</p> <p>Answer: An exact completion date is unknown, but most of the studies are expected to be completed after the proposals are due. HHFDC does not warrant that studies described in Munekiyo Hiraga’s scope of work will be consummated, or that any or all of this work will be authorized, completed, or will satisfy the requirements of the Successful Offeror.</p>
<p>#5</p>	<p>Question: The RFP says that units may be 1, 2, or 3-bedroom units. The development agreement and ground lease provided with the RFP say that units must be 0, 1, or 2-bedroom units. Are the development agreement and ground lease just templates?</p> <p>Answer: Yes, the development agreement and ground lease are templates. RFP responses should be the Offeror’s proposal for a unit mix consistent with a family project.</p>

#6	<p>Question: The developer is responsible for subdividing the project parcel. What portion must they subdivide?</p> <p>Answer: The Successful Offeror shall be responsible for any subdivision necessary to develop the proposed project, which includes the proposed project area and public collector access road.</p>
#7	<p>Question: Is this a land court parcel?</p> <p>Answer: Please refer to the title report included with the RFP.</p>
#8	<p>Question: Is there a clear or set scope of work for the Keawe Street Extension road work? Have there been any additional studies as to where on Keawe Street Extension an intersection would be located?</p> <p>Answer: There is no set scope of work for roadway improvements. HHFDC understands that HDOT has granted a relocatable access right to HHFDC from the Keawe Street Extension to the project site. The Successful Offeror shall be responsible to investigate with HDOT and the County and comply with applicable access requirements from Keawe Street Extension.</p>
#9	<p>Question: Is there a more detailed report of the 2011 master plan that presents additional information not available in the EIS?</p> <p>Answer: We are not aware of any additional reports regarding the master plan as presented in the EIS. The Final EIS was posted in the OEQC Bulletin in October 2012 and would either include or supersede any prior master planning documents for the project site.</p>
#10	<p>Question: Was it HHFDC's express intention to only provide one access to the project?</p> <p>Answer: HHFDC will look at additional or alternative feasible access points to the project site. However, the closest, most direct access to the project site seems to be from the Keawe Street Extension.</p>
#11	<p>Question: Can access to the project be provided from the cane haul road instead of the Keawe Street Extension?</p> <p>Answer: The land where the cane haul road connects to Keawe Street is not located on HHFDC-owned land and as such HHFDC is not able to speak to whether or not the landowner would be open to allowing access via that road.</p>
#12	<p>Question: Confirm that the project will not be allowed direct access off of the Lahaina Bypass?</p> <p>Answer: Correct.</p>

#13	<p>Question: Where does the Lahaina Bypass end and Keawe Street begin?</p> <p>Answer: HHFDC does not know where the Lahaina Bypass ends and Keawe Street begins. The Successful Offeror shall be responsible to investigate with both HDOT and the County and comply with applicable access requirements from the Keawe Street Extension.</p>
#14	<p>Question: Please explain more about the offsite infrastructure requirements aside from roadwork.</p> <p>Answer: The Successful Offeror shall be responsible for all offsite and onsite infrastructure necessary to develop and operate the proposed project.</p>
#15	<p>Question: Has there been a discussion with the Department of Education (DOE) about school impact fees?</p> <p>Answer: No. Offerors are responsible to investigate and comply with any DOE school impact fees applicable to the proposed project. HHFDC will not approve exemptions to school impact fees under 201H.</p>
#16	<p>Question: The RFP contemplates \$30M in Rental Housing Revolving Fund (RHRF) loan funding for this project. Is that the upper limit of RHRF available for this project?</p> <p>Answer: Questions regarding the RHRF program are referred to HHFDC's Finance Branch, who administers that program. \$30M is the limit to what was appropriated for this project by the State Legislature. If the developer seeks RHRF funds in addition of this limit, they will need to apply through the regular cycle for RHRF funds administered by HHFDC Finance Branch.</p>
#17	<p>Question: The Maui island plan calls for affordable housing restrictions to be made in perpetuity. This project only calls for 75 years of affordable housing restrictions. Will this cause issues with getting subdivision approval from Maui County?</p> <p>Answer: The affordability restrictions would be for the duration of the ground lease, 75 years, as per the RFP. Maui County's perpetuity requirement could be tied to the satisfaction of an affordability condition required for receiving some kind of benefit from the County, such as rezoning. This RFP project shall not be used to satisfy the affordability requirements of any other project or developer obligations to the County.</p>
#18	<p>Question: Is HHFDC expecting to be the approving agency for the 201H process?</p> <p>Answer: Yes. However, in deference to home rule, HHFDC will require a rejection letter from the County before it will proceed with the 201H exemption process. In other words, if the County prefers to process the 201H exemptions for this RFP project, HHFDC's policy is not to overrule the County's preference.</p>

<p>#19</p>	<p>Question: Has there been any further communication between HHFDC and the Maui housing department about this project, other than the community meeting in July? Has HHFDC received any further questions about this project from the housing department?</p> <p>Answer: No further communication has occurred, and no further questions have been received.</p>
<p>#20</p>	<p>Question: Given what's happening with Front Street Apartments, namely the loss of affordability restrictions, is there any intention to give housing preference to those residents?</p> <p>Answer: There is no requirement to give preference to tenants at Front Street Apartments. The Successful Offeror shall comply with all State and Federal laws, ordinances, rules and requirements, including fair housing.</p>
<p>#21</p>	<p>Question: Land Use Plan Concept 2 from the EIS was selected for the RFP, out of the 3 land use plans presented in the EIS. Was this selection arbitrary?</p> <p>Answer: Yes.</p>