DEPARTMENT OF HAWAIIAN HOME LANDS STATE OF HAWAII

NOVEMBER 23, 2022

ADDENDUM NO. 1 TO

REQUEST FOR PROPOSALS No. RFP-23-HHL-006

SEALED OFFERS FOR LAND ACQUISITION AND DEVELOPMENT, STATEWIDE

NOTICE TO ALL PROSPECTIVE OFFERORS

This addendum is hereby made a part of the Request for Proposals documents for LAND ACQUISITION AND DEVELOPMENT, STATEWIDE, and it shall amend the said Request for Proposals documents as detailed within this Addendum document.

APPROVED:

Date: November 23, 2022

Stewart Matsunaga, Acting Administrator Land Development Division

Please detach, execute, and return immediately, the receipt below, by mail to the Department of Hawaiian Home Lands, P. O. Box 1879, Honolulu, HI 96805; by facsimile to 620-9299, or by e-mail to darrell.h.ing@hawaii.gov.

Receipt of Addendum No. 1 for RFP-23-HHL-006, LAND ACQUISITION AND DEVELOPMENT, STATEWIDE, is hereby acknowledged.

Signed

Title

Firm_____

Date_____

ADDENDUM NO. 1 TO RFP-23-HHL-006 SEALED OFFERS FOR LAND ACQUISITION AND DEVELOPMENT, STATEWIDE

AMENDMENTS TO THE RFP

(None)

PRE-SUBMITTAL MEETING

The following documents from the Pre-Submittal Meeting are attached.

Agenda

Responses to questions asked at the Pre-Submittal Meeting

Recording of the pre-submittal available at:

https://www.youtube.com/watch?v=G8BKYOXU2X4

or

https://www.youtube.com/channel/UCLvfhQKObS95KKHNJ4ZVMfg

ATTACHMENTS

Documents from the Pre-Submittal Meeting

LAND ACQUISITION AND DEVELOPMENT, STATEWIDE

<u>RFP-23-HHL-006</u> Pre-Proposal Conference 10:00 a.m., Monday, November 21, 2022 (Microsoft TEAMS meeting)

Scope of Work

Proposals to offer real property for acquisition by DHHL

Offer may include a proposal for the properties to be developed by the Offeror

DHHL may accept more than one submitted proposal

If the proposal includes both land acquisition and development, DHHL may accept only the acquisition portion of the proposal

Background

Act 279, SLH 2022 appropriated \$600,000,000 in funds to address the needs of those on the DHHL waitlist and those beneficiaries still waiting to get on the land.

U.S. Congress appropriated \$22,300,000 for Fiscal Year 2022, for the Native Hawaiian Housing Block Grant program as authorized under NAHASDA.

Land acquisition

Vacant

Location and Site Characteristics:

Higher consideration will be given to properties on Oahu which has the greatest waitlist demand and where DHHL has the smallest inventory.

Even, gently sloping topography.

No environmental concerns (flood zones, archaeology, flora/fauna, hazmat, etc.).

Compatibility with surrounding development.

Proximity of community services (police, fire, medical, schools, etc.).

Cost of Acquisition

Total proposed price.

Price per acre versus similar properties.

Off-Site Infrastructure

Proximity to existing roadways and utility systems.

Capacity of utility systems expected to serve the development (water, wastewater, electricity, telecommunications).

Developed (multi-family)

Homesteading program awards lots, not condominiums

Beneficiaries have expressed desire for rentals

Preparation for home purchase

Kupuna housing

Other considerations

Current renters – relocation

Financing restrictions – i.e., Fair Housing, income limits

Future management

Development

Developer responsibilities

Infrastructure: plan, design, construct

Houses: plan, design, construct, finance, market

Department responsibilities

Infrastructure: pay for plans, design, construction, and utility fees Houses

May assist with financing (interim loan, affordable housing credits)

Award homestead leases

<u>Submittals</u>

Forms provided in RFP package

Scoring Criteria

Criteria Description	Points	
Suitability of Property		40
Location and Site Characteristics	20	
Cost of Acquisition	10	
Off-Site Infrastructure	10	
Development Proposal		25
DHHL Cost	10	
Developer input	5	
Schedule	5	
Site and House Designs	5	
Development Team's Qualifications		35
Previous Projects	15	
Financial Capacity	20	
TOTAL POSSIBLE POINTS		100

Schedule (subject to the number of offers received)

Due date to Submit Questions	December 2, 2022
State's Response to Questions	December 9, 2022
Proposals Due date/time	December 16, 2022, 2:00 pm

Deliver to Hale Kalanianaole, 91-5420 Kapolei Parkway	
Proposal Evaluations	December 23, 2022
Discussion with Priority Listed Offerors (if necessary)	January 4, 2023
Best and Final Offer (if necessary)	January 11, 2023
Notice(s) of Acceptance	January 18, 2023
Execution of Sale Agreement(s)	February 1, 2023

<u>Questions</u>

DHHL Contact: Darrell Ing Telephone: 620-9276 Fax: 620-9299 e-mail: Darrell.H.Ing@Hawaii.gov Land Acquisition and Development, Statewide RFP-23-HHL-006 Pre-Proposal Conference Questions/Responses

You're asking for a lot of specifics and a very short turn-around time. We don't have plans and specs yet. I can't imagine anybody does.

We are requesting your best estimate of what development would entail and cost. We will compare those to costs for similar projects to verify that they are reasonable.

For properties that do not have water commitments, is DHHL using its water allocation on various islands, or are you relying on the sellers to provide a property with water allocation and sewer capacity?

It is a shortcoming that should be identified in the proposal. Properties that have an allocation or commitment of water from a County municipal system will be scored higher than properties that do not have such a commitment. For proposals that include properties that do not have a water allocation or commitment of water from a County municipal system, DHHL's Planning Department, will check the following:

- 1. Is the property located in an area in which DHHL has a current water reservation from the state Commission on Water Resource Management (CWRM)?
- 2. Is the property within the vicinity of a County municipal water system?
- 3. If the answer to number 2 above is yes, DHHL will confirm with the County whether or not the water system has available capacity to accommodate new development on the proposed property.

Properties that are not within an area where DHHL has a CWRM water reservation, are far from a County municipal water system, or in which the County water system does not have available capacity for new development on the property offered and would require upgrades to the system to develop will be scored lower in this RFP process.

It's an awfully tight timeline for providing the detail that's requested in these responses. Is there consideration for extending the submittal date?

No.

Please confirm that the house plans and the development plans will largely be considered by DHHL as conceptual.

DHHL recognizes that parcels which may be offered could be in different stages in the planning and design process and will take that into consideration when evaluating proposals.

Can you give us some more guidance on what you're expecting on the construction cost estimates?

This is an issue we are facing in assembling development RFPs for lands we already own. It would not be fair to expect a guaranteed price for construction four to six years away – too many unknowns and variables: inflation, wage rates, cost and deliver times for materials. For this RFP we want your estimates upon which we would evaluate the reasonableness of the offer. Payments would be made on actual costs, based on competitive bidding.

Will DHHL be able to use an expedited subdivision process once department has acquired the land.

Yes, DHHL is able to exempt ourselves from certain city/county zoning land use subdivision requirements. Please note any exemptions in Section F of Offer Form 2.

Will this be the only solicitation for land acquisition?

Depending on response to this RFP, and as DHHL implements the plan to use the funds from Act 279, DHHL could go out with another RFP for land acquisition. There may also be RFPs for development of parcels currently in DHHL's inventory.

If we're looking at a development and it has a technical report that is fairly long. Could we print that double space? I mean double sided and then two sheets per page, similar to what we do for environmental assessments?

Yes, or just include as a pdf file on the proposal flash drive.

Some projects maybe proposed to be developed by a joint venture (JV), which is put together for that specific project. While the JV would not have a track record, the members would each have one. Will DHHL consider the individual track records of the participants in the JV when you're looking at developer experience?

Yes, both the JV's prior projects, as well as those of the individual members' will be considered. Note that this RFP is for land acquisition (with an optional offer to develop). Therefore, unlike some previous DHHL RFP's this is not competitive between developers.

I noticed that you have the requirement for an EA/ EIS. Would DHHL be the approving agency for that?

For an Environmental Assessment, the Hawaiian Homes Commission would approve the Finding of No Significant Impact. For an Environmental Impact Statement, the Governor would be the approving authority.

For the written questions, which are due by December 2nd, two questions. One, will you answer written questions prior to the 9th, the last day for DHHL to post addenda? Secondly, will all questions and answers be available to all potential offers.

Yes to both. Questions will be responded to individually. By December 9th, we shall issue an addendum with all the questions received. If responses are required after December 9th, the offer submittal would be adjusted since eight calendar days is the minimum period between the last addendum and offer submittal dates.