

INFORMATION PACKET

**Request for Qualification for Commercial Retail Development
of TMK: (1)9-1-151, Parcel 002
of 4.992-acre Lot Located in Kapolei, Island of O‘ahu**

Requesting Entity:

Kapolei Community Development Corporation
P.O. Box 700911
Kapolei, Hawai‘i 96709

REVISED: June 9, 2011

SUPERSEDES: June 8, 2011 and May 27, 2011

RFQ Submission Deadline: July 7, 2011

INFORMATION PACKET
FOR COMMERCIAL RETAIL DEVELOPMENT
Kapolei, O'ahu, Hawai'i

LISTING OF ITEMS CONTAINED IN INFORMATION PACKET:

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- Exhibit 4 – Draft Conceptual Plan
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- Exhibit 6 – DBEDT, SIC Response to Draft EA regarding energy conservation recommendations
- Exhibit 7 – Subdivision Approval from Department of Planning and Permitting, (File Number 2005/SUB-317)
- Exhibit 8 – Excerpts from Land Court Documents, Current Restrictions AICUZ (Air Installations Compatible Use Zone Plan)

ITEMS AVAILABLE FOR REVIEW:

The following documents will be available for review during the informational meeting on June 3, 2011. In addition, these documents will also be available Monday through Friday by appointment only at PBR HAWAII's Kapolei Office. Contact Malia Cox or Scott Abrigo at 521-5631. Copies of these documents will not be available at DHHL.

- A. Appraisal Report – dated December 3, 2010
- B. Kapolei Regional Plan
- C. General Lease No. 290
- D. Kapolei Community Development Corporation, Stakeholder Input Session

- E. Final Environmental Assessment, DHHL East Kapolei Development, Parcel B
- F. Final Environmental Impact Statement, East Kapolei Master Plan
- G. East Kapolei Development Master Plan Water System Study
- H. *Abutilon menziesii* Habitat Conservation Plan
- I. Current Restrictions AICUZ (Air Installations Compatible Use Zone Plan)

NOTES:

While the data in the Information Packet, the appraisal report, and all other reports or information provided to prospective applicants have been obtained by KCDC from reputable and professional sources, it is not guaranteed. KCDC bears no responsibility for Applicant's actual reliance on the data provided. Applicant should make his/her own independent study to verify the accuracy of the information and determine its usefulness to Applicant's project. KCDC reserves the right to cancel or modify this disposition of its lands at its sole discretion.

TERMS:

KCDC refers to Kapolei Community Development Corporation.

DHHL refers to the Department of Hawaiian Home Lands.

Subject property refers to tax map key parcel (1)9-1-151:002, a 4.992 acre lot proposed for commercial development. The subject property is also referred to as Lot 408 in the subdivision approval letter from the Department of Planning and Permitting

East Kapolei Master Plan Development refers to an approximately 1,300 acre site within Honouliuli Ahupua'a. The subject property is located within the boundaries of this development. DHHL considers all of its landholdings within the East Kapolei Master Plan Development to be located within the developing town of Kapolei.

East Kapolei I refers to an approximately 92 acre DHHL development. The subject property is located within the boundaries of East Kapolei I. East Kapolei I is located within the boundaries of East Kapolei Master Plan Development, in the town of Kapolei.

Parcel B refers to DHHL's East Kapolei I development. Parcel B is utilized within the environmental entitlement documents.

Kānehili refers to the name of the residential community developed within Parcel B. All of parcel B is now referred to as Kānehili.

Relationship of subject property to master planned communities:

The subject property is located within the boundaries of DHHL's master planned community, East Kapolei I. East Kapolei I is located within the boundaries of East Kapolei Master Plan Development in the town of Kapolei. While references to both larger developments are made within this document, this request is specifically related to the subject property only.

I. INTRODUCTION, OBJECTIVES AND GENERAL INFORMATION

Kapolei Community Development Corporation (KCDC)

KCDC is a Federal 501(c3) nonprofit organization, representing the Kapolei Hawaiian Homestead community. It was formed with the intent to develop projects and programs supporting family and cultural preservation. KCDC is a grassroots organization representing the will of the people to help build their community and restore their culture. Their President is Shirley Swinney. In addition to being a nonprofit organization, KCDC holds two 65-year general leases of DHHL land located in Kapolei.

KCDC’s first lease is for 22,650 SF in Parcel (1) 9-1-016:108 (por.). DHHL designated this parcel for community use and the Hawaiian Homes Commission granted KCDC approval to construct, manage and operate a community center on this parcel. KCDC’s goal is to develop its Heritage Center on this lease holding. The Heritage Center is envisioned as a place to perpetuate traditional values and practices, a community center that will serve the Kapolei homestead residents and surrounding communities. Additionally, it will be a venue for workshops, events and family and community gatherings. This place weaves together the shared ideas of Community, Culture, Education, Partnership and it also ties Hawaiians to the past while preparing for the future. It is anticipated that the Heritage Center will be developed based on availability of funds.

KCDC’s second lease is for 4.992 acres in Parcel (1)9-1-151:002. DHHL designated this parcel for commercial and community use. KCDC has issued this RFQ to develop the parcel for commercial retail use. Revenue generated through the development of a commercial retail project will be utilized by KCDC to develop, maintain and sustain the Heritage Center.

These two leases grant KCDC the rights and privileges in addition to the responsibility for the management of these lands.

Site Attributes

Location:	Kapolei, Island of O’ahu, Hawai‘i
Tax Map Key:	(1)9-1-151:002 (Exhibit 1)
Landowner:	Department of Hawaiian Home Lands
Project Area:	4.992 acres located on Kekahili Street and Kapolei Parkway
Current Uses:	General Lease No. 290; Vacant
Land Use Designations:	State Land Use: Urban DHHL Land Use Designation: Commercial; Community

**City and County of Honolulu Zoning: B-2,
Community Business District**

Project Objectives

KCDC wishes to develop a 4.992-acre subject property as a commercial development. The planned development would provide retail and commercial services to the surrounding community, and should be designed for multi-modal accessibility including both pedestrian and vehicular traffic in an environmentally sustainable, culturally relevant manner. The overall objective is to generate revenue from this project to fund auxiliary community services including the Heritage Center and other KCDC programs for the benefit of Native Hawaiians in Kapolei, and the greater area.

Process

A two stage process has been developed to find a developer with the best fit to meet revenue, community benefit, and community fit expectations. A selection committee has been designated by KCDC to oversee this two stage process. The first stage of the process is a Request For Qualifications (RFQ) by interested parties. The second stage is a Request for Proposals (RFP) that will be extended only to qualified applicants. The qualified applicant submitting the “best” development proposal that meets or exceeds KCDC’s objectives, criteria and minimum upset rent (base rent) shall be selected to negotiate a Project Development Agreement and general (ground) lease for the subject property.

Request for Qualifications (RFQ)

Interested applicants shall be requested to submit qualification packet for review by the selection committee. The RFQ should include information regarding qualifications, proposed development team, financial capabilities, and preliminary program concepts. Detailed description of submittal requirements and selection criteria are described in Section II of this informational packet.

Request for Proposal (RFP)

Based upon recommendations of the Selection Committee, up to, but not more than five qualified applicants will be invited to submit proposals for the development of the subject property. Qualified applicants will be provided details of submission for the RFP which will include preliminary design, feasibility, marketing, financing, lease terms and schedule. To ensure that applicants are dealing in good faith, an “earnest money deposit” in the form of a certified or cashier’s check made payable to KCDC in the amount of \$43,500 is required. The required Earnest Money Deposit is an amount, equal to 10% of the annual upset rent for the first year. All earnest money deposit checks shall remain uncashed and in the possession of KCDC until an applicant is selected as project developer. The project developer’s earnest money deposit shall then be deposited and become non-refundable once negotiations for a Project Development Agreement and lease commence. If negotiations are successfully completed, the deposit shall be applied to future lease rents. All earnest money deposit checks from qualified applicants not selected as project developer shall be returned uncashed.

Development Agreement

Based on the recommendations of the Selection Committee, negotiation of a Project Development Agreement shall commence and a sublease executed between KCDC and selected applicant. If an agreement cannot be met between KCDC and the selected applicant, KCDC reserves the right to begin negotiations with another qualified applicant that meets or exceeds KCDC's objectives, criteria and minimum upset rent.

Site Description

Subject Property

The subject property proposed for commercial development is located in Kapolei within Honouliuli Ahupua'a within the 'Ewa Moku on O'ahu. It is located in the East Kapolei Master Plan Development project, within DHHL's development East Kapolei I, also referred to as Parcel B and Kānehili. The subject property is located on a generally flat parcel with vehicular access along Kekahili Street. The subject property has excellent frontage along Kūalaka'i Parkway and Kapolei Parkway¹. This is a prime location. Immediately surrounding the commercial development project site and within walking distance are the Kānehili residential community, DHHL headquarters, various Native Hawaiian service organizations. In addition, the proposed Honolulu City and County regional fire training facility, and DeBartolo's proposed Ka Makana Ali'i, an urban mixed-use project are also anticipated to be located within walking distance of the subject property.

East Kapolei Master Plan Development Project

The subject property is located within the planned community, East Kapolei Master Plan Development project. Spanning over 1,300 acres, this master-planned community is expected to ultimately include a mix of single-family, multi-family, commercial, schools, parcels, open space, recreational, and community land uses. East Kapolei Master Plan Development project will include 2,800 single-family and multi-family residential units within the Department of Hawaiian Home Lands (DHHL) parcels. In addition, the new University of Hawai'i West O'ahu (UHWO) facilities, Salvation Army's Kroc Center, the DHHL headquarters, and a Native Hawaiian service organization Kīpuka, are proposed for the East Kapolei Master Plan Development project. The area is rapidly growing and new home construction is already underway. The DHHL headquarters and Kānehili, a 255 single-family home community have already been completed and are occupied. Infrastructure construction for UHWO facilities in Phase I and the Kroc Center has been completed and building construction is ongoing. It is anticipated that the development of the UHWO lands within the East Kapolei Master Plan Development project is expected to include multi-family and student housing. The number of units has not yet been determined. The subject property is expected to be within walking, biking, and short driving distance from all development proposed within the East Kapolei Master Plan Development project.

¹ While there is excellent visual frontage along Kūalaka'i Parkway, vehicular access is not available. Frontage along Kapolei Parkway allows for right-turn access only.

Ho‘opili Master Plan

The proposed D.R. Horton Ho‘opili community is anticipated to be situated to the north and east of the subject property. The proposed land uses include approximately 11,750 residential units, as well as areas for business, commercial, light industrial, recreational and public service (public schools) uses. The subject property is expected to be within biking, and short driving distance from the proposed Ho‘opili Master Plan community.

Transit Oriented Development (TOD)

The subject property is located within an area designated by the City and County of Honolulu as an urban growth/expansion area and is often referred to as “the Second City.” As a result of this growth, several State and Federally funded transportation projects are underway or have just been completed in the region. These include the construction of Kūalaka‘i Parkway, the expansion of Fort Weaver Road and the proposed development of two to three transit stops along the proposed fixed rail project as it traverses across the ‘Ewa Moku within Honouliuli Ahupua‘a. These projects are expected to improve circulation and connectivity. Construction associated with Kūalaka‘i Parkway and Fort Weaver Road has been completed. The proposed fixed rail project is in the design phase.

Access

The primary entrance and egress to the subject property from the H-1 Freeway is along Kūalaka‘i Parkway, a new arterial roadway that opened 2010. Kapolei Parkway provides access to the subject property from the neighboring areas of Kalaeloa, Campbell and ‘Ewa as well as the Villages of Kapolei. Both of these roadways provide regional connectivity for the communities of Honouliuli Ahupua‘a within the ‘Ewa Moku. The subject property at TMK (1) 9-1-151:002, is on the corner of Kūalaka‘i Parkway and Kapolei Parkway. In this rapidly growing area, frontage along both of these roadways is highly desirable for visibility of the project. Direct access to the subject parcel is off of Kekahili Street. A raised median along Kapolei Parkway will allow for right turns on to and off Kekahili Street from Kapolei Parkway. There is no left turn access from Kapolei Parkway directly onto Kekahili Street. Left turn access from/to the subject property from/to Kapolei Parkway will be via Kinoiki Street. By limiting the left turns onto and off of Kapolei Parkway, safety is increased, directly benefitting the subject property. There is no direct access off of Kūalaka‘i Parkway. Approval, permitting and coordination with the City and surrounding developments will be at the discretion of the selected developer.

Site Master Plan

A preliminary site master plan has been developed, providing potential developers with a conceptual configuration of a commercial retail development of the parcel. This conceptual site master plan is for planning purposes only and the final planning and design of the project would be within the purview of the applicant selected with approval from KCDC and DHHL. The conceptual site master plan is identified in Exhibit 4.

Lot and Acreage

The subject property is located on a 4.992-acre parcel identified as TMK (1) 9-1-151:002. It is located at Kekahili Street on the corner of Kūalaka‘i and Kapolei Parkways. It is located to the east of the proposed regional fire training center. The subject property is identified in Exhibits 1, 2, and 3.

Permitted Uses and Zoning

Development of the subject property should be guided by the permitted uses as described in the DHHL General Lease No. 290, State Land Use Commission Designations, City and County of Honolulu General Plan, ‘Ewa Development Plan and City and County of Honolulu Land Use Ordinance requirements. Additionally, the DHHL O‘ahu Island Plan should also serve as a guide if it is completed and approved prior to design and construction of the subject property. Any associated permitting and approval requirements must be met by the selected developer.

General Lease No. 290

The subject property is located on land owned by DHHL. It is under the provisions of a long term lease between DHHL and KCDC. This is a 65 year lease that was executed on May 17, 2011 and ends midnight on May 16, 2076. The subject property is bound to the permitted uses and conditions of General Lease No. 290 between KCDC and State of Hawai‘i. The general lease was written to be reflective of both the DHHL and City and County of Honolulu land designations, planning and zoning. KCDC is authorized to sublet the subject property as per the terms of the General Lease No. 290. Per General Lease No. 290, the subject property may be developed assuming the Lessee shall be permitted to use the premises for the development of projects based upon the Commercial Mixed Use (BMX-3) zoning and in compliance with all applicable Governmental Requirements. No residential use shall be permitted upon the subject property. Development should be consistent with General Lease No. 290 requirements, conditions, and permitted uses. A copy of the General Lease No. 290 is available for review.

State Land Use Designation

The subject property is located in an area designated as “Urban” by the State Land Use Commission. A Commercial Development should be developed in a manner consistent with the State Land Use designation.

City and County of Honolulu General Plan

The City and County of Honolulu General Plan is the policy document for the long range development of the island. Development should be consistent with relevant goals and policies identified in the island plan.

‘Ewa Development Plan

The ‘Ewa Development Plan (‘Ewa DP) is utilized in conjunction with the City and County of Honolulu General Plan to guide population and land use growth over a 20 year planning horizon. Generally, the plan protects prime agricultural lands while supporting the development of a secondary urban center, promotion of master planned communities with provisions to required adequate infrastructure, regional open space network and the protection of cultural, natural and historic resources. The ‘Ewa DP was adopted in 1997 and is currently under review. A public review draft of the proposed revisions to the

1997 plan was released for public comment in October 2008. The final revisions to the 'Ewa DP are under review at the Department of Planning and Permitting (DPP). Once approved by the Director of DPP it will be released to City Council for review/approval/adoption. A Commercial Development at this site is expected to correlate well with both the existing 1997 plan and the proposed update. Development should be consistent with relevant goals and policies identified in the 'Ewa DP.

Zoning

Based upon the provisions of the Hawaiian Homes Commission Act, DHHL lands uses are designated by the Hawaiian Homes Commission rather than through zoning. DHHL has developed Land Use Designations that are utilized throughout the State on DHHL land holdings. For consistency between DHHL Land Use Designations and City Land Use Ordinance, DHHL coordinated with the City and declared the zoning of the subject property as B-2. The revised subdivision request, approved by the Department of Planning and Permitting on November 14, 2008, stated the following,

“the subdivision was declared exempt from the following City regulations by the Department of Hawaiian Home Lands (DHHL) in their letter dated September 21, 2005, and subsequently supplemented by their letters dated March 23, 2006, and January 25, 2008:

- 1. The zoning requirements of the Land Use Ordinance to subdivide and develop the land, which is zoned AG-1 Restricted Agricultural District to R-5 Residential District Standards (Lots 1 to 406), including infrastructure, P-2 General Preservation District standards (Lot 407) and B-2 Community Business District standards (Lots 408 and 409).”*

DHHL intends to declare the subject property BMX-3.

The City and County of Honolulu has developed Land Use Ordinance (LUO) to regulate and encourage orderly development by minimizing adverse effects caused by inappropriate location, use, design, or structures, while conserving natural historic and scenic resources. A copy of the subdivision approval documentation is included as Exhibit 7.

Environmental Impact Statement Process, Chapter 343

Two environmental documents covering the subject property have been prepared by PBR HAWAII. The first, a Final Environmental Impact Statement, approved in 1998 by Governor Cayetano discussed the impacts and existing environmental conditions for the East Kapolei Master Plan project. A more focused environmental disclosure document was prepared in 2005, a Final Environmental Assessment (FEA) for “DHHL East Kapolei Development Parcel B,” a portion of DHHL’s lands within the East Kapolei Master Plan Development project. The subject property is located within Parcel B and was designated for Community use for the development of the Kroc Center in the FEA. Subsequent to the release of the FEA, the Kroc Center was relocated to another DHHL parcel within Kapolei. This freed the subject property for an alternate community use.

DHHL Kapolei Regional Plan

DHHL engages its beneficiaries in a community consultation process designed to discuss issues and develop priority projects that the community will support and champion. In November 2010, Group 70 guided the Kapolei beneficiaries through this process. One of the five priority projects that were selected by consensus was support of the Heritage Center and Community Commercial Development. Development of a commercial facility is consistent with the Kapolei Regional Plan, proposed use for the subject property, and will further the revenue generation goals resulting in the Heritage Center Development.

DHHL O'ahu Island Plan

The DHHL O'ahu Island Plan is currently under development and implements the goals and objectives of the DHHL General Plan. It is anticipated that subject property will be designated under a single land use category within the O'ahu Island Plan, Commercial. Development of the subject property may also be guided by the requirements as described in the DHHL O'ahu Island Plan as well as the zoning agreements reached between DHHL and the City and County of Honolulu dependent upon the approval and release date of such documents.

Utilities

The subject property is currently vacant. No utilities have been developed at the site providing maximum opportunity to design utilities to meet development requirements. The subject property will be able to connect to existing distribution and transmission structures located along Kūalaka'i and Kapolei Parkways.

Water

DHHL lands in East Kapolei I receive water via 30-inch, 24-inch, 20-inch, 16-inch, and 12-inch distribution lines. The 12-inch distribution line located along Kapolei Parkway will provide a connection point that can be accessed from the subject property. The *East Kapolei Development Master Plan Water System Study* has been completed, and is available for review. The master plan includes master layout, along with hydraulic calculations, and information regarding required source transmission and storage facilities. The existing source, storage and transmission infrastructure is expected to meet the water demands of a commercial development at the subject property. However, the selected applicant should confirm that the project requirements can be met by the infrastructure already in place. The selected developer would be responsible for any improvements to the water system needed to serve the proposed commercial mixed use development.

Sewer

The region's wastewater is treated at the Honouliuli wastewater treatment plant (WWTP) located makai of Kapolei Parkway in 'Ewa. The WWTP currently treats water to primary treatment standards. An upgrade to secondary treatment per a consent decree reached by the U.S. Environmental Protection Agency, State of Hawai'i Clean Water Branch, and the City and County of Honolulu is required. The treatment plant has adequate capacity to treat wastewater generated within DHHL's Parcel B (Kānehili), including the subject property. The Kapolei Interceptor Sewer Main was constructed as part of the off-site improvements necessary to provide wastewater transmission from DHHL's Parcel B (Kānehili), to the WWTP. The subject property is located within DHHL's Parcel B

(Kānehili) and may connect to the Kapolei Interceptor Sewer Main. The selected developer would be responsible for permitting and design and construction costs associated with connection to the Kapolei Interceptor Sewer Main.

Communications

Sandwich Isle Communications (SIC) is the service provider for communication services for the subject property. Currently, there is existing SIC infrastructure along Kekahili Street. The selected applicant will need to work with SIC to determine if infrastructure currently installed is adequate for the needs of the development or if additional infrastructure is required.

Electrical

Hawaiian Electric Co. (HECO) currently provides electricity to Kapolei. Connection to HECO's network is available via an existing electrical distribution system along Kapolei Parkway. During the environmental assessment pre-consultation process for DHHL's Parcel B (Kānehili), State Department of Business, Economic Development & Tourism (DBEDT), Strategic Industries Division (SIC), made several recommendations to reduce energy consumption. These recommendations are described in Exhibit 6 and should be incorporated as appropriate. The selected applicant will need to work with HECO to determine if infrastructure currently installed is adequate for the needs of the development or if additional infrastructure is required. Additionally, selected applicant should work with DBEDT, SIC to ensure development meets energy conservation goals, and adequately incorporates energy saving design practices and technologies as well as establishes an appropriate job site recycling plan.

Easements and Restrictions

There are three known easement, all for utility purposes that encumber the site. They are as follows, Easements #10141 for traffic signal purposes, #10097 for street light purposes, and #10139 for electrical purposes. These easements are shown on Exhibit 3. An Air Installation Compatibility Use Zone (AICUZ) Plan has been developed for Kalaeloa Airport (JRF) that includes easements affecting the subject property. The AICUZ describes the allowable uses and restrictions placed upon the property for perpetuity. An excerpt from the land court documents describing uses and restrictions of the AICUZ plan are included in Exhibit 8. Additional information included in the land court document is available for review. The selected applicant should confer with the Bureau of Conveyances to determine if any other encumbrances exist within the subject property.

Fair Market Value

Appraisal Hawaii Inc. completed an appraisal of the entire 4.992 acres of TMK (3) 9-1-151:002 in December 2010. The appraised fee-simple value of the parcel at \$6,700,000 was calculated based on existing unimproved condition. The annual market valuation for the lease of the subject property was estimated at \$435,500 annually for the first 10-years of a 25 year term. The appraisal report is available for review.

Existing and Historical Use

Currently, the subject property is vacant and undeveloped. An archaeological reconnaissance and assessment was conducted along with a review of historic records, maps and other archaeological studies of East Kapolei Master Plan Development project (including the subject property) by Scientific Consultant Services in 1996. No sites of archaeological significance were identified within the subject property. The selected developer will be responsible for coordination with the State Historic Preservation Division if historic property or iwi are discovered. Additionally, the selected developer will contact both DHHL and KCDC if any cultural resources are discovered.

Endangered Species

A biological assessment was conducted for the East Kapolei Master Plan Development, environmental impact statement process. All of the 99 plants identified, with the exception of the endangered endemic Ko‘oloa‘ula (*Abutilon menziesii*) are common lowland species. *A. menziesii* individuals were found within Parcel B within two clusters. Based upon the information provided, it appears that no individual *A. menziesii* were recorded on the subject property (see Exhibit 5-*Abutilon menziesii* Plant Clusters Map). A habitat conservation plan for *A. menziesii* has been developed, and DHHL has been included in an incidental take license No. ITL-05, valid through July 31, 2021 issued by the State of Hawai‘i Department of Land and Natural Resources. Compliance with the incidental take license and “Habitat Conservation Plan for *Abutilon menziesii* at Kapolei” is required if individual *A. menziesii* are discovered on the subject property. A copy of the Habitat Conservation Plan for *Abutilon menziesii* at Kapolei, and license No. ITL-05 are available for review upon request.

Development Requirements

All Proposals are subject to the following requirements:

Community Benefits:

Applicants agree to cooperate with and support programs such as, but not limited to DHHL’S Home Ownership Assistance Program (HOAP) to provide training and job opportunities to native Hawaiians in a manner consistent with applicable federal and state labor law. KCDC, working with key stakeholders and community members identified the top three priorities for commercial development of the subject property. A description of these priorities, taken from the Stakeholder Input Session are provided below. Notes from the Stakeholder Input Session are available for review.

Priority 1: Sustainability & Competitive

- Competitive and lucrative
- Business that will last in the community and to be for our future generations
- Based on competitive business in the area, what project will be able to sustain forever! (stretch goal)
- Be competitive
- Highest revenue generator
- Sustainability
- Identify competing businesses, and find a niche [sic] that will create sustainability

Priority 2: Local Economy

- Supportive of local economy
- Generate \$, jobs
- Hire within our community
- Employ Hawaiian Homestead; Family-oriented
- Employees need to be hired within Homestead
- Businesses to generate funds while helping local farmers and crafters

Priority 3: Culturally Appropriate

- Cultural activities for tourists
- The “unity” in community
- Cultural education recognizing our Hawaiian culture

Opportunities to reduce development costs of the proposed Heritage Center will be considered during the qualification and development proposal selection process.

Annual Rent:

Based on an appraised land value, and estimated market rent, a minimum upset rent of 435,500 for the first annual lease period has been identified. Applicants are recommended to include the most competitive rent compensation package with submittal.

Compliance with Environmental Review Requirements

Prior to commencement of any demolition or construction on the site, the Project Developer shall comply with Chapter 343 of the Hawai‘i Revised Statutes, as amended, which requires that an assessment be made to determine the impacts the proposed development may have on the surrounding community and environment. Such compliance shall be considered completed upon the issuance of a letter from OEQC indicating previous Chapter 343 documentation adequately addresses the impacts associated with the proposed development of the subject property and no additional documentation is required, a Finding of No Significant Impact (FONSI) or final approval and acceptance of an Environmental Impact Statement (EIS), whichever is applicable.

Telecommunication Utility

All telecommunications for the site shall be provided by Sandwich Isles Communications, Inc. (SIC).

Wahi Pana

The subject property is located in Kapolei within Honouliuli Ahupua‘a. While the oral tradition of the area is incomplete, archaeological findings associated with pre-contact culture have been made. Applicants should incorporate the wahi pana of Honouliuli Ahupua‘a, the ‘Ewa Moku and the cultural values of the kanaka maoli into project design, construction and implementation whenever possible.

Sustainable Design and Management

Serious consideration will be given to applicants that integrate Hawaiian-based, native/Polynesian-introduced landscaping, and/or sustainable features that reduce pollution, energy consumption and waste into the design.

General Lease

Standard DHHL terms and conditions shall apply.

The issuance of the General Lease by DHHL to KCDC includes terms and conditions that would also apply to the selected developer. KCDC may further limit the terms and conditions during sub-lease negotiations. Some of these terms and conditions are shown below. The General Lease No. 290 and the Issuance of General Lease recommended motion/action documents are available for review. For a complete description of the terms and conditions, selected applicant should review General Lease No. 290.

The lease shall be for up to 65 years, expiring no later than midnight on May 16, 2076. The parcel will be accepted “as is.” Infrastructure and construction costs associated with the development, including utility connections, and services as well as any required mitigation measures shall be borne by the selected developer. Selected developer shall commit to complete the development without any financial participation by DHHL.

DHHL shall review and approve all design and construction plans prior to construction.

Construction will be completed, within three years of the issuance of the general lease.

Selected developer at its own expense will obtain a general comprehensive liability insurance policy, with respect to any one occurrence, of not less than two (2) million dollars and an annual aggregate limit of five (5) million dollars. Selected developer shall be required to obtain, fire, flood, and hurricane insurance for structures and improvements.

The selected developer will comply with all applicable local, State, and Federal laws and regulations, including compliance with governmental permitting processes and State environmental review process.

The selected developer will be responsible for the payment of assessed property taxes.

Reservation and Right of Withdrawal to DHHL, the lessor, as described in General Lease No 290 including: Reserving to the lessor, minerals and waters, prehistoric and historic remains; Right of Withdrawal; Reservation of Easements in favor of DHHL; and Compensation for Takings, Withdrawal and other Entry or Actions Reserved in Favor of DHHL.

The selected developer shall abide by all other terms and conditions deemed prudent and necessary by the Hawaiian Homes Commission.

II. Selection Process

Key Dates

Following are the critical dates associated with request for qualification submission process. Several dates associated with the request to submit proposals stage of this process have been included for planning and scheduling purposes, but only apply to qualified applicants that have been invited to continue in the selection process.

Request for Qualification (RFQ)

Request for Qualifications Released:	May 27, 2011
Submission of Written Questions and Inquiries:	May 31, 2011
Informational Meeting:	June 3, 2011 10:00 a.m. Hale Pono‘ī 91-5420 Kapolei Parkway, Kapolei
Submission of RFQ Deadline:	July 7, 2011 (3:30 p.m.)
End of Review of RFQ by Selection Committee:	July 15, 2011
Notification of Five most Qualified RFQ Applicants:	July 19, 2011

Request for Proposals (RFP) by invitation only

Request for Proposals Released:	July 21, 2011
Submission of Written Questions and Inquiries:	July 28, 2011
RFP Informational Meeting:	August 4, 2011 10:00 a.m. Hale Pono‘ī 91-5420 Kapolei Parkway, Kapolei
Submission of RFP Deadline:	October 6, 2011 (3:30 p.m.)
End of Review of RFP by Selection Committee:	October 25, 2011
Notification of Selected Applicant:	October 27, 2011

Contact Information

Phone Number:	(808) 277-6639
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Facsimile Number: (808) 535-3163

Project Contact: Shirley Swinney

Submittal Requirements

At a minimum, the Proposal shall include:

- **Project Approach and Development Plans:** Explain your philosophy/approach to developing the design concept for this project.
- **Development Team:** Identify the sub-consultants (if any), key personnel who would be assigned to this project, and respective roles.
- **Qualifications and Experience:** Describe the qualifications and experience of the firm and key personnel relative to their respective roles. Provide a list and descriptive examples of similar projects you have done, and your role in the projects.
- **Community Benefits:** Describe any community benefits willing to incorporate if selected as Developer. A community benefits package could include development of the Heritage Center, programs such as job training, job placement, education and/or cultural classes/events for residents of Hawaiian Home Lands in the region, and support of programs such as, but not limited to DHHL'S Home Ownership Assistance Program (HOAP), etc.
- **Financial Capacity:** Provide information that demonstrates applicant's financial capacity for completing the development plan as envisioned and budgeted, including, but not limited to applicant's current financial statement, funding commitments, letters of credit and development costs for other projects completed by the applicant. Financial information submitted shall be kept confidential and shall not be considered as a public record as defined in Chapter 92, Hawai'i Revised Statutes. Financial information shall not be released without the express written consent of the applicant. Financial information shall include, as applicable, a copy of the applicant's Articles of Incorporation, By-Laws, Corporation Resolution, Partnership Certificate, Joint Venture Agreement.
- **References:** Include at least three (3) references whom we may contact if we choose.
- **Tax Clearance:** To meet this requirement, all offerors shall submit valid tax clearances with their proposals. Tax clearances may be obtained by completing the Tax Clearance Application (Form A-6) and submitting it to the Hawai'i State Department of Taxation (DOTAX) or the Internal Revenue Service (IRS). The application may be obtained from the DOTAX or the IRS. The application may be mailed in or hand delivered to either the DOTAX or the IRS. Both tax agencies encourage the use of their mail in process, which should be completed within twenty one (21) calendar days. Tax clearance certificates will be issued to the applicant upon determination that the applicant has filed all tax returns due, and has paid all amounts owing on such returns, including any penalty and interest. Only original tax clearance certificates or certified copies will be accepted for this purpose.

Sets: Applicant should submit a minimum of eight (8) sets of the original application packet and an electronic copy on compact disk.

Applicant should submit all sets to KCDC, care of Department of Hawaiian Home Lands-Land Management Division 91-5420 Kapolei Parkway, Kapolei, HI, 96707. Only application packets verified as received on or before July 7, 2011 shall be considered.

Timeline for Selection of Most Qualified Applicants

Submittal Deadline: Applications must be postmarked by 3:30 p.m., July 7, 2011.

Questions, Information Conference and Addenda: An informational conference will be held on Friday June 3, 2011 at the Hale Pono‘ī in the Department of Hawaiian Home Lands located in Kapolei. The meeting will be held at 10:00 a.m. Applicants may submit written inquiries to be answered at the informational conference. These inquiries as well as new questions, as time permits, will be answered at the informational conference. Questions and answers that change, clarify, or resolve any ambiguity in the RFQ will be published as addenda to the RFQ after the informational conference. Nothing stated at the informational conference or by any person at any other time in this solicitation period shall be binding unless a change is made by a written addendum duly issued. All inquiries concerning this RFQ shall be sent in writing to the Contact Person. Inquiries must state the page, paragraph, and line or sentence to which the question relates. Inquiries must be transmitted via facsimile to the Contact Person, care of PBR HAWAII at (808) 535-3163. All inquiries must be received by May 31, 2011. Applicants shall be deemed to have received all addenda upon deposit in the U.S. mail. Receipt of the addendum is the responsibility of the Applicant. All addenda will be mailed at least fourteen (14) days before the due date for proposals.

Selection Decision: Within fifteen (15) days of the submittal deadline, but not later than July 27, 2011, a review of qualification applications shall be completed.

Up to five qualified applicants that submit the “best” qualifications packets that meet or exceed KCDC’s objectives and criteria, and the minimum upset rent (base rent) for the first year of the lease, as determined by independent appraisal, shall be invited to submit proposals for the commercial development of the subject property. A separate informational packet will be provided to qualified applicants invited to participate by July 18, 2011.

Selection Criteria

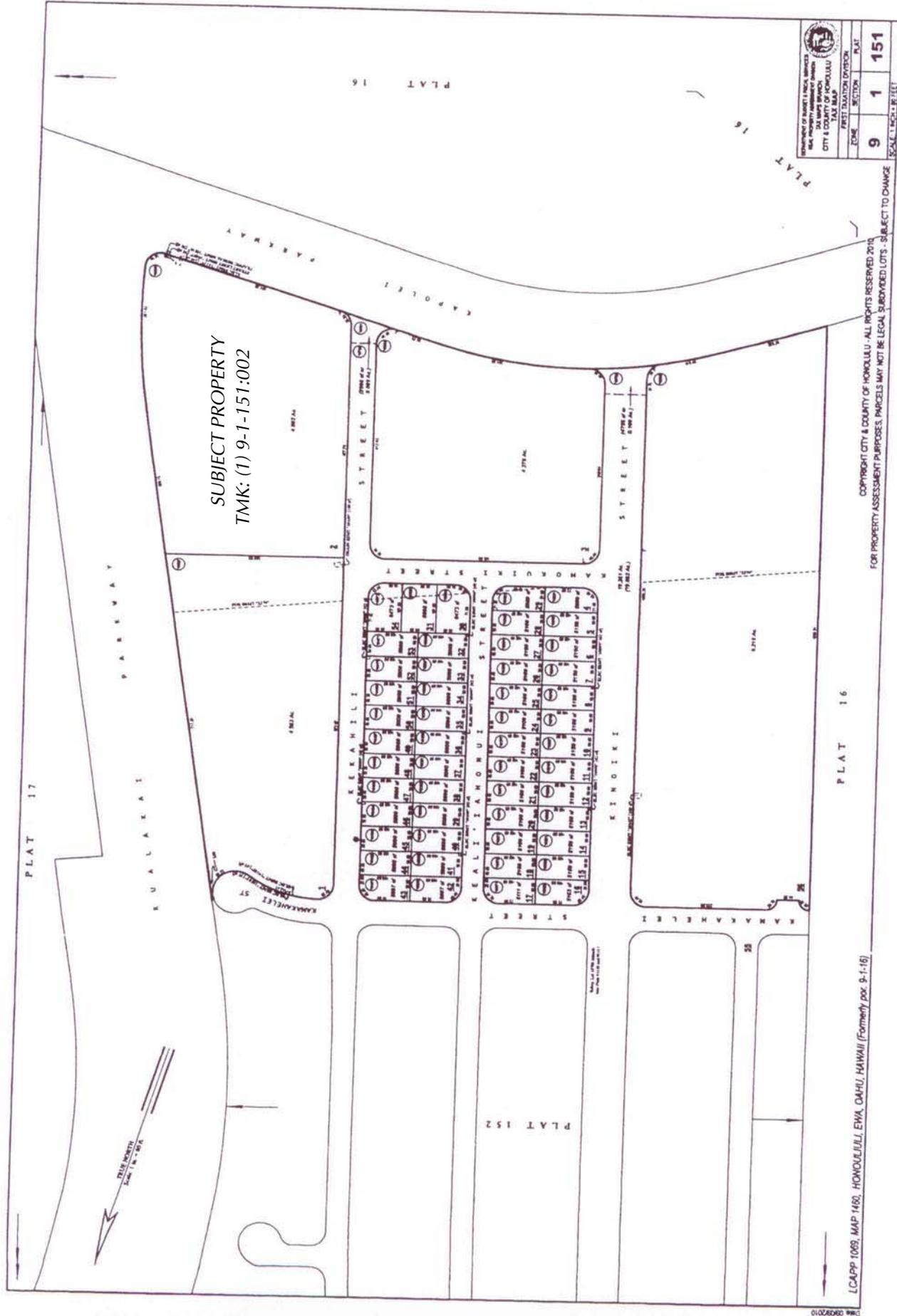
Pre-Qualifications (applications not meeting the following criteria automatically rejected)

- Not in arrears in the payment of taxes, rents or other obligations owing to the State of Hawaii or to any of its political subdivisions;
- Has had during the five years preceding [date of invitation], a previous sale, lease, license, permit or easement covering public lands cancelled for failure to satisfy the terms, conditions and covenants thereof;
- Has previously declared bankruptcy;

- Meets or exceeds minimum upset lease rent.
1. Personnel Qualifications (25 Points)
 - All team members be professionally licensed in their respective specialties under the laws of the State of Hawaii.
 - Key team members experience and knowledge pertaining to implementation of the development plan as proposed and budgeted.
 - Key team members experience and knowledge pertaining to implementation of Native Hawaiian culture and practices into development plan
 2. Past Performance and Experience on Projects of Similar Scope (25 Points)
 - Experience designing structures compatible with Hawaii's unique architectural genre.
 - Experience in architectural design with strong cultural themes.
 - Experience in designing commercial projects and structures in compliance with all pertinent State of Hawai'i and County of Hawai'i construction development regulations.
 - Experience in designing projects that capture the wahi pana and Native Hawaiian cultural values of the place being developed.
 - Examples of vibrant and financially successful projects.
 3. Responsiveness of Proposed Approach to Project Objectives (25 Points)
 - Creative, exciting, compatible, and feasible development plan.
 - Minimum base rent.
 - Timely and orderly project delivery.
 - Culturally relevant and environmentally sustainable, green design
 - Project longevity and sustainability
 - Extent of community benefits package.
 4. Financial Capacity (25 Points)
 - Applicant's financial strength and capacity to implement development plan as proposed.
 - Soundness of proposed project financing.

Exhibit 1
Tax Map Key

Exhibit 1: Tax Map Key



LCAPP 1069, MAP 1450, HONOLULU, EWA, OAHU, HAWAII (Formerly pgs. 9-1-16)

01/20/2010

Exhibit 2
Aerial Location Map

Exhibit 2: Aerial Location Map

Kapolei Golf Course

Kānehihi

Kipuka

Hale Kalamiana'ole

Park
4.563 acres

Commercial
2.189 acres

HFD
2.189 acres

KCDC
4.992 acres
TMK: (1) 9-1-151:002

Kualaka'i Parkway

Ewa Villages Golf Course

Kapolei Parkway

Ka Makana Ali'i
67.2 acres

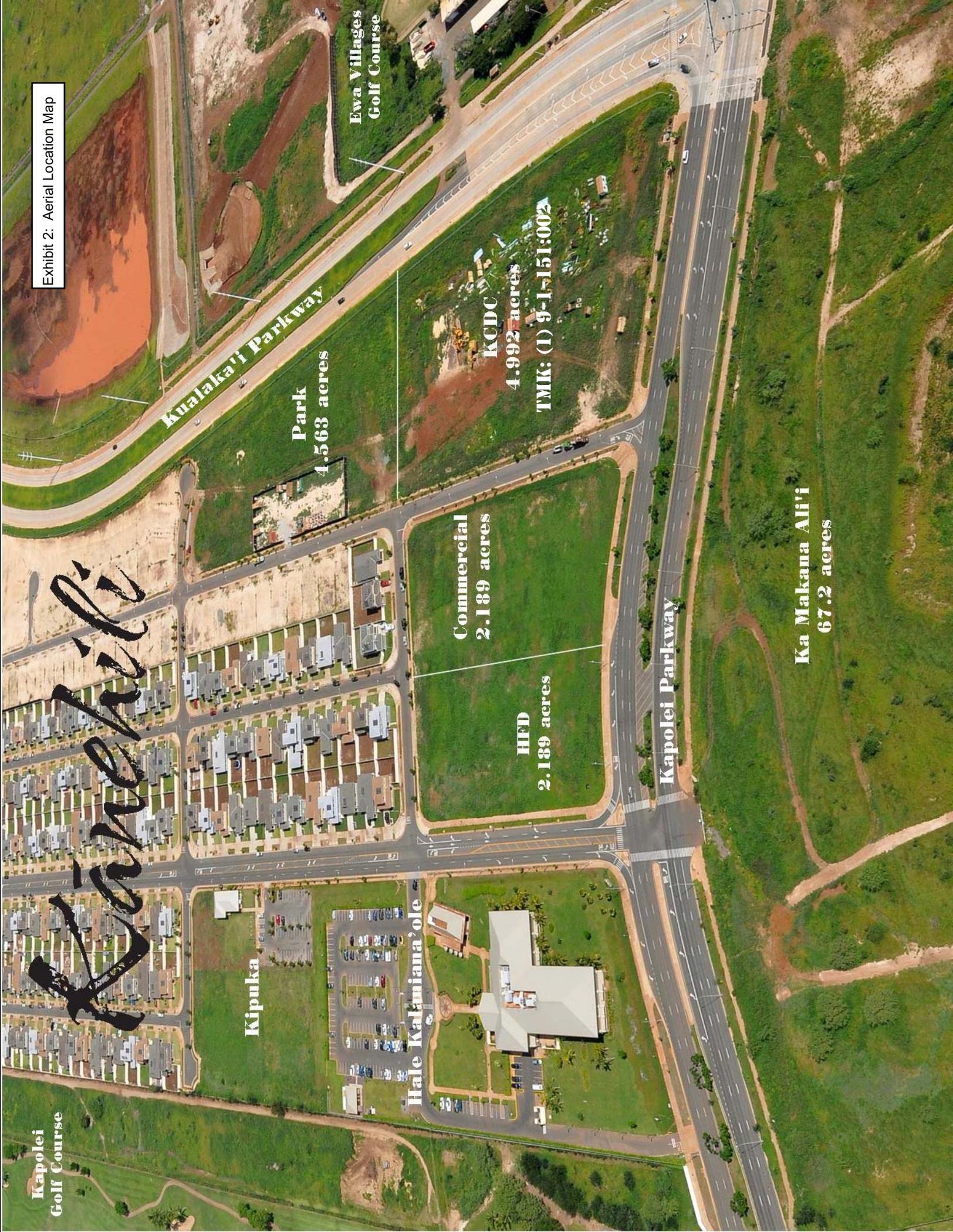


Exhibit 3

Subdivision Map with Metes and Bounds, and Easements

Exhibit 3: Subdivision Map with Metes and Bounds, and Easements

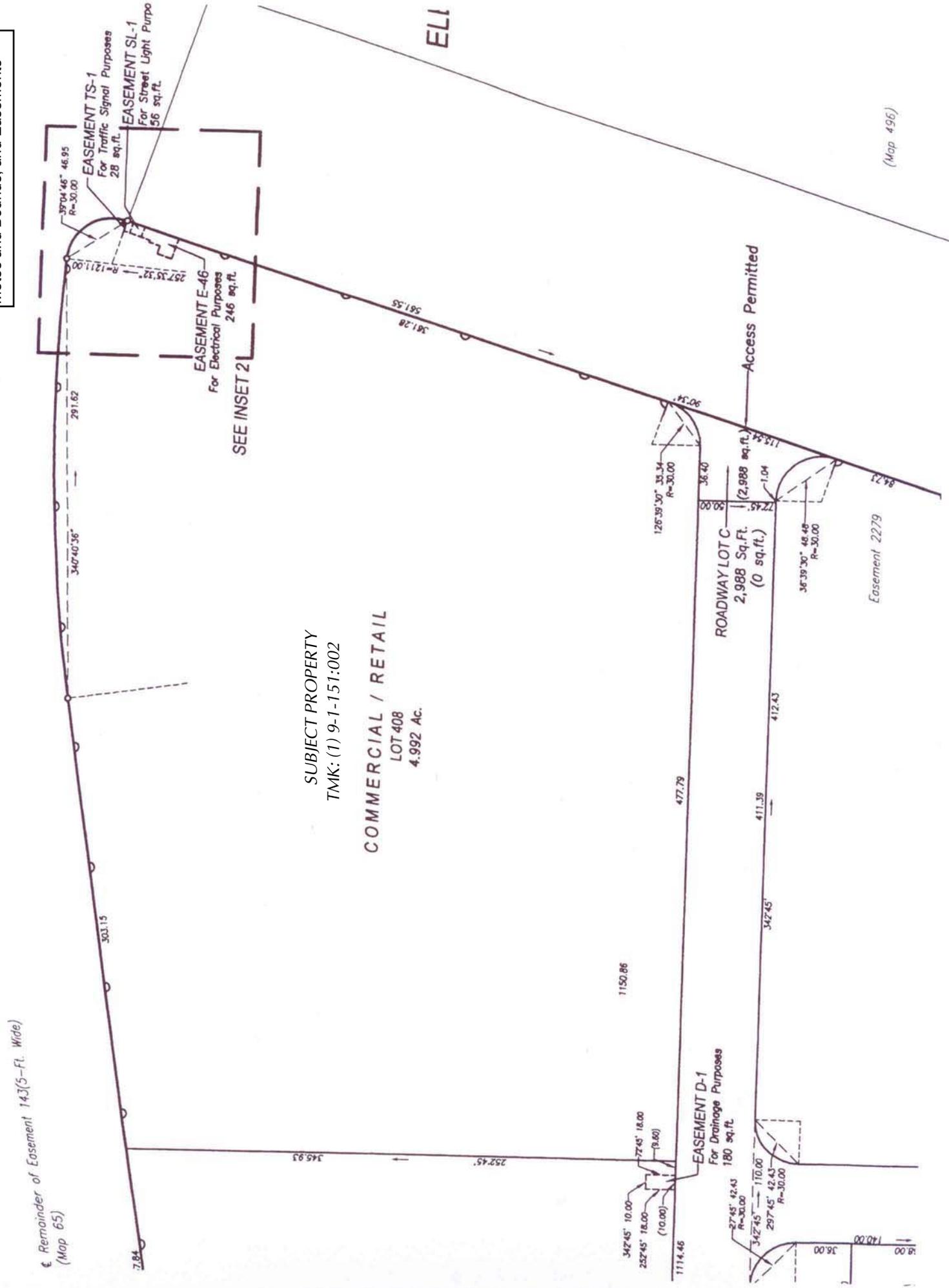


Exhibit 4
Draft Conceptual Plan

Exhibit 5

Abutilon menziesii Plant Clusters Map

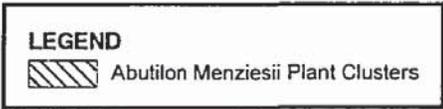
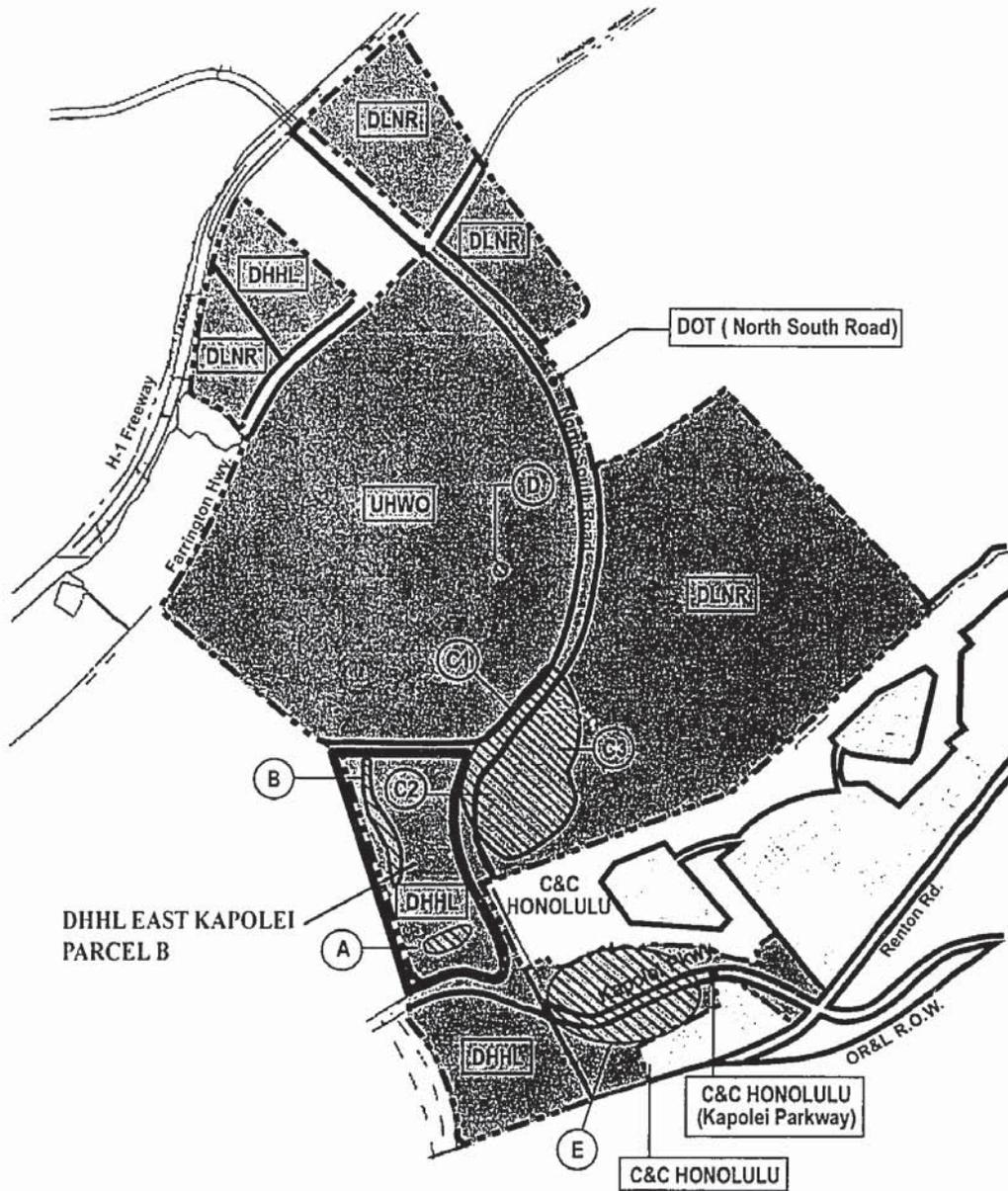


Figure 13
Abutilon menziesii Plant Clusters Map
DHHL EAST KAPOLEI DEVELOPMENT
PARCEL B



Source: Habitat Conservation Plan for *Abutilon menziesii* at Kapolei

NOT TO SCALE

Exhibit 6
DBEDT, SIC Response to Draft EA
Regarding Energy Conservation Recommendations



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

STRATEGIC INDUSTRIES DIVISION
235 South Beretani Street, Level One A Kūmānana Bldg., 5th Floor, Honolulu, Hawaii 96813
Telephone: (808) 541-3007 Fax: (808) 541-3000
Web site: www.dedt.gov

Mr. Vincent Shigekuni
Page 2
August 26, 2004

August 26, 2004

Mr. Vincent Shigekuni, Principal
PBR Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, Hawaii 96813

Subject: Draft Environmental Assessment
DHHL East Kapolei Development
Tax Map Key: Portion of (1) 9-1-016; portion 108)

Dear Mr. Shigekuni:

In response to your August 17, 2004, notice, thank you for the opportunity to provide comments on the Draft Environmental Assessment for the Department of Hawaiian Home Lands (DHHL) East Kapolei Development. This project includes construction of a 6.4 acre park, 7.2 acres of commercial use, and the remainder of the site for single-family residential. We would like to call your attention to: (1) State energy conservation goals, (2) energy saving design practices and technologies, and (3) recycling and recycled-content products.

1. State energy conservation goals. Project buildings, activities, and site grounds should be designed with energy saving considerations. The mandate for such consideration is found in Chapter 344, HRS ("State Environmental Policy") and Chapter 226 ("Hawaii State Planning Act"). In particular, we would like to call to your attention HRS 226 18(c)(4) which includes a State objective of promoting all cost-effective energy conservation through adoption of energy-efficient practices and technologies.
2. We recommend that you consider the City & County of Honolulu Energy Code early on in your project. Hawaiian Electric Co., Inc. (HECO) may also have demand-side management programs that offer rebates and/or incentives for installation of energy efficient technologies.

- and the placement of vegetation for shade or wind protection. Some of the methods and technologies that could be considered, as appropriate, include:
- Establish the building on an east-west axis;
 - Minimize east- and west-facing glass;
 - Use natural ventilation to increase comfort of occupants;
 - Maximize use of natural lighting without heat gain;
 - Use high efficiency compact fluorescent lightings;
 - Use insulation/radiant barrier for an equivalent R-19 value in ceiling; use ceiling fans;
 - Use solar water heating; and
 - Use landscaping for dust control and to minimize heat gain to area.

3. Recycling and recycled-content products.
 - Develop a job-site recycling plan for construction and recycle as much construction and demolition waste as possible;
 - Incorporate provisions for recycling into the project – a collection system and space for bins for recyclables; and
 - Specify and use products with recycled content such as: steel, concrete aggregate fill, drywall, carpet and glass tile.

If you need clarification of any of the above, please do not hesitate to contact me.

Sincerely,


Maluice H. Kaya
Chief Technology Officer

c: OECO
Anson Murayama (Community Planning, Inc., 745 Fort Street, Sic. 400,
Honolulu, Hawaii 96813)

January 20, 2005

Mr. Maurice H. Kaya, Chief Technology Officer
State of Hawaii
Department of Business, Economic Development & Tourism
Strategic Industries Division
P.O. Box 22359
Honolulu, Hawaii 96804-2359

**SUBJECT: DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL) EAST
KAPOLEI DEVELOPMENT PARCEL B DRAFT
ENVIRONMENTAL ASSESSMENT - PRE-CONSULTATION
COMMENTS**

Dear Mr. Kaya:

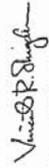
Thank you for your letter dated August 26, 2004. We offer the following responses to your comments.

1. Project buildings, activities, and site grounds will be designed to incorporate energy-saving practices and technology. Parcel B includes office/commercial and park/recreational uses and is conveniently located near educational facilities, employment centers, and public transit corridors, thus encouraging walking, bicycling, and other alternate forms of transportation. The City and County of Honolulu Energy Code, as well as Hawaiian Electric Company, Inc., demand-side management programs will be considered early on in this project.
2. Energy-efficient design practices and technologies will be considered and specifically addressed in the *DHHL East Kapolei Development Parcel B Draft Environmental Assessment (DEA)*.
3. Recycling and recycled-content products will also be considered for this project and addressed in the DEA.

Thank you again for your participation in the preparation of the upcoming Environmental Assessment. If you have any questions regarding this project, please do not hesitate to contact me at 521-5631.

Sincerely,

PBR HAWAII



Vincent Shigekuni

Principal

cc Anson Murayama/Community Planning, Inc.

ON001691482 22/04/05 EA/Pre-Consultation/Comments-Response/BL-06 DREDT STD &c



WILLIAMS BROS. FASLA
CHAIRMAN

THOMAS W. WATSON, ASLA
PRESIDENT

R. STANBROOK, ASLA
EXECUTIVE VICE PRESIDENT

RUSSELL Y. CHUNG, ASLA
EXECUTIVE VICE PRESIDENT

VICTOR SOROKIN
PRINCIPAL

JAMES LEONARD, AICP
PRINCIPAL

JIM O'NEILL
PRINCIPAL

GRACE HONOLULU, AICP
ASSOCIATE

TOM SCHELL, AICP
ASSOCIATE

RAHWERT T. IJICA, ASLA
ASSOCIATE

KATHY NAKAGAWA, ASLA
ASSOCIATE

JEANETTE ORRICK
1455 KANELOA DRIVE
ASH TOWNSHIP, BIRMINGHAM, AL 35243
TEL: (205) 331-1641
FAX: (205) 331-1602
E-MAIL: jorrick@pbrcorp.com

JEAN ORRICK
1455 KANELOA DRIVE
ASH TOWNSHIP, BIRMINGHAM, AL 35243
TEL: (205) 331-1641
FAX: (205) 331-1602
E-MAIL: jorrick@pbrcorp.com

WILLIAM ORRICK
2133 KANELOA STREET
WILSONVILLE, OREGON 97150-2432
TEL: (503) 241-3178
FAX: (503) 241-2922
E-MAIL: jorrick@pbrcorp.com



Exhibit 7

Subdivision Approval
Department of Planning and Permitting
(File Number 2005/SUB-317)

DHA
D. IN

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
TELEPHONE: (808) 768-8000 • FAX: (808) 527-6743
INTERNET: www.honolulu.gov • DEPT. WEB SITE: www.honoluluapp.org

MUFI HANNEMANN
MAYOR



HENRY ENG, FAIC
DIRECTOR

DAVID K. TANOUÉ
DEPUTY DIRECTOR

SUBDIVISION	
File Number	: 2005/SUB-317
Project	: SUB / Kapolei—East Kapolei I Subd. (State DHHL) / TMK: 9-1-016: 108
Location	:
Tax Map Key	: 9-1-016: 108
Owner	: State of Hawaii, Department of Hawaiian Home Lands
Surveyor	: ACE Land Surveying LLC
Agent	: Community Planning and Engineering

Description of the Proposal: Revised subdivision of Lot 2 of Land Court Application 1069 as shown on DPP File No. 2006/SUB-298 into 403 residential lots (Lots 1 to 403) with areas ranging from 5,000 to 9,388 sq. ft.; three pedestrian access lots (Lots 404 to 406) of 368 square feet, 122 square feet and 45 square feet, respectively, a park site (Lot 407) of 4.563 acres; a commercial/retail site (Lots 408 and 409) of 4.992 acres and 4.378 acres, respectively; together with 44-, 50- and 80-foot wide roadway (Lots A, B and C), and designation of Easements AU-1, E-1 to E-46, D-1, TS-1, and SL-1; and cancellation and designation of restriction of access rights affecting various lots.

The subdivision was declared exempt from the following City regulations by the Department of Hawaiian Home Lands (DHHL) in their letter dated September 21, 2005, and subsequently supplemented by their letters dated March 23, 2006 and January 25, 2008:

1. The zoning requirements of the Land Use Ordinance to subdivide and develop the land, which is zoned AG-1 Restricted Agricultural District, to R-5 Residential District standards (Lots 1 to 406), including infrastructure, P-2 General Preservation District standards (Lot 407) and B-2 Community Business District standards (Lots 408 and 409).
2. The requirements of the Park Dedication Ordinance, Article 7, Chapter 22, Revised Ordinances of Honolulu. A nearby 4.594-acre park site is shown on the proposed subdivision map
3. Dedication of roadways and improvements solely for maintenance purposes.

RECEIVED
NOV 20 2003

2005/SUB-317
Page 2

4. Obtaining final map approval without posting a subdivision bond and prior to completing site work improvements. DHHL will certify funds for the construction of site work improvements.
5. Submission of an agreement and surety bond for repair and replacement of subdivision improvements.
6. Submission of an agreement and surety bond for energizing and maintenance of street lights.
7. Storm drainage standards in regards to the eight-foot limit on the gutter flow width.

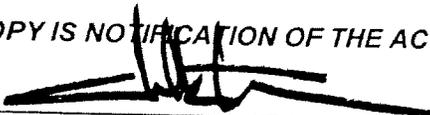
Construction of improvements for mass grading and infrastructure for the subdivision is assured by the July 14, 2008 letter from DHHL confirming that funds in the amount of \$23,647,996.25 have been encumbered for this project.

Deferral of payment of \$2,104,869.00 for the Wastewater System Facility Charge was approved by the Department of Environmental Services and our Department on October 24, 2008. If payment is made after July 1, 2009, the new charge will be \$2,168,140.00. Please be advised that no sewer connection permits will be issued until payment is made.

Approval was granted to the proposal.

Copies of the final map with the stamp of approval are attached.

THIS COPY IS NOTIFICATION OF THE ACTION TAKEN AND THE DATE IT WAS SIGNED.


 _____ For DIRECTOR November 14, 2008
 SIGNATURE TITLE DATE

This approval does not constitute approval of any other required permits, such as building or sign permits. Should you have any questions, please call Jeff Lee at 768-8099 or Jane Asaoka at 768-8281.

APPROVED
 REVISION: 02/14/2008
 Date: NOV 14 2008

2/15/08
 3/17/08

EAST KAPOLEI I SUBDIVISION (REV.)

LAND COURT APPLICATION 1069
 SUBDIVISION OF REMAINDER LOT 2
 AS SHOWN ON D.P.P. FILE NO. 2006/SUB-298
 INTO RESIDENTIAL LOTS 1 TO 403,
 PEDESTRIAN ACCESS LOTS 404 TO 406,
 PARK SITE LOT 407,
 COMMERCIAL/RETAIL LOTS 408 AND 409,
 AND ROADWAY LOTS A, B AND C

DESIGNATION OF ACCESS AND UTILITY EASEMENT AU-1,
 ELECTRICAL EASEMENTS E-1 TO E-46, DRAINAGE EASEMENT D-1,
 TRAFFIC SIGNAL LIGHT EASEMENT TS-1
 AND STREET LIGHT EASEMENT SL-1
 CANCELLATION OF RESTRICTION OF ACCESS RIGHTS
 AFFECTING LOT 8861-C-1-A, AS SHOWN ON
 D.P.P. FILE NO. 2005/SUB-265,
 BEING REMAINDER LOT 2, AS SHOWN ON
 D.P.P. FILE NO. 2006/SUB-298
 AND DESIGNATION OF RESTRICTION OF ACCESS RIGHTS
 AFFECTING LOTS 260, 404, 259 TO 248, 405, 215, 206, 205,
 199, 198, 195, 194, 191, 190, 185, 183, 406, 407, 408, 409
 AND EXISTING DHHL OFFICE BUILDING SITE LOT 1
 AS SHOWN ON D.P.P. FILE NO. 2006/SUB-298

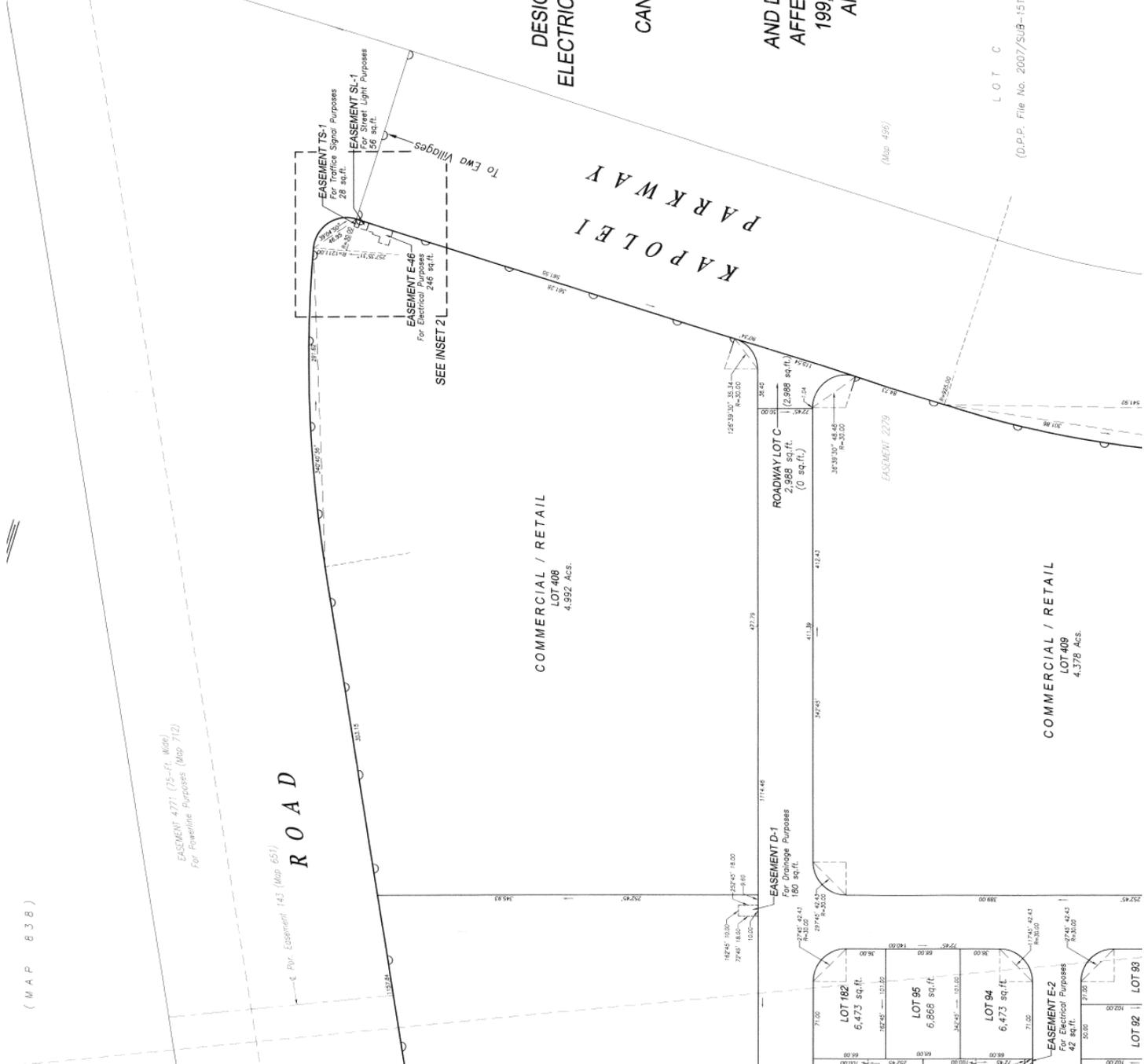
AT HONOLULU, EWA OAHU, HAWAII
 TAX MAP KEY: 9-1-16: 140
 SCALE: 1 INCH = 60 FEET

OWNER: DEPARTMENT OF HAWAIIAN HOME LANDS

735 Bishop Street, Suite 330
 Honolulu, Hawaii 96813
 September 15, 2008



ACE LAND SURVEYING LLC
 Kevin K. Keo
 Licensed Professional
 Land Surveyor
 Certificate No. 10929
 Land Court Surveyor



(M A P 8 3 8)

EASEMENT 4.771 (75-ft. wide)
 For Powerline Purposes (Map 714)

Py. Easement 143 (Map 651)

LOT C
 (D.P.P. File No. 2007/SUB-151)

(Map 496)

Exhibit 8

Excerpts from Land Court Documents

Current Restrictions AICUZ

Air Installations Compatible Use Zone Plan

EXHIBIT "A"

The restrictions imposed upon the use of the easement area are as follows:

A. Uses Not Allowed

1. Schools
2. Hospitals and nursing facilities
3. Sports stadiums, provided that this limitation shall not preclude a stadium of less than or equal to 5,000-seat capacity within the northwest half of this easement area as defined by a line, bisecting this easement area, running parallel to Naval Air Station Barbers Point Runway 040.

B. Allowable Use, With Restrictions

Residential uses, provided, however, that gross density is restricted to no greater than six residential units per acre on average per 100 acres (i.e., no more than 600 units per 100 acres); provided, further, that if maximum residential density is constructed, no use may be made of the remaining acreage other than for parking and open space associated with such residential use. If less than maximum density is constructed, the acreage available for other allowed uses shall be the pro rata balance.

C. Allowable uses, reflecting individual federal agencies' consideration of general cost and feasibility factors as well as past community experiences and program objectives.

1. Government services
2. Cultural activities, including churches
3. Auditoriums, concert halls
4. Nature exhibits
5. Outdoor music shells, amphitheatres

6. Recreational activities, including riding stables and water recreation (golf course and commercial uses relating to clubhouse and recreational facilities is allowed)
7. Resorts and group camps, subject, however, to the provisions of paragraph B, above
8. Parks
9. Other cultural, entertainment and recreation

D. Height Restriction

No use will be made of the property which establishes physical structures at a height which intrudes into the "inner horizontal surface" and "conical surface" described as follows and as depicted on the maps attached hereto as Exhibits "1" and "2":

"Conical surface" is a surface extending from the periphery of the "inner horizontal surface" outward and upward at a slope of 20 to 1 for a horizontal distance of 7,000 feet to a height of 300 feet above the established airfield elevation (33 feet mean sea level). "Inner horizontal surface" is a plane oval in shape at a height of 150 feet above the established airfield elevation (33 feet mean sea level). The plane is constructed by scribing an arc with a radius of 7,500 feet about the centerline at the approach end of Runways 22L and 22R at NAS Barber's Point and interconnecting these arcs with tangents.

This height restriction was bargained and paid for. It applies only to the easement area and to no other lands and may not be extended by implication nor used in any way against the owner of the surrounding land (e.g., as an admission, precedent, waiver, etc.).

E. No Restriction to Use

All other uses

EXHIBIT "A"

The restrictions imposed upon the use of the easement area are as follows:

A. Uses Not Allowed

1. Schools
2. Hospitals and nursing facilities
3. Sports stadiums

B. Allowable Use, With Restrictions

Residential uses, provided, however, that gross density is restricted to no greater than two residential units per acre on average (i.e., no more than 100 units per 50 acres); provided, further, that if maximum residential density is constructed, no use may be made of the remaining acreage other than for parking and open space associated with such residential use. If less than maximum density is constructed, the acreage available for other allowed uses shall be the pro rata balance.

C. Allowable uses, reflecting individual federal agencies' consideration of general cost and feasibility factors as well as past community experiences and program objectives.

1. Government services
2. Cultural activities, including churches
3. Nature exhibits
4. Outdoor music shells, amphitheaters
5. Recreational activities, including riding stables and water recreation (golf course and commercial uses relating to clubhouse and recreational facilities is allowed)
6. Resorts and group camps, subject, however, to the provisions of paragraph B, above.
7. Parks
8. Other cultural, entertainment and recreational uses

D. Height Restriction

No use will be made of the property which establishes physical structures at a height which intrudes into the "inner horizontal surface" and "conical surface" described as follows and as depicted on the maps attached hereto as Exhibits "1" and "2":

"Conical surface" is a surface extending from the periphery of the "inner horizontal surface" outward and upward at a slope of 20 to 1 for a horizontal distance of 7,000 feet to a height of 500 feet above the established airfield elevation (33 feet mean sea level). "Inner horizontal surface" is a plane oval in shape at a height of 150 feet above the established airfield elevation (33 feet mean sea level). The plane is constructed by scribing an arc with a radius of 7,500 feet about the centerline at the approach end of Runways 22L and 22R at NAS Barbers Point and interconnecting these arcs with tangents.

This height restriction was bargained and paid for. It applies only to the easement area and to no other lands and may not be extended by implication nor used in any way against the owner of the surrounding land (e.g., as an admission, precedent, waiver, etc.).

E. No Restriction to Use

All other uses

EASEMENT AREA 3a

HEIGHT RESTRICTION

(Indicates estimated
permitted elevation
mean sea level)

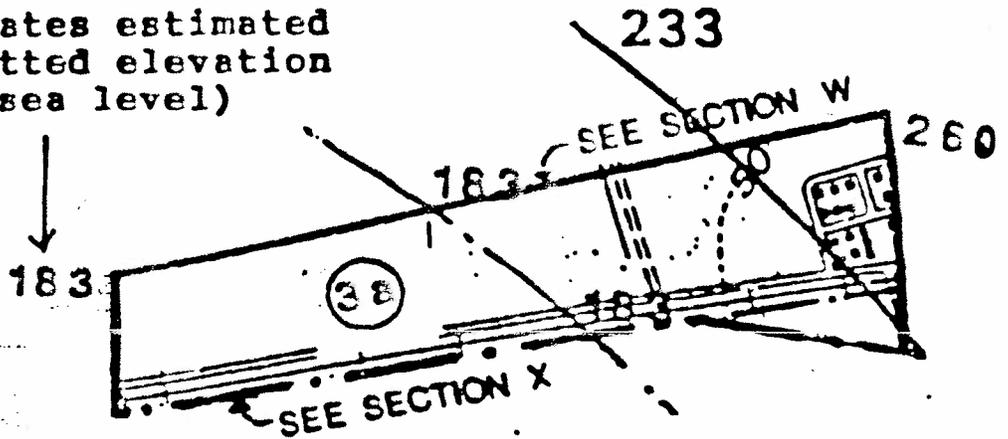
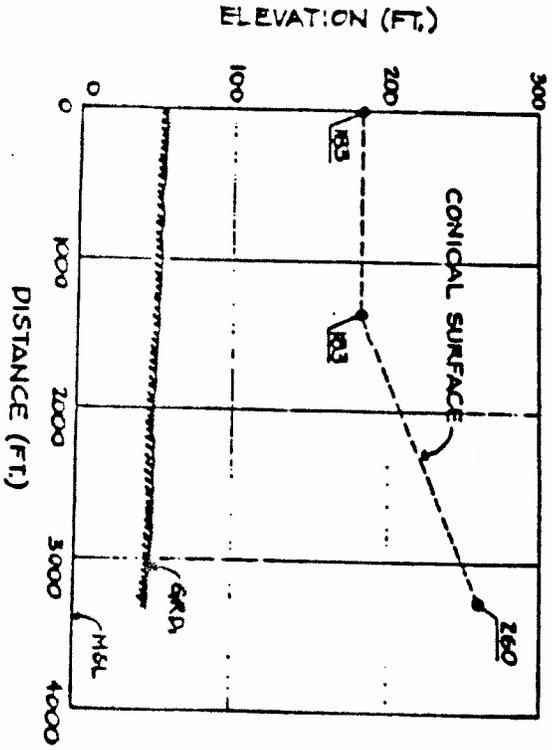


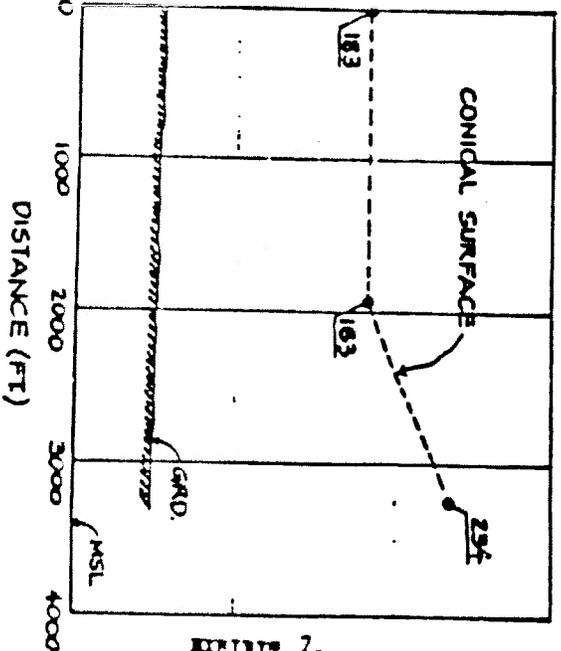
EXHIBIT /

EASEMENT AREA 38

HEIGHT RESTRICTION (Vertical Cross Section)



SECTION W



SECTION X

(Sections for pictorial purposes only.)

FIGURE 2

EXHIBIT "A"

The restrictions imposed upon the use of the easement area are as follows:

A. Uses Not Allowed

1. Schools
2. Hospitals and nursing facilities
3. Sports stadiums

B. Allowable Use, With Restrictions

Residential uses, provided, however, that gross density is restricted to no greater than four residential units per acre on average (i.e., no more than 600 units per 150 acres); provided, further, that if maximum residential density is constructed, no use may be made of the remaining acreage other than for parking and open space associated with such residential use. If less than maximum density is constructed, the acreage available for other allowed uses shall be the pro rata balance.

C. Allowable uses, reflecting individual federal agencies' consideration of general cost and feasibility factors as well as past community experiences and program objectives.

1. Government services
2. Cultural activities, including churches
3. Nature exhibits
4. Outdoor music shells, amphitheaters
5. Recreational activities, including riding stables and water recreation (golf course and commercial uses relating to clubhouse and recreational facilities is allowed)
6. Resorts and group camps, subject, however, to the provisions of paragraph B, above.
7. Parks
8. Other cultural, entertainment and recreational uses

D. Height Restriction

No use will be made of the property which establishes physical structures at a height which intrudes into the "inner horizontal surface" and "conical surface" described as follows and as depicted on the maps attached hereto as Exhibits "1" and "2":

"Conical surface" is a surface extending from the periphery of the "inner horizontal surface" outward and upward at a slope of 20 to 1 for a horizontal distance of 7,000 feet to a height of 500 feet above the established airfield elevation (33 feet mean sea level). "Inner horizontal surface" is a plane oval in shape at a height of 150 feet above the established airfield elevation (33 feet mean sea level). The plane is constructed by scribing an arc with a radius of 7,500 feet about the centerline at the approach end of Runways 22L and 22R at NAS Barbers Point and interconnecting these arcs with tangents.

This height restriction was bargained and paid for. It applies only to the easement area and to no other lands and may not be extended by implication nor used in any way against the owner of the surrounding land (e.g., as an admission, precedent, waiver, etc.).

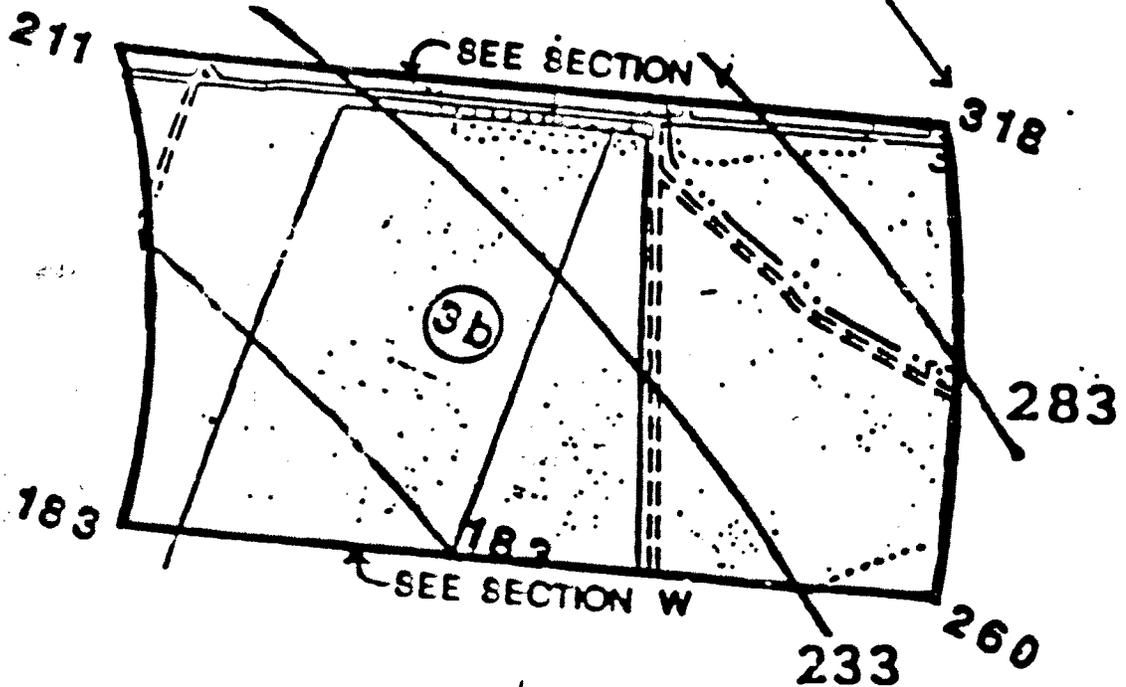
E. No Restriction to Use

All other uses

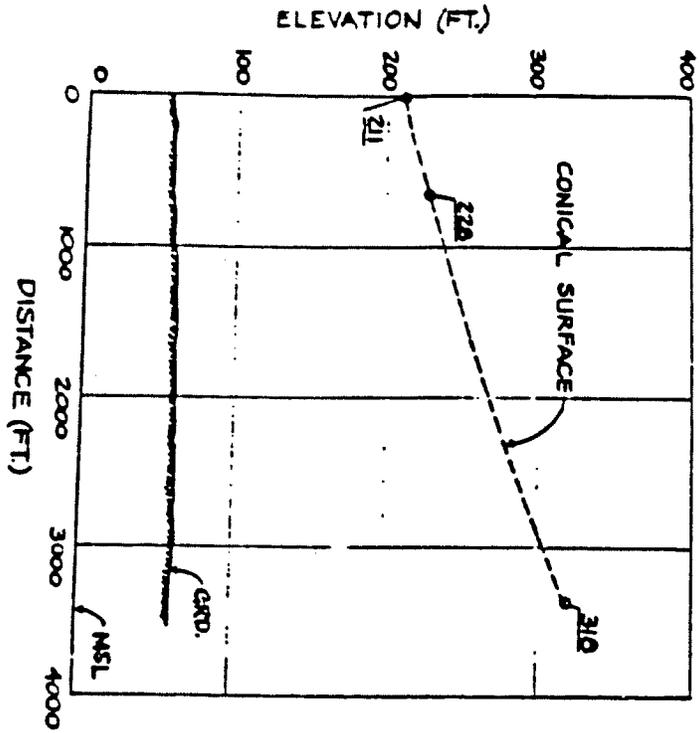
EASEMENT AREA 3b

HEIGHT RESTRICTION

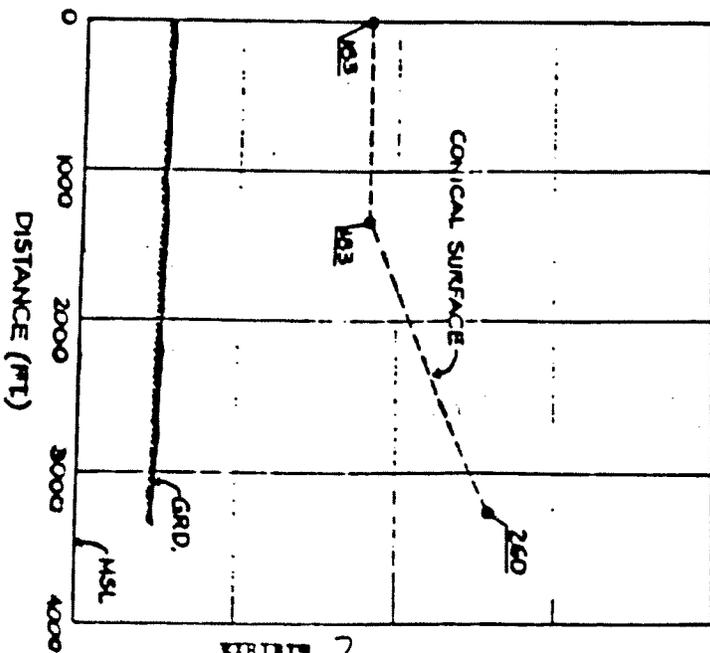
(Indicates estimated permitted elevation mean sea level)



EASEMENT AREA 3b
RIGHT RESTRICTIONS (Vertical Cross Section)



SECTION V



SECTION W

(Sections for pictorial purposes only.)