

**Developer
Request for
Proposals**

RFP No. DEV-RFP-23-001

**KAHULUI CIVIC CENTER
MIXED-USE COMPLEX
Kahului, Maui, Hawaii**

RFP Issued: 3/28/23

Intent to Offer: 5/10/23

Questions Due: 6/14/23

Proposal Due: 7/26/23

JOSH GREEN, M.D.
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 587-0600

IN REPLY REFER TO:
23: DEV/0026

March 28, 2023

NOTICE TO INTERESTED PARTIES
Request for Proposals (RFP) No. DEV-RFP-23-001
KAHULUI CIVIC CENTER
MIXED-USE COMPLEX

The HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION (HHFDC) is requesting proposals from persons or firms who meet the qualifications described herein to enter into a real estate development agreement for master planning of the project site, subdividing or creating a condominium property regime for the different leasehold ownership uses, and the leasehold development sale and/or ownership and operation of the affordable residential housing component as the first phase of a mixed-use project at 153 West Kaahumanu Avenue, Kahului, Hawaii, identified as Tax Map Key (2) 3-7-004: 003 (Portion). The Department of Accounting and General Services (DAGS) will develop the civic center component in the future when funding is available. The property has been designated for development of affordable rental housing, civic center, the new Maui bus hub, parking and incidental uses. The bus hub is under construction by the County of Maui at the southeastern portion of the property. The Selected Offeror shall be responsible for preparing a comprehensive master plan for the affordable housing component and civic center uses, subdividing or creating a condominium property regime for the different ownership uses, and the leasehold development sale and/or ownership and operation of the affordable housing component.

Copies of the RFP shall be made available as follows, beginning **March 28, 2023**.

- 1. Electronic copy on the HHFDC website.** A copy of the RFP documents can be reviewed and downloaded online at no cost. Go to <https://dbedt.hawaii.gov/hhfdc/kahului-civic-center-mixed-use-complex/>. 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 to the RFP Contact.** To register, please email the RFP Contact below and provide the following information: ***Company Name, Mailing Address, Contact Person Name, Email, Phone Number.*** If an Offeror does not register with the RFP Contact, Offeror will not be sent notification of the Pre-Proposal Conference details, or any changes or addenda to the RFP. Such changes or addenda, however, will be posted on the HHFDC website.

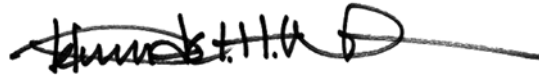
To complete registration, an Offeror must also submit a mandatory "Notice of Intent to Offer" letter (**Attachment 1**) together with a corporate resolution or "authorization to sign". Submittal of a Notice of Intent to Offer letter and a corporate resolution or "authorization to sign" by the required deadline are required in order to submit a proposal.

- 2. Hard copy by U.S. Postal Service first class mail, FedEx, or equivalent.** Notify the RFP Contact to arrange mailing of the solicitation documents. Documents will be mailed via USPS First Class Mail unless HHFDC receives the carrier account number. A fee of \$500 per copy will be assessed for administrative and printing costs. The fee shall be in the form of a cashier's or certified check made payable to the "Hawaii Housing Finance and Development Corporation."

A remote **Pre-Proposal Conference** will be held on **April 19, 2023 at 10:00 a.m., HST.** Details on how to access the conference will be provided only to Offerors that have registered with HHFDC's RFP Contact.

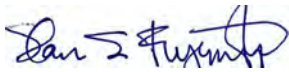
Statements made by HHFDC representatives at the Pre-Proposal Conference, or otherwise during the solicitation process, shall not be binding on HHFDC unless confirmed by written addendum. Direct all questions regarding the RFP, in writing, to the RFP Contact, Stan S. Fujimoto, Project Manager, HHFDC, Email: stanley.s.fujimoto@hawaii.gov. The **deadline for questions is June 14, 2023 at 4:00 p.m., HST.**

Proposals must be received and time-stamped no later than 4:00 PM HST on July 26, 2023 by HHFDC at its office located at 677 Queen Street, Suite 300, Honolulu, Hawaii 96813.



Delmond J.H. Won, Executive Assistant
Hawaii Housing Finance and Development Corporation

Honolulu Star-Advertiser: March 28, 2023
April 5, 2023

Signature: 
Email: stanley.s.fujimoto@hawaii.gov

Signature: 
Email: stanley.s.fujimoto@hawaii.gov

Signature: *Dean Minakami*
Email: dean.minakami@hawaii.gov


Signature: 
Email: delmond.j.won@hawaii.gov

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1. EXECUTIVE SUMMARY

<p>Opportunity</p>	<p>1. The Hawaii Housing Finance and Development Corporation (HHFDC) is seeking proposals from qualified persons or firms who meet the qualifications described herein to enter into a real estate development agreement for the preparation of a master plan of the land parcel owned by the State, Honolulu, Hawaii identified as TMK: (2) 3-7-004:003 (portion) (hereinafter referred to as "Project Site") to accommodate the housing and civic center uses, subdividing or creating a leasehold condominium property regime (CPR) for the different ownership uses, and the leasehold development of a multi-family housing project, more than 50% of the units shall be affordable to households at or below 140% of the U.S. Department of Housing and Urban Development (HUD) area median income (AMI)(hereinafter referred to as "Project"). The Selected Offeror shall be responsible for preparing a comprehensive master plan for the Project Site, Project Site preparation, subdividing the Property or establishing a leasehold CPR to divide the land parcel identified as TMK (2) 3-7-004:003 (hereinafter referred to as "Property") into separate leasehold units of ownership, and leasehold development of the affordable housing component. See <i>Figures 1 and 2, Project Site and Property.</i></p>
<p>Proposed Project</p>	<p>2. The proposal shall involve the preparation of a master plan for the Project Site for housing and civic center uses, subdivision or creation of a CPR for the different leasehold ownership uses, and leasehold development, sale and/or ownership of the affordable housing component, parking, and ancillary amenities. The civic center component will be developed by DAGS in the future when funding becomes available.</p>
<p>Site</p>	<p>3. The State owns the Property which consist of 5.57 acres of land and is located at 153 West Kaahumanu Avenue, in Kahului, Hawaii, and is identified as Tax Map Key (2) 3-7-004: 003. However, 0.85 acres on the southeast portion of the property is dedicated for the Maui Transit Hub. As such, the area Project Site consists of 4.722 acres. The Property is bound by Kaahumanu Avenue to the north, Kane Street to the west, Vevau Street to the south, and the Waterfront Apartments to the east. Please see Appendix 2 for a preliminary title report of the Property.</p> <p>The Property shall either be subdivided or divided into separate CPR units for the different leasehold ownership uses.</p>
<p>Existing Use and Zoning</p>	<p>4. The parcel is located within the "Urban" State Land Use District, the "B-2 – Business-Community" zoning district and is designated for "B-Business/Commercial" use per the Maui County's Wailuku-Kahului</p>

	<p>Community Plan. The existing facilities and uses on the Project Site comprise the Department of Education (DOE) McKinley Community School for Adults (MCSA) one-story building, a one-story DOE lawnmower maintenance/operation building, a one-story collapsed building, an asphalt parking lot with 21 marked parking spaces, an open grass lawn, and a low perimeter stone wall fronting West Kaahumanu Avenue and a portion of Kane Street. Please see Appendix 5 for the existing Revocable Right of Entry with DOE for MCSA.</p>
Land Offering	<p>5. HHFDC will provide long-term leases for the Project Site: one (or more) leasehold unit will be for the land area associated with the housing component, one leasehold unit to DAGS for the civic center component, one leasehold unit to the County of Maui for the Maui transit hub component, and (if applicable) one leasehold unit for the commercial component. Ground Lease premium and rent for the housing component and the commercial component will be subject to Offeror’s proposal and is subject to negotiation and HHFDC’s approval.</p>
Selection Process	<p>6. Following this Request for Proposals, a pre-proposal conference and submission of proposals, qualified development teams will be evaluated by a selection committee, after which the committee will recommend a development team for exclusive negotiations and approval by the HHFDC Board of Directors.</p>
Pre-Proposal Conference	<p>7. A remote Pre-Proposal Conference will be held on April 19, 2023 at 10:00 a.m., HST. Details on how to access the conference will be provided to Offerors that have registered with HHFDC’s RFP Contact. Any Offeror is advised to pre-register by email to the RFP Contact and provide the following information: Company Name, Mailing Address, Contact Person Name, Email address and Phone number. (To complete registration, Offerors must also submit a “Notice of Intent to Offer” letter (Attachment 1) together with a corporate resolution or “authorization to sign”.)</p> <p>Interested parties are invited and recommended to attend; however, attendance at the Pre-Proposal Conference is not mandatory.</p>
Notice of Intent to Submit an Offer	<p>8. No later than 4:00 p.m., HST on May 10, 2023. Completed Notice of Intent to Offer form (Attachment 1) must be submitted with Corporate Resolution.</p>
Deadline for Written RFP Questions	<p>9. Accepted beginning on March 28, 2023 through June 14, 2023, at 4:00 p.m., HST. Questions should be emailed to the RFP Contact, Stan S. Fujimoto, at stanley.s.fujimoto@hawaii.gov. Answers will be emailed via addendum to all registered Offerors.</p>
Proposals Due	<p>10. No later than 4:00 p.m., HST on July 26, 2023, by HHFDC’s time clock.</p>

<p>RFP Response Format</p>	<p>11. Submit one (1) original marked "ORIGINAL", three (3) copies marked "COPY" (four total), and one (1) complete electronic copy on USB drive, including the pro forma sheet in Microsoft Excel format to:</p> <p>Denise Iseri-Matsubara Executive Director Request for Proposals No. DEV-RFP-23-001 Hawaii Housing Finance and Development Corporation 677 Queen Street, Suite 300 Honolulu, Hawaii 96813</p>
<p>Priority Offer List Determination</p>	<p>12. Date to be determined.</p>
<p>Discussion with Priority Listed Offerors</p>	<p>13. Date to be determined.</p>
<p>Best and Final Offer Due</p>	<p>14. Date to be determined.</p>
<p>Estimated Selection of Successful Offeror</p>	<p>15. Date to be determined.</p>

A **remote Pre-Proposal Conference** will take place at the date, time and place noted above. Attendance is recommended but not mandatory. Interested Offerors may submit written inquiries to the RFP Contact 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 oral questions may be provided by HHFDC; however, Offerors are informed that responses to the oral questions will not be binding. If an Offeror wishes to receive a formal answer to oral questions raised at the Pre-Proposal Conference, the Offeror shall submit such questions to the RFP Contact by the deadline for written questions. All official responses will be provided in writing via addendum to this RFP. **Written Questions** concerning this RFP after the Pre-Proposal Conference must be submitted to HHFDC as indicated and up until the date specified above. Questions shall be directed to the RFP Contact via email.

Interested Offerors shall submit a mandatory **"Notice of Intent to Offer"** letter (**Attachment 1**) together with a corporate resolution or "authorization to sign" no later than the date specified above addressed to the RFP Contact. **The Intent to Offer will form the official list of interested Offerors, and the recipient list of any communication and/or addenda relating to this RFP. Submittal of a Notice of Intent to Offer together with a corporate resolution or "authorization to sign" no later than the date specified above are required in order to submit a proposal.**

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 from HHFDC which will be sent to registered interested Offerors and posted on the HHFDC website. Offerors on the official list of

Interested Offerors will be notified of the addenda that are posted. Offerors will be responsible for obtaining any issued addenda from the HHFDC website.

One (1) original and three (3) copies along with one (1) USB drive of Offeror's proposal are due by the date and time specified above. Timely receipt of offers shall be evidenced by the date and time registered by the HHFDC time stamp clock. Offers received after the deadline shall be returned unopened. Proposals shall be placed in a sealed envelope(s) or container(s). A completed "Offer Form" (Attachment 2) shall be enclosed in the proposal package. The completed Offer Form shall have an original, authorized signature of the Offeror.

An Offeror may modify or withdraw their proposal prior to the established proposal due date in writing to the RFP Contact. The modification or withdrawal may be mailed, hand-delivered, or e-mailed. Modifications or withdrawals must be accompanied by a duly executed certificate of resolution authorizing the signer to modify or withdraw the proposal.

This RFP may be cancelled and any or all proposals may be rejected in whole or in part, without liability, when it is determined to be in the best interest of the State, in the State's sole discretion. The State shall not be liable for any costs, expenses, loss of profits or damages whatsoever, incurred by the Offeror in the event this RFP is cancelled or a proposal is rejected.

This RFP is issued by HHFDC. The Executive Director's contact information is as follows:

Denise Iseri-Matsubara, Executive Director
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813
Ph: (808) 587-0641; Email: denise.iseri-matsubara@hawaii.gov

All communications regarding this RFP during this solicitation by the Offeror, consultants and agents shall be directed to the RFP Contact as follows:

Stan S. Fujimoto, Project Manager
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813
Ph: (808) 587-0541; Email: stanley.s.fujimoto@hawaii.gov

2. INTRODUCTION AND PURPOSE

TERMS AND ACRONYMS USED THROUGHOUT THE SOLICITATION

The following terms and acronyms have the same meaning throughout this RFP, unless specifically stated otherwise or clearly inappropriate in the context.

Addendum	A written document issued by HHFDC during the solicitation period clarifying or establishing changes to the RFP, which will be considered and made a part of the RFP.
Award	Written notification of the approval of the Offeror's proposal.
BAFO	Best and Final Offer.
Contract	All types of agreements (e.g., the Development Agreement, Lease Agreement, and/or any other agreement) executed as a result of this RFP.
Contractor	Any individual, partnership, firm, corporation, joint venture, or representative or agent, awarded a contract as a result of this solicitation.
CPR	Condominium Property Regime.
Development	Successful completion of the project that is the subject of this RFP.
Development Agreement	The contract executed by HHFDC and the Successful Offeror as a result of this RFP.
DLNR	The Department of Land and Natural Resources of the State of Hawaii.
DOE	The Department of Education of the State of Hawaii.
DURF	HHFDC's Dwelling Unit Revolving Fund
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. The terms "Proposer", "Offeror", "Respondent", and Developer" are used interchangeably in this RFP.
PLO	Priority List Offerors. Those Offerors who are on the Priority List.
Priority List	Those Responsible Offerors who: have submitted a proposal in response to this RFP which the HHFDC evaluation committee determines to be acceptable or potentially acceptable and among the most qualified to perform and complete the Project. If more than three (3) acceptable or potentially acceptable proposals have been submitted, the Priority List will be limited through evaluation and ranking to no more than three (3) acceptable or potentially acceptable Offerors who submitted the highest-ranked proposals.
Responsible Offeror	An Offeror who has submitted a complete proposal and the HHFDC evaluation committee determines has: (1) the capability in all respects to design and construct the Project; and (2) the integrity and reliability that will ensure good faith performance.

RFP	Request for Proposals, referring to all documents, whether attached or incorporated by reference, utilized for soliciting proposals.
RFP Contact	The person designated by HHFDC to receive various communications in writing relating to the RFP.
State	State of Hawaii, including all departments, attached agencies, and political subdivisions.
Successful Offeror	Any individual, partnership, firm, corporation, joint venture, or representative or agent, awarded a contract by HHFDC as a result of this solicitation.

A. INTRODUCTION AND PURPOSE

This Request for Proposals (RFP) is being issued by the Hawaii Housing Finance and Development Corporation (HHFDC) for the purpose of soliciting proposals from interested Developers or development teams who meet the qualifications described herein. HHFDC will enter into a development agreement with the Successful Offeror for the preparation of a master plan of the Project Site accommodating the housing and civic center uses, subdividing or establishing a leasehold CPR for the Property, and the leasehold development, sale of for-sale units and/or ownership and operation of a multi-family rental housing project with more than 50% of the total units affordable to households at or below 140% of the HUD AMI¹ (hereinafter referred to as “Project”). The purpose of the RFP is to give qualified developers an opportunity to demonstrate a workable planning and business framework for their approach to developing the Project Site consistent with the vision and other principles described in this RFP.

In this RFP, each Offeror will be required to use State of Hawaii licensed architects and engineers to prepare the design and will be expected to adhere to all State of Hawaii requirements and requirements of other authorities having jurisdiction.

After reviewing proposals and potentially interviewing parties who submit responsive proposals, HHFDC anticipates selecting a preferred development entity to prepare a master plan, subdivide or create a CPR for the Property, design, finance, build, lease, sell for-sale units, and/or own, operate, and manage the Project. The preferred development entity shall enter into negotiations for a Development Agreement (DA) and long-term lease of the Property. The process and criteria that will be used to make the selection are described in the RFP. In reaching agreement on the terms of the DA, the preferred development entity and HHFDC will negotiate, in good faith, terms for the parties to move forward together and will clarify respective roles and responsibilities including pre-development activities and budgets, as well as key terms and conditions of the ground lease of the affordable housing component and related development,

¹ AMI for a 4-person household in 2022 in Maui County was \$114,100. For families making up to 140 percent of AMI, an affordably priced 3-bedroom apartment could rent for up to \$4,154 per month (utilities inclusive) or a home for a 4-person household could sell for up to \$691,000 (at 5.5 percent interest rates). The 2022 HUD Income, Rents and Sales Price by Counties are available on HHFDC’s website at: <https://dbedt.hawaii.gov/hhfdc/files/2022/04/2022-Income-Rent-Sales-Guidelines.pdf>.

financial and operational considerations. Upon full execution of the DA, the preferred development entity shall henceforth be identified as the Successful Offeror.

Figure 1: Project Site

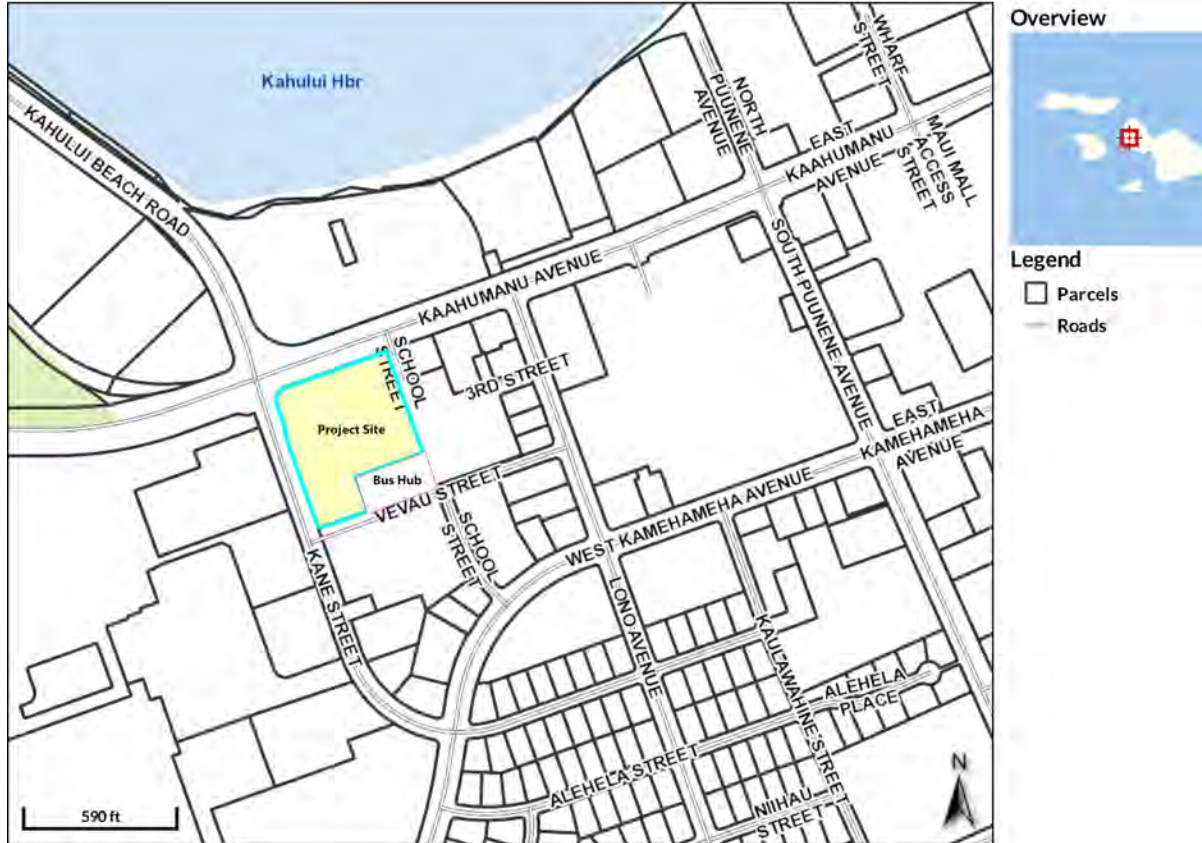


Figure 2: Property (shaded in yellow)



3. PROJECT OVERVIEW

The Property has been designated by Executive Order No. 4590 (dated July 29, 2019) for affordable rental housing, civic center uses, transit hub, parking and incidental uses. See [Appendix 3](#). The Successful Offeror will be responsible for the preparation of a master plan for the Project Site to accommodate the housing and civic center uses, subdivision or creation of a CPR for the different ownership uses, and the leasehold development, ownership and operation of a multi-family for-sale and/or rental housing project, more than 50% of the total units shall be affordable to households at or below 140% of the HUD AMI along with parking and ancillary amenities, and all offsite and onsite improvements necessary for development of the Project. The civic center component, which will have a preferred floor area of about 66,000 square feet, will house office space for DAGS, adult school and supporting space for DOE, and the Kahului public library. At a minimum, the civic center component shall consist of no less than 44,000 square feet (excluding any commercial space) and parking as required by code. The civic center component will be developed by DAGS in the future, subject to funding. Community oriented commercial space may also be added to the Project Site – either as part of the affordable housing component or the civic center component. If proposed, the Successful Offeror shall be responsible for the leasehold ownership and operation of the commercial space.

The preference is a stand-alone independent component for each of the uses – the housing component and the civic center component, each with their own dedicated ground footprint. However, Offerors may propose alternative development schemes as discussed in this RFP. The Successful Offeror shall prepare a master plan, subdivide or create a leasehold CPR of the Property and develop the housing component. The development of the master plan shall include consultation and approval of both HHFDC and DAGS; however, the development of the housing component shall be approved only by HHFDC. Total floor square footage, general layout, access, traffic flow, utilities, parking, and ancillary requirements for both components shall be as agreed upon by HHFDC and DAGS. The civic center component will be developed by DAGS in the future, subject to funding.

To efficiently develop the Project Site, the Successful Offeror may collaborate with HHFDC and DAGS and has the option to construct a shared parking structure for the housing and civic center components. In addition, even though this RFP is only for the preparation of a master plan for the Project Site, subdivision or creation of a CPR, and development of the affordable housing component, HHFDC recognizes the importance of integrating all the uses proposed for the Project Site into a functional site plan that incorporates place making features to create a vibrant and livable community hub and optimize the resident, customer, and transit users experience at the site. Thus, alternative proposals are welcome provided the programmatic requirements for each component are addressed. Any alternative proposal shall be structured to allow for development in phases, with the first phase providing the housing component. All alternative proposals shall follow requirements outlined in **Section 7.H**.

The Hawaii State Public Library System (HSPLS) is currently working with DAGS' consultants to undertake conceptual planning for the integration of the Kahului Public Library within the Project

Site. The Successful Offeror shall consider any recommendations of the library study during the master planning of the Project Site.

The Successful Offeror shall be responsible for obtaining all necessary entitlements, permits, and subdivision/CPR approvals, including but not limited to the Special Management Area Use Permit for the affordable housing development. HHFDC intends to grant a long-term lease of up to 99 years, subject to HHFDC approval at HHFDC’s sole discretion, to the Successful Offeror for the affordable housing component in an “as is” condition with no implied warranties or representations.

Please see [Appendix 4](#) for a Topographic Survey Map of the Property (June 3, 2019).

See [Appendix 6](#) for a geotechnical soils report, Geotechnical Investigation, Kahului Lani, Phases 1 and 2, Kahului, Maui, Hawaii, TMK: (2) 3-7-05: 11, Hirata & Associates, Inc. (January 3, 2018), for the Kahului Lani project site adjacent to the Property on the south side, for information.

Project Information Summary

Name:	Kahului Civic Center Mixed-Use Complex
Project Location:	153 West Kaahumanu Ave. (See Figures 1 and 2)
Tax Map Key:	(2) 3-7-004:003 (See Figure 3)
Land Area:	5.57 acres (For the Property) (See Figure 2)
Project Site:	4.722 acres (For the Project Site) (See Figure 1)
Landowner:	State of Hawaii is the Recorded Fee Owner HHFDC controls the Property by Executive Order
State Land Use Classification:	Urban (See Figure 4)
Ceded Land:	The Property IS NOT ceded land.
County Zoning:	B-2 Business Community (See Figure 5)
Wailuku-Kahului Community Plan	B – Business/Commercial
Maui Island Plan	Urban
Special Management Area:	Within SMA (See Figure 6)
Flood Zone:	Zone X (See Figure 7)

Existing Use:

A one-story building for the DOE McKinley Community School for Adults; a one-story lawnmower maintenance building; a one-story collapsed building; and a parking lot with 21 parking spaces.

Surrounding Uses:

The Property is surrounded by a mix of commercial, residential, and resort uses. North of the Property is the Maui Beach Hotel, and west of the Property is the Queen Kaahumanu Center, a shopping center with a variety of retailers. The Waterfront Apartments at Kahului are east of the Property, and south of the Property is currently being developed for Kahului Lani, an affordable senior housing complex.

Infrastructure:

See the Kahului Civic Center Mixed-Use Complex Final Environmental Assessment/Finding of No Significant Impact (May 2022)(FEA) included with this RFP as **Appendices [1a](#), [1b](#), and [1c](#)**.

Please see [Appendix 8](#) for the construction drawings (August 28, 2020), [Appendix 9](#) for Geotechnical Engineering Exploration (July 19, 2019), and [Appendix 10](#) for the Final Drainage Report (May 7, 2020) for the new Maui Transit Hub.

Figure 3: TMK Map for Property (outlined in blue)

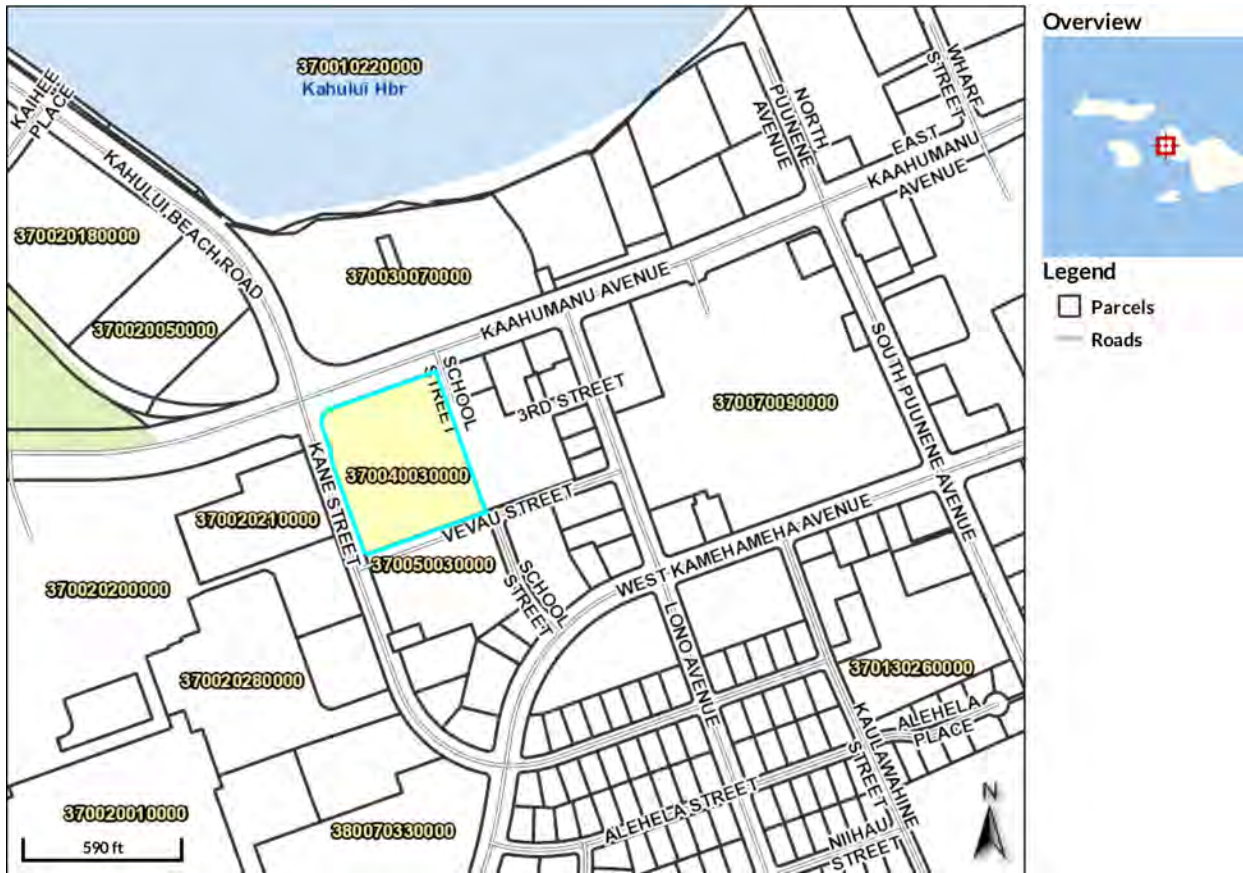
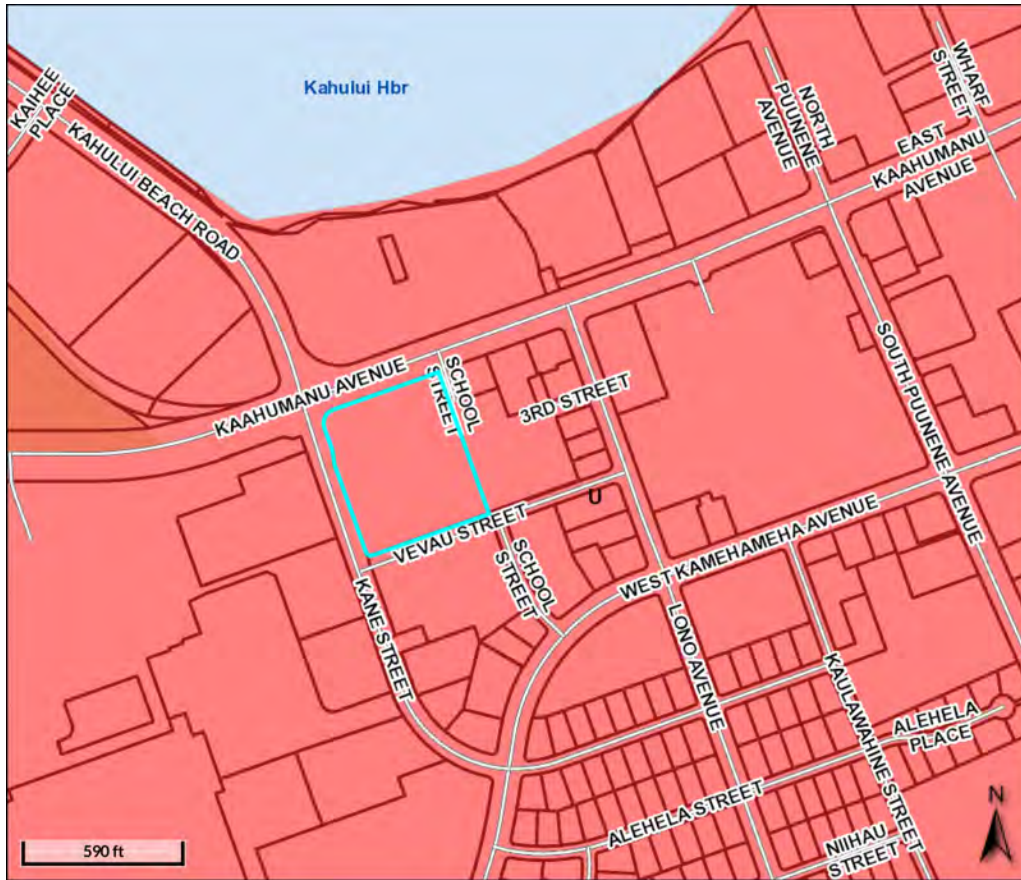


Figure 4: State Land Use Classification Map for Property (outlined in blue)



Legend

- Parcels
- Roads

State Land Use District

- A
- C
- R
- U**

A = Agriculture
 C = Conservation
 R = Rural
 U = Urban

Figure 5: County Zoning Map for Property (outlined in blue)

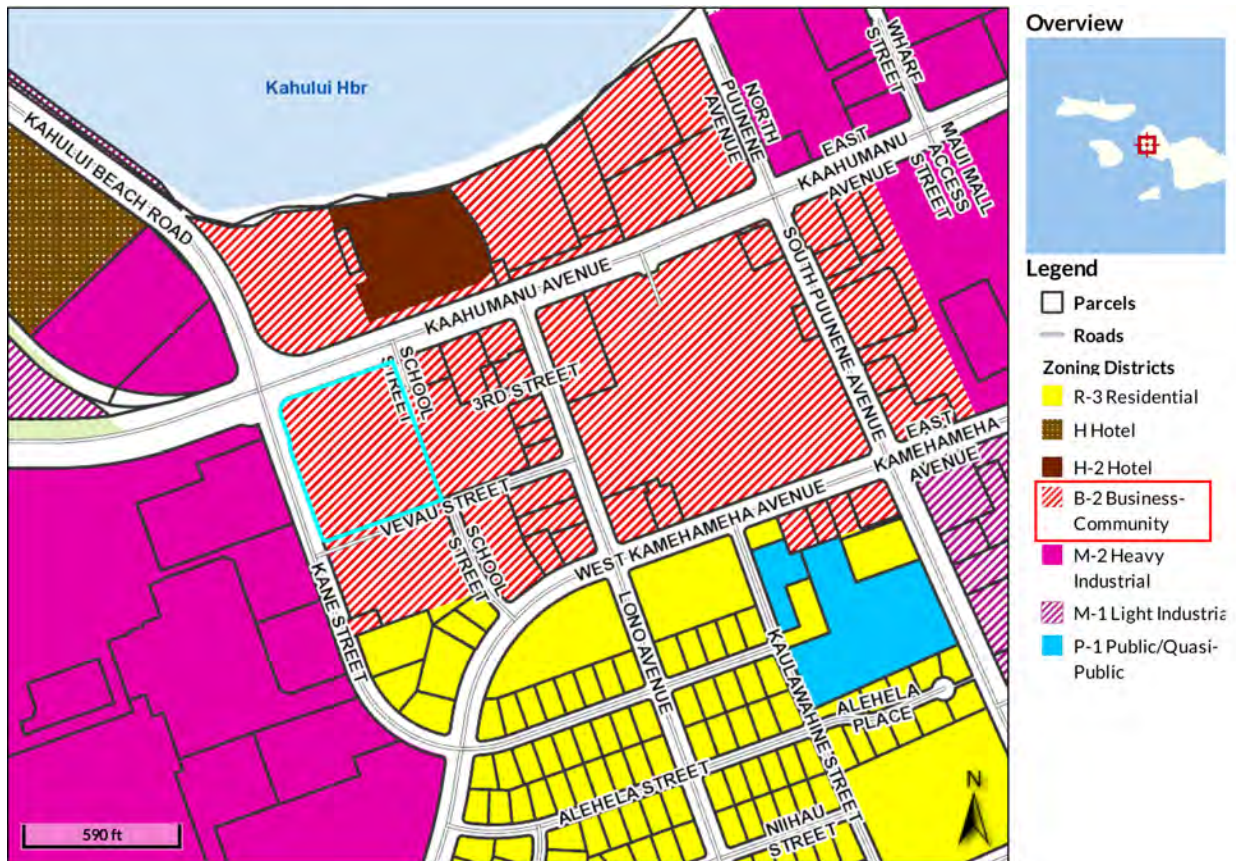


Figure 6: SMA Map for Property (outlined in blue)

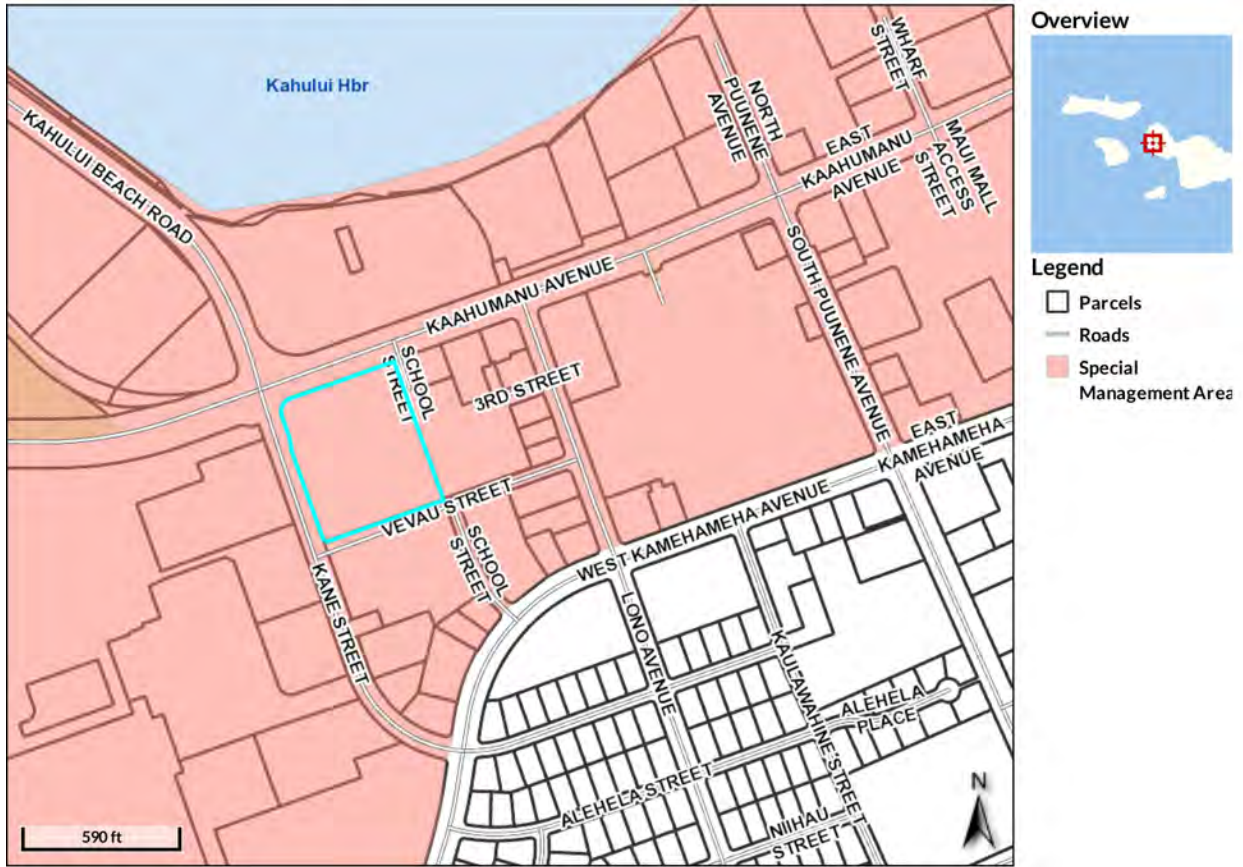
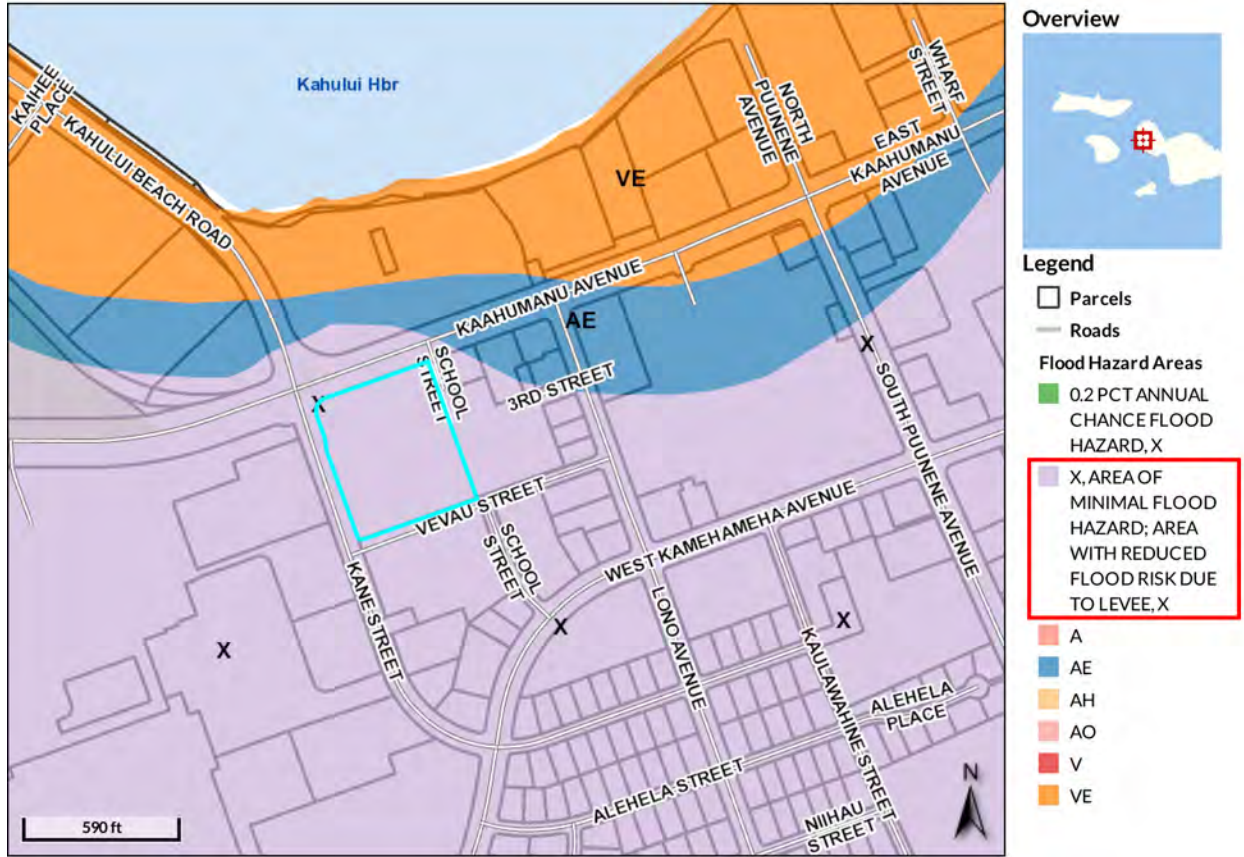


Figure 7: Flood Map for Property (outlined in blue)



4. RFP DOCUMENTS

The documents included in this RFP (collectively, the “RFP Documents”) consist of this RFP document, and attachments contained or identified in this RFP, any and all addendums to the RFP Documents, and the following appendices, although not attached, which can be downloaded from the following hyperlinks or from the HHFDC website <http://dbedt.hawaii.gov/hhfdc/kahului-civic-center-mixed-use-complex/>

Appendices	Document
1a	Kahului Civic Center Mixed-Use Complex, Final Environmental Assessment/Finding of No Significant Impact – May 2022 (Part I) Link to Environmental Review Program website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/1a-2022-05-08-MA-FEA-Kahului-Civic-Center-Mixed-Use-Complex-PART-1.pdf
1b	Kahului Civic Center Mixed-Use Complex, Final Environmental Assessment/Finding of No Significant Impact – May 2022 (Part II) Link to Environmental Review Program website for the document: 1b-2022-05-08-MA-FEA-Kahului-Civic-Center-Mixed-Use-Complex-PART-2.pdf (hawaii.gov)
1c	Kahului Civic Center Mixed-Use Complex, Final Environmental Assessment/Finding of No Significant Impact – May 2022 (Part III) Link to Environmental Review Program website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/1c-2022-05-08-MA-FEA-Kahului-Civic-Center-Mixed-Use-Complex-PART-3.pdf
2	Preliminary Title Report – December 20, 2017 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/2-2017-1220-title-report-kah-civ-ctr.pdf
3	Executive Order No. 4590 – July 29, 2019 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/3-2019-0729-EO4590-Re-Set-Aside-to-HHFDC.pdf
4	Topographic Survey Map – June 3, 2019 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/4-2019-0603-Topo-Map-Kahului-Civic-Center-Property.pdf
5	Revocable Right of Entry to DOE – January 15, 2020 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/5-2020-0115-roe-to-doe.pdf
6	Geotechnical Investigation, Kahului Lani, Phases 1 and 2 – January 3, 2018 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/6-Kahului-Lani-I_RHRF_Soils-Report.1.3.18.pdf
7	Vevau Street Improvements Construction Drawings - August 2021

	Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/7-Vevau-St-Plans-Aug-2021.pdf
8	Transit Hub Construction Drawings – August 28, 2020 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/8-2020-0828-Final-Bus-Hub-Plans.pdf
9	Geotechnical Engineering Exploration, Central Maui Transit Hub – July 19, 2019 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/9-2019-0719-geotechnical-soils-report-bus-hub.pdf
10	Final Drainage Report – Transit Hub – May 7, 2020 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/10-2020-0507-FINAL-DRAINAGE-REPORT.pdf
11	County of Maui Department of Housing and Human Concerns letter dated May 25, 2022 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/11-County_DHHC_220525.pdf
12	Sheet C006, Vevau Street Improvements, August 2021 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/12-highlighted-C006-OVERALL-SITE-AND-UTILITY-PLAN-2022-08-22-MECO-Pole-Relocation.pdf
13	MECO Drawing No. 2-1-1156 dated April 14, 2022 showing MECO relocation of Pole #5 at Vevau Street Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/13-2022-0414-HECO-VEVAU-Pole-Relocation-Drawing.pdf
14	HHFDC For Action dated September 8, 2022 approving \$5 million in DURF funds for an interim loan for the Project Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/14-2022-0908-For-Action-Kahului-Civic-Center_RFP_DURF-Approved.pdf
15	HHFDC For Action dated November 18, 2021 approving a policy for minimum base lease rents for ground leases Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/15-2021-1118-Ground-Lease-Extensions-Rents-Policy.pdf
16	Maui County Cultural Resources Commission consultation recommendations to the proposed Project described in the FEA dated December 16, 2022 adopted at its meeting of December 1, 2022 Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/16-2022-1216_DP_CRC-Letter_Kahului_Signed.pdf
17	HHFDC letter to the County of Maui dated January 6, 2023 offering the existing Administration Building to the County for relocation off the site

	Link to HHFDC website for the document: https://dbedt.hawaii.gov/hhfdc/files/2023/03/17-2023-0106-ltr-to-mayor-offer-to-relocate-admin-bldg-signed.pdf
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5. HHFDC OBJECTIVES

A. HHFDC Vision for the Site

The Property is under the zoning jurisdiction of the Maui County and per the Maui County Zoning Code it is in the B-2 Community Business District (see **Figure 5**). The Project Site is also positioned to be transit oriented as the new Maui bus hub is located on the Property (see **Figure 1**) and the Property is considered a key focus area in the Kaahumanu Avenue Community Corridor Action Plan being prepared by the County of Maui (See **Figure 8** and refer to <https://www.kaahumanucommunitycorridor.org/> to view the Action Plan).

Pursuant to Executive Order 4590 (dated July 29, 2019), the Property has been set aside for affordable housing, civic center uses, transit hub, parking and incidental uses. The Successful Offeror will be required to prepare a master plan for the Project Site to accommodate both the affordable housing component and civic center component (preferably each with their own dedicated ground footprint and housed in separate stand-alone independent structures, except as discussed in this RFP) along with their incidental uses, get the Project Site ready for development, subdivide or establish a CPR to divide the Property into separate leasehold units of ownership, and develop the affordable housing component. The civic center will be developed by DAGS in the future, subject to funding, with possible collaboration as described in **Section 3**.

A conceptual site plan was developed for the purpose of preparing the FEA for the Project Site as provided in **Figure 9**. Offerors have complete flexibility to propose alternative design concepts, provided the below project objectives are addressed. These guidelines are not intended to supersede other rules or regulations by the Maui County or other agencies having jurisdiction. Offerors should follow development parameters, and any other legal or administrative requirements of the Maui County.

- 1. Affordable Housing Project.** The affordable housing component shall contain more than 50% of the total units targeted to households earning no more than 140% of Maui's AMI. Affordable rental projects shall remain affordable for the duration of the ground lease term; affordable for-sale projects shall be subject to HHFDC's buy-back and shared-appreciation requirements as described in **Section 6**. A range of income thresholds is desired. The Project shall include parking and incidental uses, such as management office, lobby area, and amenities. The master plan for the Project Site shall provide for a residential component, the civic center component, any commercial component, the Maui transit hub component, parking, open space, common areas, and incidental uses. For purposes of responding to this RFP, the civic center component will constitute no less than 44,000 square feet of floor area, and parking stalls as required by code.
- 2. Mixed-Uses.** The master plan for the Project Site shall aim to create a vibrant mixed-use environment by seamlessly integrating the different uses within the Project Site as well as promoting greater connectivity with the larger neighborhood. The master plan shall create a vibrant live-work-learn-connected environment.
- 3. Site and Streetscape.** These objectives shall address:

a. Relationship to Neighborhood.

- i. The façade materials should visually and physically harmonize with the immediate neighborhood.
- ii. Color, texture, material, and fenestration should be used to relate to adjacent buildings and reinforce the human scale at the base level.
- iii. The design for the Project should represent the qualities of the neighborhood through implementation of appropriate scale and massing.
- iv. The design for the Project should be pedestrian friendly and provide architectural elements that generate activity, interest, and interaction at the street level.

b. Building Scale.

- i. The scale of the existing adjacent building should be taken into consideration when designing the Project so that it has a human-scale perspective.
- ii. The façade of the Project's building should be designed in segments to maximize variation. Each segment should contain a variety of scales, materials, patterns, window types/arrangements, and or balconies.
- iii. The Project's building mass can be further broken down and softened through the use of landscaping and architectural treatments.

c. Building Setbacks. Building setbacks from the street should be intentionally established. Setbacks provide space for streetlights, furnishings, planters, trash and recycling bins, and short-term bicycle parking.

- i. From Kaahumanu Avenue, a wider building setback should be established to provide a visual relief and landscaped open space which is consistent with existing development, and designed so that it is an aesthetically pleasing experience to passersby with hardscape and pedestrian amenities, such as publicly accessible seating, shade trees, portable planters, trash and recycling bins and bicycle facilities.
- ii. Along Vevau Street and Kane Street, building setbacks should hug tighter to the street and bookend the pedestrian experience with active ground floor spaces.

d. Street Frontages. Offerors are encouraged to incorporate ground floor uses that are transparent which will promote an active street. Commercial, community, and residential uses may be appropriate for ground floor frontage.

- i. An interesting and inviting streetscape should be created by utilizing transparent windows on the ground levels of building façades; positioning building entrances to provide convenient access to pedestrians; and providing ground-level public gathering spaces. Landscaping or other exterior features immediately adjacent to entrances and window openings should be placed in a manner that will not diminish a person's visibility into or out of buildings.
- ii. The building should feature use of special materials, details, or changes in color and/or texture to distinguish the ground floor from the rest of the building and create greater variation at the pedestrian scale.
- iii. Adequate space should be provided to accommodate amenities such as street furniture, tree plantings, public art, trash receptacles, and newsstands. Note that a minimum width of 12 feet shall be provided for all street edges.

e. Outdoor Space.

- i. On the Project Site, a variety of outdoor spaces should be programmed and landscaped for specific uses according to the needs of the Project Site's intended residents, office employees, and the public.
- ii. Outdoor spaces should be buffered from vehicular service areas.
- iii. Wherever possible, windows should be located to ensure surveillance of public and private outdoor spaces.
- iv. Adequate exterior lighting should be included for pedestrian walkways.

f. Alternate Modes of Transportation.

- i. Provide canopy trees, continuous and safe sidewalks, benches and proper lighting to encourage walking. These should be placed so as not to interfere with pedestrian travel.
- ii. Provide safe bicycle infrastructure as well as bicycle parking and storage within close proximity to building entrances to encourage bicycling. If pathways are provided to accommodate both pedestrians and bicycles, they need to be wider than 15 feet.
- iii. Provide convenient connections for pedestrian and bicyclists' access.
- iv. The master plan for the Project Site should increase pedestrian mobility by providing a pedestrian pathway thru the site and connecting West Kaahumanu Avenue to Vevau Street.

- v. Pathways and sidewalks should be wide and continuous and be fully accessible.
- vi. Pedestrian paths should connect from sidewalks directly to building entrances.
- vii. To provide a safe walking space, minimize the number of curb cuts and provide well-lit walkways. Driveways should not be located in close proximity to other existing driveways as they can create long and unsafe pedestrian crossing.

g. Parking. The Offeror shall provide sufficient parking stalls for residents and visitors for the Project. The Offeror should also provide space within the Project for secure, on-site bicycle parking and electric vehicle charging stations, and loading zone(s). In addition, the Successful Offeror, to efficiently develop the Project Site, has the option of working with DAGS toward development of a shared parking structure for the housing and civic center components.

- i. Parking structures and lots should be visually screened from public streets and accessed from internal driveways or secondary streets (Vevau Street and/or Kane Street).
- ii. Parking structure or lots adjacent to public right of ways should be screened with landscaping or other visually interesting treatment.
- iii. Parking podiums may be designed for adaptive reuse so that they can be converted to other uses if the need for parking space is reduced.
- iv. Parking spaces should be reduced through the provision of shared parking arrangements and alternative modes of transportation.
- v. Minimum parking requirements are specified in the Maui County Zoning code along with the allowable exceptions. In addition, parking exemptions can be contemplated through the 201H, Hawaii Revised Statutes (HRS) process.
- vi. Multi-modal accommodations are encouraged, such as shared parking, car-sharing, bike parking, etc.
- vii. Provide both short and long-term bicycle parking and storage. Short-term bicycle parking should be located close to the entrances of the buildings and be highly visible. Long-term bicycle parking shall be located in an area that is easily accessible and secure. All bicycle parking spaces must be clear of walls, poles, landscaping, drive aisles, street furniture, pedestrian ways, and vehicle parking spaces.

4. Buildings. The following principles shall be implemented:

- a. The Offeror shall design and construct the Project's building(s) in such a way that primary residential entry is differentiated from any commercial and/or community space entry. Lobbies shall be visible from the street to ensure security.
- b. Buildings should have entrances from Kane Street and Kaahumanu Avenue.

5. Community/Public Spaces. The following objectives shall be addressed:

- a. The master plan for the Project Site shall program spaces for public use and community gathering.
- b. Common spaces should be conveniently located and directly accessible from public circulation.
- c. Public spaces should be accessible for everyone, engage the community, consider user experience and be comfortable by providing seating, tables, and protection from the environment.
- d. Placemaking elements such as community gathering spaces, public art, activated streets, or other elements that will facilitate dynamic and unique public spaces, like those that integrate Hawaii's island environment with fine art, artisanship and native vegetation shall be considered. Outdoor spaces are important to the overall site design of the Project Site.

6. Future Civic Center Component. For the purposes of this RFP, Offerors shall assume that a portion of the Project Site must be set aside for future civic center use. The Successful Offeror shall determine the exact land area and spatial requirements of the civic center use component in consultation with DAGS and HHFDC during development of the master plan. Development of this component is the responsibility of DAGS. The development of the final master plan shall include consultation with HHFDC and DAGS and be subject to HHFDC and DAGS approval.

DAGS' preference is for a stand-alone independent civic center component facility with its own dedicated ground footprint. However, alternative designs that allow for separate facility operation and management will be considered. See **Figure 9** for conceptual plans for the Project Site prepared for the FEA, however this plan is only conceptual and does not indicate a preferred configuration for the Project Site.

7. Community Engagement. Project planning shall include an early and robust community participation process to explore uses and design elements, as well as analyze traffic, environmental, and similar conditions, in the development of the Selected Offeror's proposal for a master plan and the planning, design, and entitlement of the housing component.

8. Other Project Objectives. Additional objectives include:

- a. **Sustainable Development Standards** – To the extent possible, the Project shall comply with Chapter 196-9, HRS, regarding energy efficiency and environmental standards for state facilities.
 - i. Proposals should consider passive environmental design, including building orientation, and maximize access to natural light and natural ventilation.
 - ii. Active, on-site renewable energy producing features may be considered.
 - iii. Roofing and paving should be light colored to reduce Urban Heat Island Effect.
 - iv. Low-impact development strategies should be identified for managing drainage of storm water runoff, and on-site retention.
- b. **Hawaiian Plants** – The Project shall utilize Hawaiian plants (see [OHA Native Plant Poster](https://www.oha.org/hawaiianplants) at <https://www.oha.org/hawaiianplants>) for its landscaping pursuant to Section 103D-408, HRS (see [section 103D-408, HRS](#)).
- c. **Complete Streets** –The Project should embrace the County of Maui “Complete Streets” design approach, creating conditions that encourage walkability and facilitate transportation choices by providing safe and convenient pedestrian and bicycle access to community amenities and public transportation services.
- d. **Advanced Sustainable Design** – Project proposals shall consider sustainable and energy efficient practices such as solar power, advanced metering, “daylighting” (i.e., light from windows penetrating interior spaces), natural ventilation, water conservation initiatives, efficient building systems and products, vehicle charging stations, car sharing, and rooftop gardening, among others.

B. Project Delivery and Disposition Objectives

Subject to the need to establish a feasible business plan and Project, HHFDC’s known expectations and objectives are described below and will be incorporated into the DA. Note that **Section 7.H.** of this RFP requests that Offerors provide feedback, exceptions or alternative proposals, with respect to the objectives and terms described below:

1. **Project Development.** HHFDC is seeking a Developer to plan, and design, finance, subdivide or create a CPR, develop in leasehold, sell for-sale units, and/or own, operate, and manage the Project under the terms of the contract award, DA, and ground lease. The development structure would involve a private non-profit or for-profit development entity or Developer-led team where the Developer will be the prime contractor with full responsibility to complete the Project as described herein. The Developer-led team would prepare a master plan for the Project Site to accommodate both the housing and civic center uses (preferably each with their own dedicated ground footprint housed in separate stand-alone independent structures, except as provided in this RFP) along with their incidental uses, subdivide or create a CPR of the Property, get the Project Site ready for development, plan and design the Project, obtain financing for the Project, and construct, sell for-sale units, and/or own, operate, and manage the Project under a ground lease from HHFDC.

The Successful Offeror will obtain all appropriate approvals of subdivision or CPR documents to divide the Property into separate units of ownership and HHFDC will enter into a ground lease of the affordable housing component with the Successful Offeror after final subdivision approval or approval of the CPR documents, at the time that the Successful Offeror is ready to close with all of its construction financing for the Project. A form of the ground lease is attached as [Attachment 7](#). Lease premium and lease rent (subject to HHFDC's minimum lease rents as described in **Section 6.1.d.** of this RFP) for the affordable housing and commercial (if any) components shall be proposed by Offerors and is subject to negotiation.

The Offeror has the flexibility to propose alternatives to the development structure provided herein, provided it meets the objectives of the Project whereby the Project can be developed pursuant to a single Development Agreement and HHFDC will maintain oversight of the operations through terms defined in the Development Agreement. HHFDC reserves the right to reject all alternatives in its sole discretion.

The key elements of the project delivery structure described above are as follows:

- a. Development Agreement.** A Development Agreement or Contract between HHFDC and the Successful Offeror to develop the Project; a form of the Development Agreement is attached as [Attachment 6](#).
- b. Condominium Property Regime or Subdivision.** The Successful Offeror will obtain approval of CPR documents or subdivision approval to create appropriate units/lots for leasehold ownership of the housing component, civic center component, the Maui Bus Hub component, and commercial space component (if any). A form for the ground lease for the housing and commercial space component (if applicable) is attached as [Attachment 7](#). A form for the ground lease for the Maui Bus Hub component and a form for the ground lease for the civic center component will be negotiated between HHFDC, and the County of Maui and DAGS, respectively.
- c. Financing of Affordable Housing.** Offerors must provide a financial plan to undertake the Project. The financial plan should identify interim and permanent sources, and assumptions relative to the availability of financing. The financial plan should explain assumptions relative to payback of the loan. HHFDC's or the State's interest in the land shall not be used as security for any financing.
- d. Completion of Project.** Delivery of a completed design-build Project in accordance with the terms and conditions of the Development Agreement.

2. Affordable Housing Exemptions Under Chapter 201H, HRS

Section 201H-38, HRS, provides a process whereby an affordable housing project may be granted exemptions from statutes, ordinances and rules of any governmental agency

relating to planning, zoning, and construction standards, provided the project is primarily for affordable housing, meets minimum health and safety requirements, and does not contravene safety standards, rates, and fees by various public utilities or the BWS.

The Successful Offeror will be responsible for applying for any necessary exemptions specific to the approved Project and obtaining approvals by the Council of the County of Maui pursuant to Section 201H-38, HRS. HHFDC makes no representation that any exemption will be approved. Furthermore, approval of the award under this RFP does not obligate HHFDC to support any exemptions proposed by the Successful Offeror.

To be eligible for processing exemptions through HHFDC pursuant to Section 201H-38, HRS, HHFDC's requirements includes, but is not limited to the following:

- The County of Maui shall have the first opportunity to process the exemptions; a letter from the County denying the processing of 201H exemptions for the Project is encouraged by HHFDC; and
- More than 50% of the total floor area of all improvements at the Property, including the residential component, the civic center component, any commercial component, and the Maui Transit Hub component, but excluding parking, shall be for affordable housing at 140% or below the AMI. In other words, all improvements at the Property must be primarily for affordable housing.

3. **DURF Loan.** On September 8, 2022, the HHFDC Board of Directors approved \$5.0 million from the Dwelling Unit Revolving Fund (DURF) for an interim loan for the planning and leasehold development of the Project, subject to DURF program requirements ([Appendix 14](#)).² On October 19, 2022, the Governor approved the release of DURF funds for the interim loan. With, or without the DURF loan, the Successful Offeror shall be responsible for all financing required for development, approvals, ownership and operation of rental projects, and/or sale of for-sale units in the residential component of the Project.
4. **Development Agreement.** The Successful Offeror and HHFDC shall negotiate a Development Agreement (a sample form, subject to change and negotiation, is attached as [Attachment 6](#)) over a period of no more than **nine (9) months from the date of HHFDC Board approval of the selection**, subject to extensions as may be approved by HHFDC, in its sole discretion.
5. **Deadlines.** The DA will include a number of benchmarks and milestones for the planning, entitlement, and development of the Project Site and the Project.

² E.g., subject to availability of funds.

Figure 8: Kaahumanu Community Corridor



Figure 9: Conceptual Site Plan (Taken from FEA)



Figure 2-1

G70

Conceptual Site Plan

2-9

Figure 10: MECO Pole No. E4 at Vevau and Kane Streets

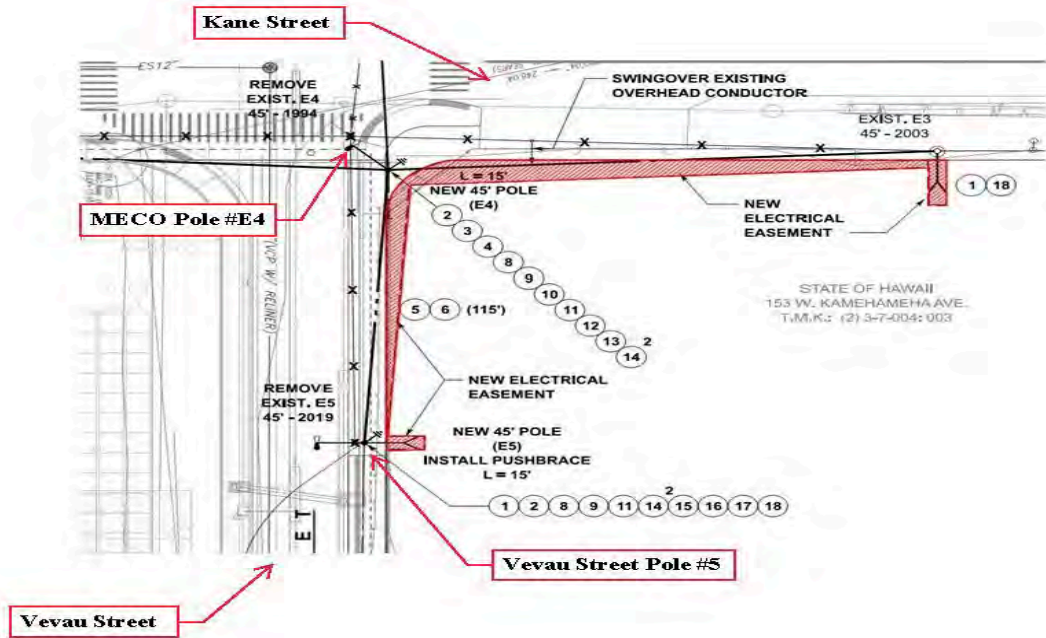


Figure 11: MECO Pole No. E5 at Kane Street

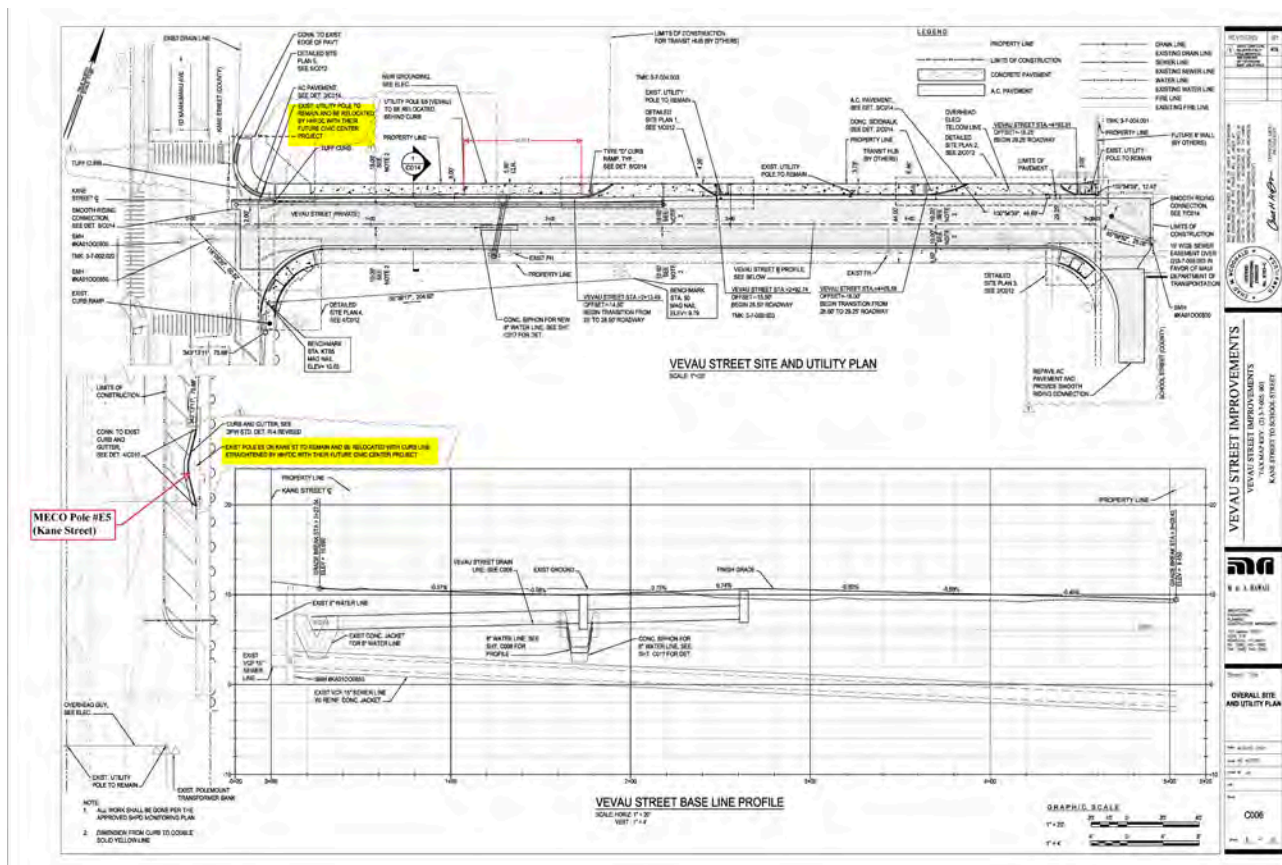
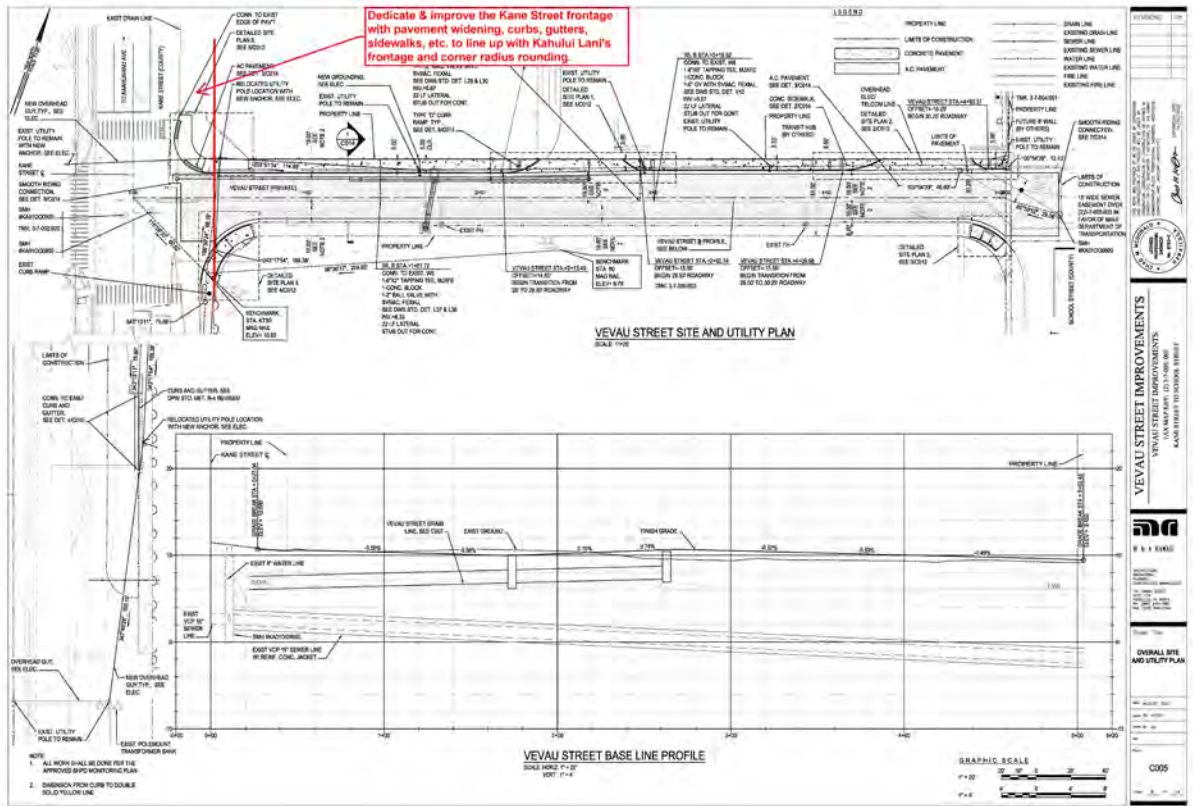


Figure 12: Alignment of Project Boundary at Kane Street with West Boundary of Kahului Lani Project Across Vevau Street to the South of the Project



6. PROJECT REQUIREMENTS

The submission of a proposal shall constitute representation by the Offeror 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.

1. Offeror & Project Requirements. Except as otherwise provided in this RFP, the Offeror ultimately selected and awarded the Contract (Successful Offeror) shall be responsible for all onsite and offsite costs and expenses associated with the master planning of the Project Site, subdivision or creation of a leasehold CPR of the Property, applicable design, leasehold development, financing, permitting, approvals, sale of for-sale units, and/or ownership and management, and operation of rental projects, and/or the Project, including but not limited to the following:

a. Project Site. The Project Site is a portion of Tax Map Key (2) 3-7-004:003. The Successful Offeror shall obtain subdivision approval or create and obtain approval of CPR documents to create appropriate lots/units for separate leasehold ownership of the housing component, the civic center component, the New Maui Bus Hub component, and community-oriented commercial space component (if any), as deemed necessary. The Successful Offeror shall draft the final ground leases of the respective components in forms included with this RFP or provided by HHFDC for review and approval by HHFDC and the respective lessees. In subdividing the Property, or submitting it to a CPR, the Successful Offeror shall not create remnant parcels for ownership by HHFDC. For purposes of responding to this RFP, Offerors may assume that the civic center component will preferably constitute about 66,000 square feet of floor area and 182 parking stalls. At a minimum, however, the civic center component shall consist of at least 44,000 square feet (excluding any community-oriented commercial space) and parking as required by code. Community-oriented commercial space may also be proposed for the Project – either as part of the affordable housing component or the civic center component. If proposed, the Successful Offeror shall be responsible for the leasehold ownership and operation of this commercial space. HHFDC and DAGS reserves the right to make minor adjustments to the CPR documents to accommodate the leasehold development and ownership of the future civic center component by DAGS.

More than 50% of the residential units in the Project shall be affordable to households at 140% or below the AMI, and may be leasehold for-sale and/or rental projects. Affordable for-sale projects shall be subject to HHFDC's buy-

back³ and shared-appreciation requirements;⁴ affordable rental projects shall remain affordable for the term of the ground lease. All market units in a for-sale project shall be first offered for sale to prospective owner-occupant qualified residents⁵ during an initial offering period of 30 calendar days.⁶

- b. **“As Is, Where Is”.** The Successful Offeror shall accept the Property in an “AS IS, WHERE IS” condition, without any express or implied warranties or representations of any kind whatsoever. HHFDC shall incur no liability or expenditures in connection with the transfer of the affordable housing component to the Successful Offeror or the leasehold development, sale of for-sale units, and/or ownership and operation of rental projects, and/or the Project.

- c. **Development Pursuant to Development Agreement.** Development of the Project Site and the Project shall be governed by a Development Agreement between HHFDC and the Successful Offeror, substantially in the form included with this RFP as [Attachment 6](#), subject to change and negotiation at HHFDC’s discretion.

- d. **Conveyance of Land by Ground Lease.** Unless otherwise permitted by this RFP, conveyance of the housing component of the Project Site to the Successful Offeror for development, sale of for-sale units, and/or ownership and operation of rental projects in the Project shall be by long term ground lease of up to 99 years, subject to HHFDC approval at HHFDC’s sole discretion, substantially in the form included with this RFP as [Attachment 7](#), and/or as provided by HHFDC. The lease rent and lease premium for the residential and commercial (if any) components shall be as proposed by Offerors, as approved by HHFDC. The lease rent shall be paid in advance and subject to HHFDC’s policy for minimum base lease rents for ground leases approved by the HHFDC Board of Directors on November 18, 2021.⁷ See [Appendix 15](#). The lease rent and term for the civic center and New Maui Bus Hub components will be \$1/year for 65 years.

³ Sections 201H-47 through -51, HRS.

⁴ Sections 15-308-101 through -110, HAR.

⁵ Section 201H-32, HRS.

⁶ Sections 15-308-151 to -154, HAR, and Section 201H-47(g), HRS.

⁷ Section III.C.5. of the HHFDC For Action dated November 18, 2021 provides,

“Annual Base Rent. The new ground lease shall provide for annual base rent payable annually in advance based on the below schedule and increasing by three percent (3%) per year (compounded) during the entire term of the lease. (The purpose of the annual base rent is to help to pay for HHFDC’s estimated allocated lease administration costs, and it is recommended that these costs be reevaluated every five years.)

e. **Conditions for Transfer of Title to Successful Offeror.** Issuance of a ground lease from HHFDC to the Successful Offeror shall be subject to the following:

1. Approval of CPR documents for the Property shall have been completed, or the Property shall have been subdivided. Approval of the CPR documents will include the State of Hawaii Board of Land and Natural Resources as the fee simple owner of the Property, if necessary.
2. HHFDC reserves the right to convey title in phases and to withhold conveyance of the title until after the approval of the last discretionary approval for the Project, e.g., zoning exemptions or entitlements.
3. The Successful Offeror shall be responsible for preparation of the legal descriptions of the parcel(s) to be conveyed to the Successful Offeror, as well as the parcel(s) or CPR units of any balance of the Property not conveyed to the Successful Offeror.
4. Payment of the lease premium to HHFDC.
5. HHFDC reserves the right to convey title simultaneously with the closing of the Successful Offeror's construction financing for the development of the Project.
6. The Successful Offeror shall be responsible for all closing costs.

f. **Ownership and Operation of Offsite and Onsite Improvements; Dedication to the County.** Subject to approvals by HHFDC and DLNR, the Successful Offeror shall be responsible for the creation, improvement to standards of the County, and dedication to the County of Maui, of any applicable offsite and onsite infrastructure improvements required for the Project. The Successful Offeror shall be responsible for the maintenance and operation of any offsite and/or onsite improvements required for the Project that is not dedicated to the County.

As an example but not limitation, the Project may require the widening of Kane Street to align with the western property boundary of the Kahului Lani property located across Vevau Street to the south of the Property. Please see **Figure 12**. The Successful Offeror shall be responsible for the subdivision, improvements and dedication to the County of any road widening improvements required for the

<u>Lease Commencement Date</u>	<u>Initial Annual Rent</u>
Fiscal Year 2022	\$10,000
Fiscal Year 2023	\$10,500
Fiscal Year 2024	\$11,000
Fiscal Year 2025	\$12,500
Fiscal Year 2026	\$13,000"

Project. Subject to approvals by HHFDC and DLNR, dedication to the County may be by Governor's Executive Order or conveyance in fee simple if approved by the State Legislature pursuant to Section 171-64.7, HRS. Section 171-64.7, HRS, requires a ceded land status letter, an appraisal of the parcel to be dedicated, and an informational briefing in the community of the proposed dedication prior to the processing for Legislative approval. Conveyance by Governor's Executive Order requires a letter from the County to DLNR requesting a set aside of the dedication parcel for roadway purposes.

The Successful Offeror shall be responsible for all offsite and onsite development costs required for the Project.

- g. Entitlement Approvals.** The Successful Offeror shall be responsible for all entitlement approvals necessary for development of the Project, including but not limited to working with the County of Maui, or HHFDC to obtain approvals of any land use planning, zoning, development permit, subdivision or building code exemptions and Special Management Area Use permits required for this Project.
- h. HRS Chapter 343 Environmental Impact Statements.** The Successful Offeror shall be responsible for compliance with the requirements of HRS Chapter 343 for the Project Site. An FEA was completed by HHFDC for the Project Site in 2022. The link to this FEA can be found in this RFP as **Appendices [1a](#), [1b](#), and [1c](#)**. The Successful Offeror shall comply with the recommendations, best practices and mitigation measures and code requirements of the FEA. If the Project proposed by the Successful Offeror is not in compliance with the FEA, the Successful Offeror shall be responsible to complete a supplement to the FEA, a new environmental assessment, or other document as required by HRS Chapter 343. Selected compliance requirements and mitigation measures discussed in the FEA include, but are not limited to, the following:

 - 1. HRS Chapter 6E, Historic Preservation.** The Successful Offeror shall be responsible for consulting with the State Historic Preservation Division (SHPD) of the Department of Land and Natural Resources to determine any adverse effect on significant archaeological and cultural resources caused by the proposed Project, and shall be responsible for all compliance action, mitigation, coordination, and reports that may be required by SHPD, prior to, during, and after construction of the Project.

A Revised Draft Archaeological Inventory Survey (AIS) was prepared by Keala Pono for the Property (January 2022) and included in the FEA for the Project in 2022. A Draft AIS for the Property was submitted to SHPD for approval on August 11, 2021. On September 15, 2021, SHPD provided comments to the Draft AIS. The Revised Draft AIS incorporates SHPD comments received earlier. The Successful Offeror will obtain SHPD approval of the Revised Draft AIS and shall comply with the recommendations of the final AIS approved by SHPD. The Revised Draft AIS identifies the former Kahului School Campus (SIHP 50-50-04-08872) as being within the Project

Site, which includes 4 features – a historic stone boundary wall and three historic buildings. The stone boundary wall, constructed in 1939 (Feature 1), and the MCSA/Administration building, built in 1920 (Feature 2) are historically significant and are contributing resources to the Kahului School Campus (SIHP 50-50-04-08872). The Successful Offeror shall use its best efforts to preserve as much of the wall as possible. If approved by SHPD as recommended in the Revised Draft AIS, if a portion of the Feature 1 wall is proposed to be removed, it could be moved to a nearby location on the Property or the rocks incorporated in the design of the buildings with accompanying interpretive signage. If approved by SHPD as recommended in the Revised Draft AIS, if the MCSA/Administration building and cafeteria are demolished, a Historic American Building Survey (HABS) or similar documentation for the MCSA/Administration building and a Historic American Landscapes Survey (HALS) for the entire Property, including the MCSA/Administration building and the stone boundary wall will be required. The Successful Offeror shall continue consultation with SHPD to obtain acceptance/approval of the Revised Draft AIS and a preservation plan for the Project.

At its meeting on December 1, 2022, the Maui Cultural Resources Commission (CRC) adopted consultation comments to the proposed Project described in the FEA. Please see [Appendix 16](#). SHPD has previously inquired about CRC's consultation comments as part of the AIS. CRC's comments will also be considered by the Maui Planning Commission in approval of Special Management Area Use permits required for the Project.

As part of the State's efforts to make a demonstrated effort to preserve the Administration Building mentioned in the CRC comments, HHFDC sent the County a letter dated January 6, 2023, offering the existing Administration Building to the County for relocation off the Property. Please see [Appendix 17](#). As of March 10, 2023, HHFDC had not received a response from the County. The Successful Offeror shall be responsible for any updates with the CRC as necessary for approval of the Project.

At HHFDC's discretion, HHFDC may seek an update of the Revised Draft AIS and SHPD's acceptance of the AIS. HHFDC does not warrant that this work will be initiated or completed. If the Revised Draft AIS is updated and SHPD's acceptance is obtained, HHFDC plans to provide copies to Offerors or the Selected Offeror, as applicable, at the time that the SHPD acceptance is obtained.

- 2. Department of Education Requirements.** The Project is located within the Central Maui School Impact Fee District with an impact fee of \$2,371/unit. Chapter 302A-1606, HRS, requires that residential development with 50 or more units, execute an agreement with the Department of Education prior to the issuance of any building permit. This agreement sets forth how and when payments will occur. The Selected Offeror is encouraged to meet with the Department of Education early on in

the development process to execute this agreement. See Department of Education comment letter dated February 22, 2022 included in the FEA.

- 3. Flora and Fauna Requirements.** Per early consultation letter from the Department of Land and Natural Resources, Division of Forestry and Wildlife (DLNR, DOFAW)(dated November 10, 2020) the Hawaii-Pacific Weed Risk Assessment website will be consulted to determine the potential invasiveness of proposed landscaping plants. An automatic drip irrigation system will be considered to conserve water.

Per early consultation comments from the DLNR, DOFAW, the movement of plant or soil material between worksites will be avoided throughout construction; and equipment, materials, and personnel will be cleaned of excess soil and debris to minimize the risk of spreading fungal pathogens (e.g., Rapid 'Ohi'a Death), vertebrate and invertebrate pests (e.g., Little Fire Ants), or invasive plant parts. Additionally, per early consultation comments from the United State Fish and Wildlife Service, Pacific Islands Fish and Wildlife Office (USFWS) and DLNR, DOFAW, the following mitigation measures will be implemented prior to or during construction to minimize potential impacts to the following species:

- **Hawaiian Hoary Bat:** Woody plants greater than 15 feet tall will not be disturbed, removed, or trimmed during the bat birthing and pup-rearing season (June 1 through September 15). Additionally, barbed wire will not be used for fencing. If this cannot be avoided, woody plants greater than 15 feet tall should not be disturbed, removed, or trimmed without consulting USFWS and DLNR, DOFAW.
- **Hawaiian Seabirds:** Nighttime construction will be avoided during the seabird fledging period (September 15 through December 15) to prevent injury to seabirds. Outdoor lights will be shielded to the maximum extent possible, so the bulb can only be seen from below and as much as possible the lowest wattage bulbs will be used. The Selected Offeror will provide construction crews with information about seabird fallout prior to the initiation of work. If a downed seabird is found, the Selected Offeror will contact the USFWS immediately.
- **Blackburn's Sphinx Moth:** Prior to clearing vegetation, a biologist will survey the Project Site and confirm that eggs, larvae and host plants of native 'aiea or tree tobacco are not present. The biologist will concurrently contact the DLNR, DOFAW Maui office for further information about where the Blackburn's Sphinx Moth may be present. Surveys should be conducted during the wettest portion of the year (November – April) or several weeks after a significant rain and within four to six weeks prior to construction. The USFWS and DLNR, DOFAW will be contacted if

Blackburn's Sphinx Moth or the native 'aiea or tree tobacco over 3 feet tall are found. The Selected Offeror will remove any tree tobacco that is less than 3 feet tall and monitor the Project Site for new tree tobacco growth throughout construction.

- **Hawaiian Waterbirds.** Hawaiian waterbirds attracted to sub-optimal habitat may suffer adverse impacts, such as predation and reduced reproductive success, and thus the Project may create an attractive nuisance. Therefore, USFWS recommends working with their office during project planning so that they may assist the Selected Offeror in developing measures to avoid impacts to listed species (e.g., fencing, vegetation control, predator management). To avoid and minimize potential Project impacts to Hawaiian waterbirds USFWS recommends the following measures:
 - In areas where waterbirds are known to be present, post and implement reduced speed limits, and inform Project personnel and contractors about the presence of endangered species on-site.
 - If water resources are located within or adjacent to the Project Site, incorporate applicable best management practices regarding work in aquatic environments into the Project design.
 - Have a biological monitor that is familiar with the species' biology conduct Hawaiian waterbird nest surveys where appropriate habitat occurs within the vicinity of the proposed Project Site prior to Project initiation. Repeat surveys again within 3 days of Project initiation and after any subsequent delay of work of 3 or more days (during which the birds may attempt to nest). If a nest or active brood is found:
 - Contact the USFWS within 48 hours for further guidance.
 - Establish and maintain a 100-foot buffer around all active nests and/or broods until the chicks/ducklings have fledged. Do not conduct potentially disruptive activities or habitat alteration within this buffer.
 - Have a biological monitor that is familiar with the species' biology present on the Project Site during all construction or earth moving activities until the chicks/ducklings fledge to ensure that Hawaiian waterbirds and nests are not adversely impacted.
- **Hawaiian goose.** Hawaiian geese may be observed in a variety of habitats, but prefer open areas, such as pastures, golf courses, wetlands, natural grasslands and shrublands, and lava flows. Threats to the species include introduced mammalian and avian predators, wind facilities, and vehicle strikes. To avoid and

minimize potential Project impacts to Hawaiian geese, USFWS recommends the following mitigation measures:

- Do not approach, feed, or disturb Hawaiian geese.
- If Hawaiian geese are observed loafing or foraging within the Project area during the breeding season (September through April), halt work and have a biologist familiar with the nesting behavior of Hawaiian geese survey for nests in and around the Project area prior to the resumption of any work. Repeat surveys after any subsequent delay of work of 3 or more days (during which the birds may attempt to nest).
- Cease all work immediately and contact the USFWS for further guidance if a nest is discovered within a radius of 150 feet of proposed work, or a previously undiscovered nest is found within said radius after work begins.
- In areas where Hawaiian geese are known to be present, post and implement reduced speed limits, and inform Project personnel and contractors about the presence of threatened species on-site.

To avoid impacts to seabirds, permanent exterior lights will be shielded to the maximum extent possible; automatic motion sensor switches and timer controls will be installed in low-traffic areas, so lights turn off when human activity is not present. For security reasons, walkways and lighting around the Civic Center may be continuously lit. Exterior lights will comply with HRS Section 201-8.5, *Night Sky Protection Strategy*.

State-listed waterbirds such as the Hawaiian Duck (*Anas wyvilliana*), Hawaiian Stilt (*Himantopus mexicanus knudseni*), Hawaiian Coot (*Fulica alai*), and Hawaiian Goose or Nene (*Branta sandvicensis*) could potentially occur in the vicinity of the proposed Project Site. It is against State law to harm or harass these species. If any of these species are present during construction activities, all activities within 100 feet (30 meters) should cease, and the bird should not be approached. Work may continue after the bird leaves the area of its own accord. If a nest is discovered at any point, the Selected Offeror will contact the DLNR, DOFAW Maui office at (808) 984-8100.

The Selected Offeror will minimize nonnative predator presence: remove cats, place bait stations for rodents and mongoose, and provide covered trash receptacles to minimize attracting vulnerable birds to areas that may host nonnative predators such as cats, rodents, and mongoose.

- 5. Mitigation Against Light Pollution.** The Selected Offeror shall comply with the mitigation recommendations against light pollution described in the University of Hawaii Institute for Astronomy comment letter dated

February 18, 2022. Appropriate steps to reduce the impact on the observatories include:

- a. The minimum possible amount of outdoor lighting should be used.
- b. Any outdoor lighting must follow the Maui County lighting ordinance: all lighting must be fully shielded, i.e., all lighting fixtures must emit zero light above the horizontal plane.
- c. HRS Section 201-8.5 is insufficient for protection of both migrating seabirds and astronomical observations. This statute allows the use of LEDs with a correlated color temperature (CCT) up to 4000 K; these LEDs emit a large amount of blue light which brightens the night sky more than any other color of light, and is especially damaging for astronomy. Ideally, any white light used for this Project would be limited to a CCT of 2700 K or below to minimize the amount of blue light emitted. In general, the use of blue-wavelength light should be limited as much as possible.
- d. The best choices for outdoor/exterior lighting are filtered LED lights, or amber LED lights.

Please note that Maui County Council is presently considering Bill 21 (2022) which will revise the Maui County Lighting Ordinance. Among the proposed measures in this bill are restrictions on the amount of blue and green light: specifically, to require that new outdoor lights emit less than 5% of their energy at wavelengths shorter than 550 nm. If enacted, the Successful Offeror will comply with the new requirements for outdoor lighting on Maui.

6. Design Comments. The Selected Offeror shall consider design comments and recommendations discussed in the FEA, including but not limited to the following:

- a. Early consultation comments from the County Department of Planning dated November 9, 2020.
- b. Urban design principles and best practices discussed in the early consultation comments from Kaahumanu Avenue Community Corridor dated June 28, 2021.
- c. Preservation/relocation of existing mature trees on the Project Site, see County Department of Planning comment letter dated February 21, 2022, Comment #3.

- d. Promotion of pedestrian and multiuse access to and throughout the Project Site, see County Department of Planning comment letter dated February 21, 2022, Comment #4.
- e. Urban design principles discussed in Section 2.2 of the FEA and the Wailuku-Kahului Community Plan (2002), as amended.
- i. **Housing Project.** The Successful Offeror shall, on its own behalf or in conjunction with another entity acceptable to HHFDC, develop in leasehold, sell for-sale units, and/or own and operate and manage the housing component of the Project. The housing component may be leasehold rental and/or for-sale projects. If the Successful Offeror's proposal includes a leasehold for-sale project, the Project shall be subject to a revision of Executive Order No. 4590 to allow leasehold for-sale housing.
- j. **Water System.** The Successful Offeror shall be responsible for any on- or off-site water requirements for the Project and shall be responsible for obtaining potable water for the Project from the Department of Water Supply and the payment of associated payments.
- k. **Sewer System.** The Successful Offeror shall be responsible for any on- or off-site sewer requirements for the Project and shall be responsible for securing sewage capacity and connection approvals from the County, Department of Environmental Management, Wastewater Reclamation Division.
- l. **Electrical System.** The Successful Offeror shall be responsible for any on- or off-site electrical requirements for the Project.

During the process to improve and dedicate Vevau Street, relocation of Maui Electric Company, Limited (MECO) Pole No. E4 at the corner of Vevau and Kane Streets and Pole No. E5 (Kane Street) may be deferred until development of the Property due to the forthcoming development of the Property and to minimize easement impacts to the Property in the interim. See **Figures 10 and 11**. See also [Appendix 12](#). If required for development of the Project, the Successful Offeror shall be responsible for the relocation of Pole Nos. E4 and E5 and, if necessary, the undergrounding of the applicable overhead utilities at Vevau and Kane Streets so there is no easement impacts to the Property.

As part of the improvements to Vevau Street, MECO relocated Pole No. 5 (Vevau Street) towards the edge of the Vevau Street right-of-way fronting the Property. See [Appendix 13](#).

HHFDC may issue a right-of-entry and easements at the Property to MECO as shown on Figure 10, in order to enable the relocation of Pole Nos. E4 and E5 by the developer of Vevau Street, and enable the improvement and dedication of Vevau Street to the County. If development of the Project requires a relocation of

the easements issued to MECO for the relocation of Pole Nos. E4 and E5, the Successful Offeror shall be responsible for undergrounding of the applicable overhead utilities at Vevau and Kane Streets so the MECO easements are removed from the Property.

If undergrounding of the overhead utilities are unfeasible as approved by HHFDC, the Successful Offeror will work with HHFDC to minimize the easement impacts to the Property, and the Successful Offeror will seek a waiver from undergrounding the overhead utilities from the County Department of Public Works.

Please see [Appendix 7](#) for the Construction Drawings for Vevau Street Improvements (August 2021).

- m. Telephone and Cable TV Systems.** The Successful Offeror shall be responsible for any on- or off-site telephone and cable TV requirements for the Project.
- n. Community and Governmental Input.** The Successful Offeror shall be responsible for presentations to the RFP Selection Committee, the HHFDC Board of Directors, and the applicable community organizations, as requested by HHFDC. The Successful Offeror shall conduct a public informational briefing on its proposed master plan for the Project Site and receive input on the design and development of the Project in the community commencing within six calendar months of HHFDC Board approval of the Successful Offeror and the Project, unless otherwise approved by HHFDC.

The Successful Offeror will develop and implement a robust public engagement program to obtain input from the residents, businesses, community stakeholders, and government agencies, which will inform the final design of the Project. Besides the public information briefing described in the previous paragraph, the Successful Offeror shall hold additional public meetings or design charrettes during the planning process to receive input on the design and development of the Project. It is important to get the public input.

The Successful Offeror shall be responsible for any additional governmental briefings on the proposed master plan for the Project Site and design and development of the Project including but not limited to required public hearings, and briefings before the Urban Design Review Board and the Maui Planning Commission for the Special Management Area Use permit for the Project.

- o. Rights-of-Entries and Easements.** The Successful Offeror shall be responsible for obtaining all rights-of-entries, rights-of-ways, and easements necessary for the development and operation of the Project. Easements at the Property will be subject to approvals by HHFDC and the Board of Land and Natural Resources, as necessary. Consideration for easements at the Property from the Department of Land and Natural Resources shall be the fair market value of the easement, unless the easement is for the exclusive use or benefit of a government project.

- p. Maintenance of Project Site.** The Successful Offeror shall be responsible for any maintenance of the Project Site commencing no later than the time when the DOE MCSA vacates the Property, and continuing until DAGS executes the ground lease for the civic center component.
- q. Dust Control.** The Successful Offeror shall be responsible for compliance with all statutes and rules on air pollution control, on fugitive dust, implementation of adequate dust control measures during all phases of the Project, and for the impacts of emissions of fugitive dust from construction activities at or near the Project Site upon other existing uses in the community surrounding the site.
- r. Design Services.** The Successful Offeror's development team (defined in **Sec. 7-D(1)(b)**) shall provide complete architecture and engineering services necessary to implement the objectives of this RFP, and shall conduct meetings with HHFDC staff to refine the design plans and costs for the Project, including interior and exterior spaces, through schematic design, design development, and construction document phases. HHFDC shall approve the final plans for the Project.
- s. Inconsistency with other Program Requirements.** The Successful Offeror 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.
- t. RFP Information.** Information provided in this RFP is obtained from available resources and is provided for information and reference purposes only. HHFDC shall not be responsible for the accuracy of the information provided herein, or the absence of any other relevant information not provided hereunder. The Successful Offeror shall be responsible for verifying actual conditions in the field or with applicable government agencies.
- u. Compliance with Federal, State, and County Requirements.** The Successful Offeror shall comply with the rules, regulations, ordinances, codes and standards of the County of Maui, and any Federal and State requirements. If there is a conflict between requirements, the more restrictive requirement shall control.
- v. Eligible Developer.** The Successful Offeror shall be qualified an Eligible Developer or qualified Offeror as determined in this RFP and as described under Section 15-307-24 HAR, subject to the approval of HHFDC's board of directors. If there is any conflict between this RFP and the provisions under Section 15-307-24 HAR, the latter shall govern.
- w. Minimum Prevailing Wages.** The Successful Offeror shall comply 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.

- x. **Disability and Communications Access Board.** The Project shall be accessible to and usable by persons with disabilities in compliance with Section 103-50, HRS, and the Successful Offeror shall submit written evidence to HHFDC that the Project plans have received final document review 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.
 - y. **Market Analysis.** HHFDC may require the Successful Offeror to 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.
 - z. **GET Exemptions.** The Project may qualify for General Excise Tax (GET) exemptions for all work qualified for exemption, as permitted by law. To be eligible for exemptions from GET, non-residential uses, including any commercial space, shall be limited to incidental or de minimis uses that are intended to directly benefit the residents of the Project. See Section 15-306-2, HAR. For the purposes of this RFP, use of GET exemptions shall not be considered as a State of Hawaii resource.
 - aa. **G70 Ineligible to Participate in the Preparation of RFP Proposals.** HHFDC procured G70 International, Inc., dba G70, to perform site investigations, master plan, and the draft and final HRS Chapter 343 environmental assessment for the Project. To avoid the appearance of any unfair advantage, G70 and its subconsultants shall not be eligible to serve as members or consultants on, or communicate with, or assist any development team in the preparation or submittal of a proposal in response to this RFP. HHFDC reserves the right to disqualify any proposal in response to this RFP that was prepared in violation of this restriction. After approval of the Successful Offeror by HHFDC, G70 or its subconsultants may serve as members or consultants on the development team of the Successful Offeror.
 - bb. **Workforce Housing Agreement.** The Project shall comply with the County of Maui Department of Housing and Human Concerns comment letter of May 25, 2022. See [Appendix 11](#). The letter indicates that the Project is subject to Chapter 2.96, Maui County Code, and therefore, requires a residential workforce housing agreement.
2. **Minimum Risk to HHFDC.**
- a. **Risk During the RFP Solicitation.** HHFDC assumes no obligations, responsibilities, and/or liabilities, fiscal or otherwise, to reimburse all or part of the costs incurred or alleged to have been incurred by parties considering a response to and/or responding to this RFP. All such costs shall be borne solely by each Offeror and its team members.

- b. Risk During the Term of Contract.** The Successful Offeror shall assume sole and complete risk and liability for the development of the Project during the term of the Contract period, and shall indemnify, defend, and hold harmless HHFDC, the State of Hawaii, and their officers, employees, directors, agents, representatives, officials, successors, and assigns from and against any and all liability, loss, damage, cost, and expense, including attorneys' fees, and all claims, suits, and demands therefore, relating to, arising out of or resulting from: (a) the acts or omissions of the Successful Offeror or its employees, officers, agents, or subcontractors; (b) this RFP, the DA, and/or the ground lease; (c) the design, construction, repair, renovation, and/or defects of the Project or Project Site and/or lease, use, occupation, or operation of the Project or Project Site; and/or (d) the enforcement of the DA or ground lease (whether or not suit is brought therefore). This provision shall survive the expiration or earlier termination of this RFP, the DA, or ground lease, notwithstanding any other provision to the contrary. The Successful Offeror shall maintain insurance acceptable to HHFDC in full force and effect throughout the term of the Development Agreement and ground lease.

7. SUBMITTAL REQUIREMENTS

Respondents are asked to submit **one (1) original proposal and three (3) copies** along with one (1) electronic copy on USB drive including financial pro forma sheet in Microsoft Excel format to:

Denise Iseri-Matsubara
Executive Director
Request for Proposals: No. DEV-RFP-23-001
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Proposals must be received and time-stamped at HHFDC by **4:00 p.m., HST on July 26, 2023**. The proposals should present the information described below and should adhere to the format described below.

A. Notice of Intent to Offer. Interested Offerors shall submit a mandatory “Notice of Intent to Offer” letter ([Attachment 1](#)) together with a corporate resolution or “authorization to sign” no later than the date specified in this RFP. The Notice of Intent to Offer will form the official list of interested Offerors, and the recipient list for any communication and/or addenda relating to this RFP. Submittal of a Notice of Intent to Offer letter together with a corporate resolution or “authorization to sign” by the required deadline are required in order to submit a proposal.

B. Transmittal Letter. 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 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 subcontractor signed by an individual authorized to legally bind the subcontractor and stating, in addition to the paragraph above:

- a. The general scope of work to be performed by the subcontractor; and
- b. The subcontractor’s willingness to perform the indicated work in accordance with the RFP.

Note that those Offerors selected as priority-listed offerors may be required to generate more detailed information as requested for the BAFO.

C. Offer Form

Offer Form OF-1. Provide a signed Offer Form OF-1 (see [Attachment 2](#)) with the complete name and address of Offeror’s firm and the name, mailing address, telephone number, and e-mail address of the person the State should contact regarding the Offeror’s proposal. The completed Offer Form shall accompany the submittal and shall have an original, authorized signature of the Offeror.

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 the Offer Form. Failure to do so may delay proper execution of the contract.

D. Offeror Qualifications

1. Development Entity

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

Please provide the name, title, company name, mailing address, email, phone number, and relationship with the Offeror of the individual who will serve as the contact person for the proposal.

- b. Development Team.** Identify the development team, including the general contractor, major subcontractors, and consultants to be involved in the planning, financing, design, construction, and management of the Project, including without limitation, planners, all structural and architectural elements, mechanical, electrical, and plumbing services, HVAC and sprinkler systems, security, financial partners, legal counsel, and property manager. Indicate whether the architect(s) and engineers on the team possess current Hawaii professional licenses for the services which they intend to provide. The property manager shall be a Hawaii licensed real estate broker.
- c. Team Roles.** Identify the roles and submit resumes for the project manager and key individuals who will be involved in the design, construction, operation, and management of the Project.
- d. Organizational Chart.** Provide a detailed organizational chart for the Offeror entity, financing entities, and all other entities involved with the Project.

- 2. Financial Qualifications.** Note that HHFDC will maintain the confidentiality of all proprietary financial information provided by Offerors as part of the review process. Offerors must clearly mark proprietary financial information as "Confidential" and arrange for it to be easily removed from their proposal by HHFDC.

- a. Summary of Financial Capacity.** Provide a description of Offeror's financial capacity and backing, including general financial capabilities and partnerships. Describe the Offeror's need for and ability to raise equity and additional capital sources. Describe how pre-development costs will be funded.
- b. Detailed Financial Qualifications.** In order to demonstrate access to equity and financing resources to carry out development of the Property, provide the information listed below:

- (1) Composition of current real estate portfolio.

- (2) Recent history (last five to seven years) in obtaining financing commitments, detailing type of project, financing source, and amounts committed.
- (3) Projects in the pipeline, including status, development schedule and financial commitment required of Offeror, a description of project financing methods, sources, and amounts.
- (4) Audited (or reviewed by an independent party CPA) financial statements for the past three years. The financial statements must be prepared in conformance with generally accepted accounting principles and shall include a balance sheet, income statement, statement of cash flows and footnotes. Place in separate, sealed envelope marked "Confidential" if Offeror would like HHFDC to maintain the confidentiality of this portion of the response.
- (5) Specific sources of debt/equity capital that may be used for this Project, (Low Income Housing Tax Credits, outside lender, parent company, affiliates, etc.).
- (6) Adverse actions taken by any funding sources or financial institutions against the Offeror or joint venture partner, such as terminating or restricting the use of funds anytime during the past five years, if any.
- (7) Litigation in which Offeror (and any related affiliated entities) is involved or settled litigation over the last five years, if any.

3. Experience

- a. **Offeror's Experience.** Describe the relevant development experience of the Offeror. Provide relevant examples of projects with similar entitlement and development requirements that are in progress, have been successfully completed, or are in the development pipeline. Similar projects include those with the following types of attributes: (1) affordable housing project to households at 140% or below the U.S. Department of Housing and Urban Development area median income; (2) partnerships with public agency landowners; (3) urban infill, mixed-use, and/or transit-oriented development; (4) sustainability and smart growth principles, including resilient buildings and infrastructure; and (5) government agency project.

For each project identified, provide the following information:

- (1) Project name and type.
- (2) Location, including address and photograph(s).
- (3) Size and mix of uses.
- (4) Development timeline (from Developer selection/site control, to financing approvals/closing, to securing permits, and to commencement/completion)

of construction, indicating phasing as relevant). Note whether the project was started and completed on schedule. If delayed, provide explanation and length of the delay.

- (5) Project cost and financing sources used.
- (6) General description including role of development team and key project personnel, unique challenges of project, occupancy and history.

Project descriptions, including photos, should not exceed 3 pages per project.

- b. Development Team Members' Experience.** Provide relevant experience of the Offeror's development team members. Provide no more than three projects per team member, and no more than 2 pages per project. 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 7.D.3.a.** above. For the property manager, provide the number of projects managed in Hawaii involving State, local, or Federal assistance programs.
- c. References.** Provide as least five references for the Offeror, including public and private entities. Provide name of reference, company name and address, phone number and email address. Reference interviews may be conducted and will involve inquiries related to Offeror's performance in successfully planning, financing, entitling, and developing a similar project.

E. Development Concept, Strategy, and Schedule

HHFDC acknowledges that the development concept plan, project delivery strategy, schedule, and the financial projections and terms proposed for the master plan for the Property, Project and Project Site will be refined over time and through additional due diligence and negotiations. However, the information provided in response to this RFP will describe the Offeror's current intent and will serve as a major consideration in the selection of a Successful Offeror. As such, all future adjustments to the proposed concept, financial terms, schedule, and development structure must be justified as a result of additional information or input received during the planning and negotiation process.

Provide, in a narrative and graphic description, the proposed master plan and development concept for the master plan for the Property, the Project and Project Site. This concept must correspond with the financial proposal (described in **Subsection 7.F**). The concept should, to the maximum extent practicable, be based upon the design and sustainability principles articulated in this RFP. The submittal should include tabular and narrative descriptions as well as supporting maps and graphics. At a minimum, the development concept should include the following elements:

- 1. Development plan.** Provide a narrative description and diagram(s) of the proposed master plan for the Property that clearly indicate property lines, proposed building orientation and layout, roadway pattern, open space system, pedestrian walkways,

bicycle paths, landscaping elements, and distribution of land uses, keyed to a table which quantifies:

- a. The mix and distribution of proposed land uses (i.e., number of dwelling units by unit types, average size for each type of unit, non-residential uses and gross square footage for each type of non-residential use, parking, etc.), including projected net and gross densities for the Project. Identify whether the residential use is for for-sale, rental, affordable or market housing projects.
- b. The utilization of land, in square feet, by land use (i.e., The residential use, non-residential uses, common areas, etc.).
- c. At a minimum, the civic center component shall consist of no less than 44,000 square feet (excluding any community oriented commercial space) and parking as required by code.

The following drawings and outline specifications should be included:

- d. Site plan at 1" = 20' scale.
- e. Typical floor plans scaled at 1/16" or 1/8" = 1'- 0" General, 1/4" = 1' – 0" Detail. Plans shall show all necessary dimensions and indicate the proposed architectural arrangements, such as stairways, elevators, corridors, machine rooms, etc.
- f. Building cross and longitudinal sections and exterior elevations at 1/16" or 1/8" = 1'-0" scale.
- g. No less than three (3) and no more than ten (10) colored vignettes, perspectives and/or renderings of the proposed development illustrating its relationship to the surrounding areas, key elements, amenities and features, character and scale.
- h. The outline specifications shall comply with the requirements of this RFP, sufficiently far enough advanced to allow the Offeror to estimate development costs. These specifications shall generally describe the following:
 - (1) Project's Site, architectural design, buildings, and type of construction;
 - (2) Structural system, including materials and systems, subsurface conditions, and substructure;
 - (3) Mechanical and electrical systems conceptually;
 - (4) Any special systems, such as building mechanical, electrical, plumbing, and roofing systems that are designed to improve energy performance and increase resiliency over the life of the Project, special exhaust systems, special lighting and security systems, etc.; and
 - (5) Finishes at a gross level, indicating type and quality level.

2. **Housing Project.** A diagram, supporting table, and narrative describing the proposed housing component of the Project, including but not limited to, the total number of units, number of units by unit types (indicating both number of bedrooms and number of

bathrooms) and target income levels, unit sizes, accessible units, project amenities (e.g., picnic areas, community meeting room, laundry facilities, computer room, bike racks/bike storage, vehicle charging stations, solar water heating), and any social or special services and programs proposed for the housing component, including potential relationships to transit services and civic center services onsite.

If the Successful Offeror's proposal includes a leasehold for-sale component, the Project shall be subject to a revision of Executive Order No. 4590 to allow leasehold for-sale housing.

- 3. Property Operation and Maintenance.** Narrative describing the approach to operate and maintain the Project, or portion thereof. Describe the contractual structure, including leasehold ownership of the Project, management agreements, debt leveraging revenue streams (i.e., public and private revenue sources), CAM, risk allocation, cost-efficiency benefits, etc.
- 4. Community Benefits.** Narrative explaining any community benefits proposed in the Project (other than fulfilling HHFDC's affordable housing needs), which may include a range of affordability, or physical amenities or programmatic elements that benefit the future residents of the Project as well as the larger community, including benefits that complement and support the objectives of the Kaahumanu Ave Community Corridor Action Plan.
- 5. Development Strategy.** Describe the development strategy, including how the development concept described above will be implemented. At a minimum, the development strategy should include the following elements:
 - a. Development Schedule.** Provide a schedule identifying tasks, task durations, and key milestone dates. Describe the steps that the Offeror intends to take to complete the predevelopment and development processes, including the attainment of all entitlements, approvals, and agreements with third parties; refinement of all plans and engineering; the refinement of budgets, pro formas, and cost projections; the attainment of funding commitments; the commencement of construction, and the completion of the entire Project. This section should make clear which activities will take place sequentially and which will take place concurrently.
 - b. Infrastructure Approach.** Please provide a narrative describing the anticipated needed improvements, if any. Note that the Successful Offeror will be responsible for confirming infrastructure needs, and all negotiations and approvals with relevant agencies for on- and off-site infrastructure for the Project.
 - c. Project/Infrastructure Phasing.** Describe how the Successful Offeror proposes to approach project phasing and how the Successful Offeror's approach relates to the marketing of different components of the Project.
 - d. Marketing/Tenancing Strategy.** Please describe the marketing initiatives the Successful Offeror intends to put in place to attract end users, as developer of the Project.

- e. **Sustainability Plan and Commitment.** Describe the Successful Offeror's proposed measures for energy conservation, water conservation, stormwater management, carbon footprint reduction, or other sustainability measures proposed for the Project, and whether the measures proposed are based on the Successful Offeror's best-efforts, or are commitments for inclusion as requirements in the Development Agreement.
- f. **Community Engagement Plan.** Please provide a description of the Successful Offeror's proposed community engagement plan, with a focus during the planning and design phase of the Project.
- g. **Expectations and Commitments for Timely Development.** Describe how the Successful Offeror will ensure that development is initiated and completed in a timely manner, including any suggestions of performance guaranties (e.g., liquidated damages) or other terms that can benefit HHFDC in the event of delays. The final terms of such guaranties will be negotiated after selection of the Successful Offeror, but this information will provide a sense of the Offeror's initial position. Please provide the Offeror's proposed deadlines to be incorporated in the DA for the following:
 - (1) Commencement of construction for each phase of the Project; and
 - (2) Substantial completion of each phase of the Project.

F. Financial Proposal

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 Offeror'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 Successful Offeror.

Key financial aspects of the proposal will include:

1. Development Costs, Revenues, and Funding Strategy Narrative.

- a. *Development Costs.* Provide narrative and numerical estimates to describe estimated predevelopment costs, conceptual infrastructure costs, vertical building costs, site work costs, maintenance costs (if applicable), and other identified costs for the Project. Indicate the proposed lease premium and lease rent and payment schedule for the ground lease. Make note of major uncertainties that may lead to significantly different costs than those estimated. Please refer to the form provided in [Attachment 3](#).
- b. *Project Sources of Funds.* Describe all anticipated project sources of funds and revenues, including projected building rents, leasehold rent/sale revenue, and parking fees, and anticipated absorption rates. Provide a development cashflow and pro forma operating budget to summarize the sources of funds and revenue expected for the full term of financing. Please identify the utility allowances

applicable to each type of unit in the Project and any utilities that the tenants will be responsible to pay for.

2. **Development Financing Plan.** Provide an explanation of the likely interim and permanent financial structure of the Project, including potential sources and amounts of equity and debt financing, as well as any expected public financing, revenues received and retained. Identify the minimum preferred return on investment requirements for the Offeror as well as its financing partners. Specifically, describe how the predevelopment costs and the initial phases of infrastructure investments will be funded and how the interim financing will be repaid. 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.

As previously noted, the HHFDC Board has approved \$5.0 million from DURF funds for an interim loan for the Project, subject to program requirements ([Appendix 14](#)).⁸

3. **Development Cashflow.** The Development Cashflow provides an opportunity for Offeror teams to illustrate how to maximize development feasibility while meeting the goals and business objectives of HHFDC. A preliminary forecast of the expenses and sources of funds for the proposed Project in the form of a cashflow for each year up to expected coverage of the debt service should be provided. Please refer to the form provided in [Attachment 4](#). The attachment provides a framework; therefore, the organization and line items can be modified and expanded to best illustrate your estimated development cashflow. Be sure to consider all known project costs, including predevelopment and development costs, and management expenses, and make note of assumed funding that is contingent on another agency's action (e.g., tax credits for affordable housing, Federal funding sources). Note that the purpose of the pro forma is to allow HHFDC to understand the Offeror's approach and expectations of project economics and to provide a basis for business terms to be negotiated later.
4. **Pro Forma Operating Budget.** Please fill out the Excel pro forma operating budget provided in [Attachment 5](#).
5. **Projected HHFDC Compensation.** Based on a pro-forma cash flow, please provide projections for the ground lease revenues (lease premium and lease rent) to HHFDC for the affordable housing and (if any) commercial space components. Provide the nominal value and net present value to HHFDC (at a discount rate of 5%) of the land acquisition price, including 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 parcel, use of up to \$5.0 million for the DURF loan, State of Hawaii general excise

⁸ E.g., subject to availability of DURF funds.

tax exemption, use of non-competitive 4% tax credits, and use of 201H exemption authority.

7. **Financial Commitment.** With respect to financial commitment, provide an estimate of the amount of money that will be invested by the Successful Offeror before the Project begins to produce positive cash flows, including predevelopment and operational costs as well as investments in capital improvements. Please identify the anticipated source of the Offeror's up-front funding.

G. Construction Management Proposal

Provide a construction management plan that demonstrates a knowledgeable and experienced design-build management approach to construct and complete the Project, in all respects, with integrity and reliability that will ensure good faith performance. The approach should identify the composition of the management team, including the names and roles of key personnel and the percentage of their time devoted to this Project, and the decision-making process within the organization.

H. Exceptions or Alternative Proposals

If applicable, describe any exceptions or proposal alternatives to HHFDC's key business objectives described in **Section 5**, as well as any other requirement of this RFP. Innovative, creative, or cost saving proposals that meet or exceed the objectives and requirements in the RFP are encouraged and will receive consideration accordingly. Each alternative shall include an explanation of what the benefits are and why the Offeror believes the alternative is in the best interest of the State.

If an Offeror takes exception to any of the requirements specified in the RFP, the Offeror shall clearly identify and explain each exception in the proposal. RFP requirements are not necessarily negotiable, and exceptions may render an Offeror's proposal unacceptable and ineligible for award.

I. Submittal Format

Respondents are asked to submit **one (1) original proposal and three (3) copies** along with one (1) complete electronic proposal on USB flash drive including Financial pro forma sheet in Microsoft Excel format. The completed Offer Form ([Attachment 2](#)) shall accompany the submittal and shall have an original, authorized signature of the Offeror. Proposals shall be organized into sections, following as closely as possible the format as presented in this **Section 7**, with tabs separating each section.

J. Late Proposals

Any proposal, request for withdrawal, or modification of a proposal that is not received at the designated location, time, and date set forth herein will be deemed late and therefore not be considered. Delivery of the proposal to the specified location by the prescribed time and date is the sole responsibility of the Offeror. Exceptions may be authorized, at the sole discretion of the Procurement Officer, when the reason for the late proposal, late request for withdrawal, or late modification of a proposal is due to the action or inaction of HHFDC.

Withdrawal of, or modifications to, proposals are effective only if written notice thereof is submitted to HHFDC prior to the time proposals are due. A notice of withdrawal or modification to a proposal must be signed by an officer with the authority to commit the company. Withdrawal or modifications will not be accepted after the time proposals are due.

8. SELECTION CRITERIA

HHFDC is interested in comprehensive and clear responses to the submittal requirements. Criteria for evaluation of proposals will include the following:

Criteria	Max Points
<p>A. Offeror Qualifications</p> <ol style="list-style-type: none"> 1. Legal Offeror entity and team members. 2. Offeror’s relevant project experience and its specific personnel and team members, including work on similar type projects and projects involving public/private partnerships. 3. Financial capacity to develop the Project, including its financial record and success in obtaining equity and debt capital for funding past projects. 4. Capacity to manage the Project. 	25
<p>B. 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 objectives for the Project and Project Site, including maximum number of affordable housing units and range of affordability, budget, sustainability, community engagement plan, and provision of safe and convenient pedestrian and bicycle access to public transportation services. 3. Realistic and creative approach to achieving successful vertical development, and approach to overall management, marketing and tenanting residential units, and maintenance of facilities, including the physical and functional relationships with the civic center and transit hub components at the Property to achieve a vibrant and livable mixed-use community hub and transit oriented development. 4. Feasibility of development concept. 5. Innovation and creativity. 6. Consistency with all other requirements of this RFP. 	20
<p>C. Ability to Meet Time and Budget Requirements</p>	10

<ol style="list-style-type: none"> 1. Expectations and commitments to initiate and complete the Project in a timely manner, including the Offeror's suggested guaranties or penalties (i.e., liquidated damages). Offeror's description of schedule risks, critical path issues and track record of meeting deadlines set by financing awards for other affordable housing projects. 2. Project timeline does not favor market units over affordable units. 	
<p>D. Number and Range of Affordable Units Proposed and Community Benefits</p> <p>Number and range of affordable units by income levels served, and additional physical or programmatic elements proposed to benefit the other development phases or uses, and existing community.</p>	10
<p>E. Financial Proposal</p> <ol style="list-style-type: none"> 1. 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. 2. Complete Project budget and financial pro forma demonstrating a feasible Project. 3. Minimum use of State of Hawaii resources.* 	10
<p>F. Maximum Present Value to HHFDC</p> <p>Proposed current economic benefit to HHFDC as indicated by the level of income projections to HHFDC and cash flow streams, including ground lease payments from the affordable housing component.</p>	10
<p>G. Sustainability Plan and Commitment</p> <p>Proposed measures for energy conservation, water conservation, stormwater management, carbon footprint reduction, or other sustainability measures proposed for the Project, and whether the measures proposed are based on Offeror's best-efforts, or are commitments for inclusion as requirements in the Development Agreement.</p>	5

<p>H. Management Proposal</p> <ol style="list-style-type: none"> 1. Demonstrated understanding of the challenges and opportunities associated with the Project. 2. Demonstrated understanding of the qualifications necessary to design, construct, and complete the Project in all respects. 3. Demonstrated understanding of how the Offeror’s project delivery approach will contribute to the success of the Project and meet HHFDC’s goals. 4. Commitment to providing HHFDC with a high-quality Project. 5. Proactive and inclusive approach to public/community participation. 	5
<p>I. Completeness of Proposal</p>	5
<p><i>Total</i></p>	100

* Please refer to **Section 7.F.6** for items which will not be considered “use of State of Hawaii resources” for purposes of scoring proposals.

9. SELECTION AND AWARD PROCEDURE

A. RFP Selection

1. The RFP solicitation process begins with the issuance of the RFP, a non-mandatory pre-proposal conference, and the formal response to any written questions or inquiries regarding the RFP. Changes to the RFP will be made only by Addendum.
2. Interested Offerors shall submit a "Notice of Intent to Offer" letter ([Attachment 1](#)) together with a corporate resolution or "authorization to sign" no later than the date specified in the Selection Schedule below. The Intent to Offer will form the official list of interested Offerors, the recipient list of any communication and/or addenda relating to this RFP, and is a pre-requisite to the submittal of a proposal under this RFP.
3. Only proposals received on or before the required due date will be considered. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more government officials. The award process will be deemed complete upon the execution of the Development Agreement and Ground Leases. The register of proposals and Offerors' proposals shall be open to public inspection after posting of the award. All proposals and other materials submitted by Offerors become the property of the State and may be returned only at the State's option.
4. Proposals which do not fully comply with the submittal requirements of **Section 7** may be deemed "nonresponsive" on the basis of evaluation deficiencies and result in disqualification by HHFDC in its sole discretion. All nonresponsive proposals will be returned to the Offeror, with the deficiency(ies) noted. The decision by the HHFDC evaluation committee shall be final, and no appeal will be considered.
5. The HHFDC evaluation committee shall evaluate the proposals in accordance with the evaluation criteria in **Section 8**. Members of the evaluation committee will consist of personnel from HHFDC, and may include personnel from other agencies and/or outside technical or legal experts or project stakeholders. The proposals shall be classified initially as "acceptable", "potentially acceptable", or "unacceptable".
6. Proposals may be accepted on evaluation without discussion. However, if discussions are deemed necessary by the HHFDC evaluation committee, then prior to entering into discussions, a Priority List of responsible Offerors submitting acceptable and potentially acceptable proposals shall be generated. The Priority List Offerors (PLO) may be limited to a minimum of three (3) responsible Offerors who have submitted the highest-ranked proposals. The objective of these discussions is to clarify issues regarding the Offeror's proposal.
7. 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. After the PLO is generated, addenda to the RFP shall be distributed only to PLO who submit acceptable or potentially acceptable proposals, and may include without

limitation a bid security, verification of key personnel, and letter of commitment from surety(ies) for Payment and Performance Bonds.

8. Following any discussions, PLO may be invited to submit a Best and Final Offer (BAFO), if necessary. The HHFDC evaluation committee reserves the right to have additional rounds of discussions with the PLO prior to the submission of the BAFO.
9. The date and time for PLO to submit their BAFO, if necessary, is indicated in the RFP Selection Schedule as "To Be Determined". PLO's will be notified by duly issued addendum of the due date and time. If Offeror does not submit a notice of withdrawal or a BAFO by the date indicated in the request for BAFO, the Offeror's immediately previous offer shall be construed as its BAFO.

B. Award

1. After receipt and evaluation of Proposals or BAFOs in accordance with the evaluation criteria in **Section 8**, the HHFDC evaluation committee will make its recommendation to the HHFDC Board of Directors for approval. Upon approval, the Procurement Officer will award the contract to the Offeror whose proposal is determined to be the most advantageous to the State taking into consideration the evaluation criteria.
2. The award shall allow the Successful Offeror to enter into exclusive negotiations with HHFDC for the development of the Project. The HHFDC Board of Directors may impose a deadline from the date of its approval of the Successful Offeror for the execution of a Development Agreement. If necessary, the Successful Offeror's proposal may be amended. If HHFDC and the Successful Offeror do not execute the Development Agreement by the end of such deadline, then HHFDC may terminate negotiations and thereafter consider proposals submitted by the next highest ranked Offeror.
3. The contents of any proposal shall not be disclosed during the review, evaluation, discussion, or negotiation process. All development proposals are government records which cannot be released to the public before HHFDC has successfully completed its negotiation and execution of a lease and Development Agreement with the Successful Offeror. Once the lease and Development Agreement are executed, all proposals, successful and unsuccessful, become available for public inspection. Those sections that the Offeror and the State agree are confidential and/or proprietary in accordance with all applicable laws should be identified by the Offerors and shall be excluded from public inspection. Refer to **Section 10.C** for additional information regarding confidentiality.
4. The HHFDC 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 evaluation committee will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to the RFP.
5. The RFP, any addenda issued, and the Successful Offeror's proposal shall become a part of the contract. All proposals shall become the property of the State of Hawaii.

C. Selection Schedule

HHFDC has established the timeline summarized for selecting a Successful Offeror for exclusive negotiations.

Selection Schedule Summary (subject to modification)

Milestone	Date or Timeframe
1. RFP Advertised and Issued	March 28, 2023
2. Pre-Proposal Conference	10:00 a.m., HST on April 19, 2023. Interested parties are invited to attend; however, attendance is not mandatory.
3. Deadline for Notice of Intent to Offer	Interested Offerors shall submit a mandatory "Notice of Intent to Offer" form (Attachment 1) together with a corporate resolution or "authorization to sign" no later than 4:00 p.m., HST on May 10, 2023.
4. Deadline for Receipt of RFP Questions	Questions must be made in writing and will be accepted beginning on March 28, 2023 through June 14, 2023, at 4:00 p.m., HST. Questions may be emailed to Stan S. Fujimoto at stanley.s.fujimoto@hawaii.gov . Responses will be prepared as addenda and emailed to the registered Offerors. Addenda will also be posted to the HHFDC website at http://dbedt.hawaii.gov/hhfdc/
5. Proposals Due	July 26, 2023 at 4:00 p.m., HST. Submit one (1) original marked "ORIGINAL" and three (3) copies marked "COPY" (four total), and one (1) complete electronic proposal on USB flash drive of the proposal including pro forma worksheets in Microsoft Excel format to: Denise Iseri-Matsubara Executive Director Request for Proposals No. DEV-RFP-23-001 Hawaii Housing Finance and Development Corporation 677 Queen Street, Suite 300 Honolulu, Hawaii 96813
6. Discussion with Priority Listed Offerors (if needed)	TBD
7. Best and Final Offers Due (if needed)	TBD
8. Selection of Successful Offeror	TBD
9. Award Contract	TBD

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

10. TERMS AND CONDITIONS

In addition to all of the other terms and conditions of this RFP, this RFP and all responses are subject to the following terms and conditions.

A. Reservation of Rights

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

1. Change or cancel this RFP;
2. Amend, supplement, or waive any RFP requirements, guidelines, or materials at any time before or after the date and time by which proposals must be submitted;
3. Accept and/or reject any or all proposals received in response to this RFP, and may exercise such right without notice and without liability to any Respondent or other parties for their expenses incurred in the preparation of a proposal;
4. Determine whether a proposal submitted in response to this RFP fails to meet the requirements of the RFP in some material respect;
5. Obtain modification or clarification necessary to properly evaluate a proposal;
6. Obtain references or other INFORMATION regarding any Offeror's past performance from any source; and
7. Execute a Contract or Development Agreement with a Successful Offeror in the form required by HHFDC. HHFDC reserves the right without liability to disqualify and/or cease negotiations with the Successful Offeror if it determines, at its sole discretion, to be in the best interest of the State. The Successful Offeror assumes the sole risk and responsibility connected with the negotiation process.

Neither issuance of this RFP nor evaluation of any proposal(s) obligates HHFDC to award a Contract from this RFP.

B. 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/or appendices, 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:

1. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any appendices, attachments, addenda, plans referred to herein, and any other relevant documents; and
2. 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.

All submitted proposals shall become the property of HHFDC and be subject to public disclosure in accordance with Hawaii's Uniform Information Practices Act, Chapter 92F, HRS.

If an Offeror takes exception to any of the requirements specified in the RFP, the Offeror shall clearly identify and explain each exception in the proposal. RFP requirements are not necessarily negotiable, and exceptions may render an Offeror's proposal unacceptable and ineligible for award.

C. Confidentiality

If an Offeror believes that any portion of a proposal, offer, specification, or correspondence contains information that should be withheld as confidential, then the Procurement Officer (HHFDC Executive Director) 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.

Proposers may not mark an entire proposal confidential. Should a proposal be submitted in this manner, HHFDC reserves the right to hold no portion of the proposal as confidential, unless such a portion is determined by the Department of the Attorney General to be exempt from the Uniform Information Practices Act, Chapter 92F, HRS.

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 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.

D. Responsibility of Respondents

The highest-scoring responsive Offeror shall, at the time of award, be compliant with all laws governing entities doing business in the State, including, but not 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.

To obtain and demonstrate proof of compliance, Offerors are strongly encouraged to register online at the Hawaii Compliance Express (HCE) website (<https://vendors.eHawaii.gov>) and furnish a current and valid HCE Certificate of Vendor Compliance to HHFDC. Otherwise, Offerors will be responsible for gathering all appropriate compliance documentation from the applicable agencies and submitting them to HHFDC to show compliance. HHFDC shall verify compliance on HCE or with the applicable agencies.

- a. **Hawaii Compliance Express.** HCE is an electronic system that allows vendors/contractors/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.

Respondents should register with HCE at <https://vendors.eHawaii.gov> before submitting a response. The "Certificate of Vendor Compliance" is accepted as proof of compliance for award and execution of the contract.

- b. **Timely Registration on HCE.** Respondents are advised to register on HCE as soon as possible.

E. Non-Collusion

By submission of a proposal, Offeror warrants that its proposal 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 HHFDC officer or employee, past or present, any payment, loan, subscription, advance deposit, travel services or items even of nominal value.

F. Award Protest

This RFP solicitation for land disposition is not subject to the procurement statute and administrative rules under Chapter 103D, HRS. Therefore, the procedures relating to the protest of an award under Chapter 103D, HRS, are not applicable to this solicitation. Reconsideration of HHFDC Board decisions on land dispositions may be made pursuant to HHFDC's rules of practice and procedure.

G. Additional Terms and Conditions

1. **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 required by statute, regulation, rule, order, or other directive.
2. **Confidentiality of Material.** All material given to or made available to the Offeror by virtue of this RFP or any contract, which is identified as proprietary or confidential

information, will be safeguarded by the Offeror and shall not be disclosed to any individual or organization without the prior written approval of the State.

3. **Nondiscrimination.** No person performing work under this RFP, including any subcontractor, employee, or agency of the Successful Offeror, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.
4. **Competency of Offeror.** The evaluation committee shall determine whether the Offeror has the financial ability, resources, skills, capability, and business integrity necessary to complete a project. For this purpose, either before or after the deadline for the RFP, 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 RFP requirements. Whenever it appears from answers to the questionnaire or otherwise, that the Offeror is not fully qualified and able to fulfill the RFP requirements, 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.
5. **Preparation of Offer.** An Offeror may submit only one offer in response to this RFP solicitation. If an Offeror submits more than one offer, then all such offers shall be rejected.
6. **Amendment of Terms and Conditions.** The State and HHFDC reserve the right to amend or add terms and conditions to the RFP at any time before the date and time by which proposals must be submitted. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluation.

HHFDC also reserves the right to permit submittal of amendments and supplements to a Successful Offeror's proposal, including without limitation dedicating more funds, or reducing or expanding the scope of work, and any such changes or supplements shall not nullify the selection process that was used to select the Successful Offeror for the Project.

7. **Affordable Housing Credits.** The Project, or any residential unit thereof, shall not be sold, transferred, or otherwise used to satisfy the affordable housing requirements for any other project at any location.

H. **Role of HHFDC After Award**

Once a Contract is awarded HHFDC will be responsible for the following:

1. **Contract Administration.** Provide overall administration of the Contract. HHFDC will designate a representative who will be the point of contact for the Project.
2. **Oversight.** Provide oversight of the Project and media relations.

I. **Campaign Contributions by State and County Contractors**

If awarded a contract in response to this solicitation, the Successful Offeror agrees to 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 contractor is paid with funds appropriated by a legislative body between the execution of the contract through completion of the contract.

J. Cancellation

HHFDC reserves the right to cancel, withdraw, suspend, postpone, or extend this RFP at any time without any liability if 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.

K. Rejection of Proposals

HHFDC reserves the right to reject any or all proposals, in whole or in part, without liability, if 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.

L. Financial Obligations

Any brokerage or consulting fees expended by or on behalf of the Offeror shall not be paid by HHFDC. Each Offeror is responsible for all costs incurred in responding to this RFP. Neither HHFDC, its agents, or its advisors shall have financial responsibility for any costs or fees incurred by an Offeror in responding to this RFP or any transaction that may be consummated as contemplated by this RFP.

M. Disclaimer in Event of Reliance on Material in this RFP

The information and data included in this RFP and related documents are for informational purposes only and are deemed reliable but are not guaranteed. HHFDC provides no representations, assurances, or warranties pertaining to the accuracy of the information. Detrimental reliance on this information is at Offeror's sole risk.

11. ATTACHMENTS

<u>Attachment 1 – Notice of Intent to Offer</u>
<u>Attachment 2 – Offer Form OF-1</u>
<u>Attachment 3 – Project Cost Breakdown Worksheet</u>
<u>Attachment 4 – Developmental Cashflow Worksheet</u>
<u>Attachment 5 – Pro forma</u>
<u>Attachment 6 – HHFDC Development Agreement Form</u>
<u>Attachment 7 – HHFDC Ground Lease Form</u>

IMPORTANT NOTE: Please also refer to Section 4, RFP Documents, for a list of Appendices which are not attached to this RFP but can be downloaded from the website(s) indicated in Section 4.

