

DEPARTMENT OF HAWAIIAN HOME LANDS  
STATE OF HAWAII  
Land Development Division

December 13, 2023

Date

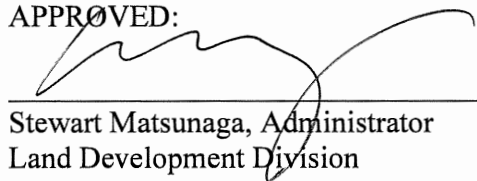
ADDENDUM NO.  1   
TO  
RFQ-24-HHL-003

REQUEST FOR QUALIFICATIONS  
FOR  
VILLAGES OF LA'I 'ŌPUA VILLAGE 1, VILLAGE 2, VILLAGE 4 (PHASE 2, HEMA),  
AND NORTH KONA WATER DEVELOPMENT  
KEALAKEHE, HAWAI'I

**Notice to All Prospective Offerors**

This addendum is hereby made a part of the Request for Qualifications documents for Villages of La'i 'Ōpua Village 1, Village 2, Village 4 (Phase 2, Hema), and North Kona Water Development, Kealakehe, Hawai'i, and it shall amend the said Request for Qualifications documents as detailed within this Addendum.

APPROVED:

  
\_\_\_\_\_  
Stewart Matsunaga, Administrator  
Land Development Division

Date: December 13, 2023

Please execute and return immediately to the Department of Hawaiian Home Lands, at 91-5420 Kapolei Parkway, Kapolei, HI 96707 or email to [sara.t.okuda@hawaii.gov](mailto:sara.t.okuda@hawaii.gov).

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Receipt of Addendum No.  1  for Villages of La'i 'Ōpua Village 1, Village 2, Village 4 (Phase 2, Hema), and North Kona Water Development, Kealakehe, Hawai'i , is hereby acknowledged.

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name of Firm/Company

\_\_\_\_\_  
Date

ADDENDUM NO. 1 TO IFB-24-HHL-003  
SEALED OFFERS  
FOR  
VILLAGES OF LA'I 'ŌPUA VILLAGE 1, VILLAGE 2, VILLAGE 4 (PHASE 2, HEMA),  
AND NORTH KONA WATER DEVELOPMENT

**Amendments to the RFQ**

None.

**Pre-submittal Conference**

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

List of Attendees

Response to questions asked at the Pre-Submittal Conference

PowerPoint Presentation

**Attachments**

Documents from the Pre-submittal Conference

RFQ-24-HHL-003  
Villages of La'i 'Ōpua Village 1, Village 2, Village 4 (Phase 2, Hema),  
and North Kona Water Development

Pre-submittal Conference  
MS Teams Meeting

Friday, December 8, 2023, 10 am

Attendees:

1. Sara Okuda, DHHL, sara.t.okuda@hawaii.gov
2. Darrell Ing, DHHL, darrell.h.ing@hawaii.gov
3. Neil Nugent, DHHL, cornelius.f.nugent@hawaii.gov
4. Robert Ing, DHHL, robert.m.ing@hawaii.gov
5. Emma Cao, DHHL, liyuan.cao@hawaii.gov
6. Patti Tancayo, Wa'a Partners, pattibarbee@gmail.com
7. Sun-Ik Ham, Nan, Inc.

Questions:

1. What kind of financing would be available for the actual house construction, from DHHL, the vertical?  
Answer: A DHHL interim loan would work the same as a revolving loan from a regular financial institution. DHHL funds would be deposited in a financial institution and the bank would be paid a fee to administer the loan. The Developer will only pay back what they drew down, no interest.
2. One of the DHHL responsibilities is to pay the Developer monthly progress payments for infrastructure design and construction, is it for infrastructure only?  
Answer: Yes, DHHL shall pay Developer for infrastructure costs; Developer is responsible for house costs.
3. The three main roles of the Developer is to provide infrastructure, provide the housing, and what was the other?  
Answer: The 3<sup>rd</sup> would be the design and construction of off-site North Kona water source, storage, and transmission.



**Villages of La‘i ‘Ōpua**

**Village 1, Village 2, Village 4 (Phase 2, Hema),  
and North Kona Water Development,**

**Kealakehe, Hawai‘i**

**RFQ-24-HHL-003**

**Pre-Submittal Conference**

**10:00 am, Friday, December 8, 2023**

**TEAMS Meeting**

Please sign-in in the chatbox with your name, company, and e-mail address.



# Agenda

- Introductions
- Scope of Work
- Background
- DHHL Objectives
- Project Description
- Developer Qualifications
- Evaluation Criteria
- Significant Dates
- Questions



# Scope of Work

The Project consists of lot and house development and associated backbone roadway and utilities infrastructure, of DHHL's Villages of La'i 'Ōpua in Kealakehe, Hawai'i.

The selected developer's responsibilities shall include:

- 1) Design and construction of on- and off-site infrastructure for subdivision development of Villages 1 and 2.
- 2) Design and construction of off-site North Kona water source, storage, and transmission
- 3) and design, construction, financing, and marketing of houses in
  - Village 1 – estimated 200 new lots
  - Village 2 – estimated 200 new lots
  - Village 4 (Phase 2, Hema) – 125 finished single-family lots.



# Background

All lots shall be leased to eligible native Hawaiians who at closing will be awarded a 99-year residential lot lease from Department for \$1.00 a year in accordance with the Hawaiian Homes Commission Act of 1920, as amended.

Act 279, SLH 2022 appropriated \$600,000,000 in funds to address the needs of HHCA beneficiaries still waiting for a Hawaiian Home Lands lease.

The approximately 127-acre aggregate project site is located at Kealakehe, Kailua-Kona, Hawai'i, designated as Tax Map Key: (3) 7-4-021: 012, 014, and 015. County Zoning is A-1a, A-5a, RS-7.5, RS-10, RS-15, Agricultural and Single-Family Residential Districts. The Department has declared that the Project will be designed and built in accordance with Residential District standards.



# DHHL Objectives

- 1) To plan, design, and construct a residential neighborhood that considers the needs of the Department's waiting list and the existing site conditions, shows respect to the area, harmonizes with adjacent land uses, and will foster a sense of community interaction and identity.
- 2) To provide a range of housing opportunities to applicants on the Department's Residential Waitlist based on their financial qualifications, including but not limited to:
  - Purchasing a turn-key house.
  - Leasing an improved vacant lot for the purpose of constructing a house as owner-builders, or through Habitat for Humanity, or other self-help housing construction program.
  - Participating in a Low-Income Housing Tax Credit (LIHTC) Rent-with-Option-to-Purchase program.
- 3) To incorporate green building practices, including implementation of DHHL'S Ho'omalū Energy Policy into the design and construction of the facilities to achieve a lower cost of operation and maintenance by minimizing energy use.





# Project Description





# Other Projects in the Region

## La'i 'Ōpua Rent with Option to Purchase (RWOTP)

- Village 4 'Akau 118 lots
- Village 5 45 lots
- Additional rental offerings subject to developer obtaining LIHTC

## La'i 'Ōpua Village 4 Hema

- 125 vacant lots
- Start construction early 2022
- Complete construction late 2023, subject to change.
- Housing mix to be determined.

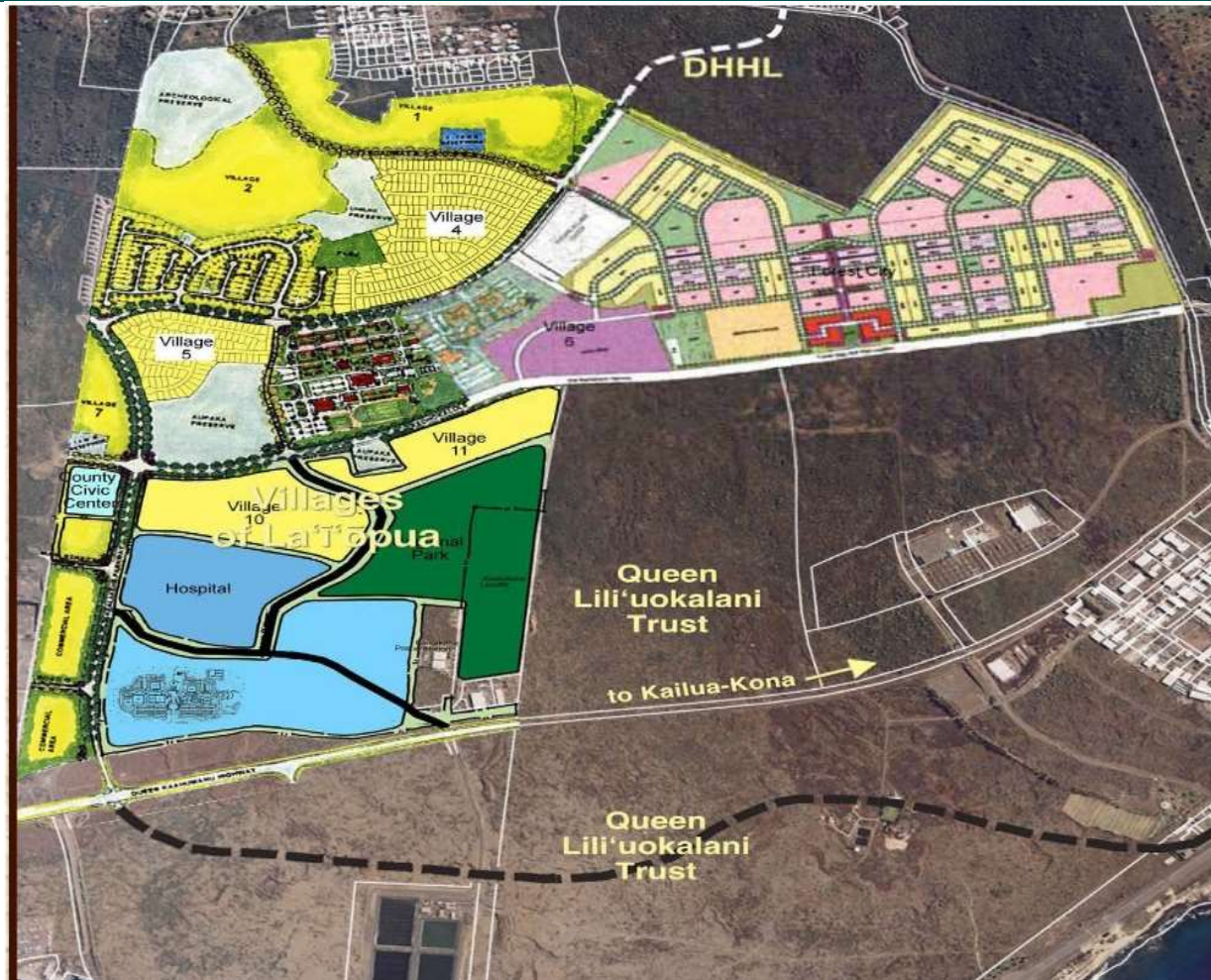
## La'i 'Ōpua Village 5

- 42 Turnkey occupied
- 20 Habitat homes occupied
- 45 RWOTP
- 10 Vacant lots for Offer to be determined.





# Future La'i 'Ōpua Development



DEPARTMENT OF HAWAIIAN HOME LANDS - LAND DEVELOPMENT DIVISION



# DHHL Responsibilities

- 1) Execute a Development Agreement with the Developer for the Project.
- 2) Submit a declaration to County that the Project shall be developed in accordance with Residential zoning standards, and include exemptions to county requirements, as appropriate.
- 3) Pay the Developer monthly progress payments for infrastructure design and construction based on the value of services performed by the Developer, as estimated by the Developer and approved by DHHL.
- 4) Conduct initial mailout to applicants on the Hawai'i Island-wide Residential Waiting Lists or any other appropriate and applicable waiting lists.
- 5) Assist with information/orientation meetings and selection of lots/houses.
- 6) Certify the native Hawaiian qualification status of prospective buyers.



## DHHL Responsibilities (continued)

- 7) Award homestead leases in accordance with HHCA and DHHL Administrative Rules. Record leases, mortgages, and other documents necessary for Developer's conveyance of homes or lots to beneficiaries.
- 8) May make Affordable Housing Credits available to the Developer, subject to Affordable Housing Credits policy and negotiations with DHHL.
- 9) May provide zero-interest interim construction loan funds to qualified developers to fund the construction of turn-key housing units.
- 10) Request HHFDC assistance to certify the persons or entities who are contractually participating in the project as exempt from applicable Hawaii general excise tax on gross income earned from the Project.
- 11) If a home is rented to a Beneficiary with an option to purchase, the Department will provide a separate homestead ground lease to the Beneficiary.



# Developer Qualifications

- 1) A principal member of the Developer's company must have at least five years of single-family housing development experience in the State of Hawai'i.
- 2) Responsible Managerial Employee (RME) - who will be responsible for day-to-day operations and oversight throughout the design and construction of the Project - shall have had substantial responsibility in the development of at least three separate subdivision development projects with at least one project consisting of one hundred or more units.
- 3) The Developer shall show evidence of credit worthiness and financial resources to complete the design and construction of the Project lien-free.
- 4) The Developer and all team members must be authorized to do business in the State of Hawai'i and have all licenses necessary to carry out the design, construction, and management of the Project.



## Developer Qualifications (continued)

- 5) The Developer shall not be in default or have failed to perform under any contract, agreement, or lease with the State of Hawai'i, and shall not have any outstanding judgments against it.
- 6) The Developer shall provide its two most recent audited annual financial statements, a statement of financial net worth, and statement of bonding capacity.
- 7) The Developer shall provide evidence of two prior projects similar to the Project and provide actual completed cost data for those projects.



# Evaluation Criteria

Experience and professional qualifications relevant to the Project	25
Experience on projects of similar size and scope	25
Capacity to complete projects of similar size and scope	20
Project approach addresses the DHHL's requirements and goals	20
Proposed fees are reasonable	10
<b>TOTAL POSSIBLE POINTS</b>	<b>100</b>





# Significant Dates

Final deadline for written inquiries	12/15/2023
Respond to questions	12/20/2023
Intent to Submit Offer	12/21/2023
Issue addenda	12/27/2023
<b>Submittal Due</b>	<b>01/05/2024, 2:00 pm</b>

Deliver to Hale Kalanianaʻole, 91-5420 Kapolei Parkway, or

Email to [sara.t.okuda@hawaii.gov](mailto:sara.t.okuda@hawaii.gov)

Site Inspection: Potential Developers may view parcels from public roadway.



# Questions



DHHL Contact: Sara Okuda  
Telephone: 808-620-9273  
e-mail: [sara.t.okuda@hawaii.gov](mailto:sara.t.okuda@hawaii.gov)

*Mahalo!*