Consent to Ground Lease to the County of Hawaii for the Kukuiola Emergency Shelter and Permanent Supportive Housing Project at Village 9, Villages of La‘i‘Opua, Kealakehe, North Kona, Island of Hawaii, Tax Map Key: (3) 7-4-020 portion of 004.

Withdrawal of Portion of Executive Order No. 4575, Hawaii Housing and Development Corporation; Set Aside 1.05 Acres to County of Hawaii, Department of Public Works, for Roadway Purposes, Villages of La‘i‘Opua, Kealakehe, North Kona, Island of Hawaii, Tax Map Key: (3) 7-4-020 portion of 004.

Issuance of a Right-of-Entry Permit to County of Hawaii, Department of Public Works for Road Construction and Management Purposes, Villages of La‘i‘Opua, Kealakehe, North Kona, Island of Hawaii, Tax Map Key: (3) 7-4-020 portion of 004.

APPLICANTS:

Hawaii Housing Finance and Development Corporation (HHFDC), an attached agency of the Department of Business, Economic Development and Tourism, a governmental entity.

County of Hawaii, Department of Public Works,

LEGAL REFERENCE:

Sections 171-11, 13, 55, 95, and Sections 10-13.6, Hawaii Revised Statutes (HRS), as amended.
LOCATION:

Portion of Government lands of “The Villages of La’i’Opua – situated at Kealakehe, North Kona, Hawaii, identified by Tax Map Key: (3) 7-4-020: portion of 004, as shown on the attached map labeled Exhibit A

AREA:

Area of Existing Lease: 35.744 acres, more or less.
Area to be Withdrawn: 1.05 acres, more or less.

ZONING:

State Land Use District: Urban
County of Hawaii CZO: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Encumbered by Executive Order No. 4575, as part of the Villages of La’i’Opua, a master planned community by Hawaii Housing Finance and Development Corporation (HHFDC).

CHARACTER OF USE:

Affordable Housing and Related purposes.

PURPOSE OF SET-ASIDE:

For roadway purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Final Environmental Assessment for the subject project was published in the Office of Environmental Quality Control’s “The Environmental Notice” on November 23, 2019 with a finding of no significant impact (FONSI).

APPLICANT REQUIREMENTS:

Applicant shall be required to:

1) Provide survey maps and descriptions according to State DAGS standards at Applicant’s own cost;
2) Process subdivision approval, if required.
REMARKS:

By letter dated August 29, 2017, the County of Hawaii (County) requested a right-of-entry onto approximately 5 acres of the subject parcel for the purpose of establishing an emergency homeless encampment. The County has also requested a long-term lease from HHFDC for 15-20 acres of the subject parcel for development of a more permanent facility.

After consultation between the Department of Land and Natural Resources (DLNR), HHFDC and County, it was determined the most practical course of action the Board of Land and Natural Resources (Board) to set aside the subject parcel to HHFDC who would then work directly with County to issue the right-of-entry, ensure compliance with Chapter 343, subdivide the parcel, designate any necessary access/utility easements, negotiate a long-term lease and/or any other actions required to develop the property.

At its meeting of October 13, 2017, under agenda item D-1, the Board consented to the set aside of 34.744 acres to the HHFDC for affordable housing and related purposes (EO 4575).

HHFDC and the County have executed a Memorandum of Understanding (MOU) dated April 2, 2018, as amended (Exhibit B), and a Revocable Right-of-Entry dated April 5, 2019, as amended (Exhibit C), for: (i) the leasehold development by the County of the Kukuiola Emergency Shelter and permanent supportive housing project over the makai portion of the property (Kukuiola Project), (ii) the leasehold development by HHFDC of a multi-family affordable rental housing project over the mauka portion of the property (HHFDC Project), and (iii) the development and dedication to the County of a public access road which will serve the Kukuiola and HHFDC projects (Access Road).

CONSENT TO GROUND LEASE:

The proposed developments are described in the Kukuiola and Village 9 Affordable Rental Community, Final Environmental Assessment, published in the Environmental Notice of the Office of Environmental Quality Control (OEQC) that produced a Finding of No Significant Impact (FONSI).

Phase 1 of the Kukuiola Project is proposed to include the following:
- Emergency shelter for homeless individuals and couples; Phase 1 will include 16 individual housing units.
- Restroom and shower facility
- Assessment center
- Community pavilion with kitchen facilities
- Designated safe parking area
- Managers unit
- Open spaces for social gathering and animal park

The County is nearing the satisfaction of the HHFDC ROE requirement for the HHFDC’s issuance to the County of a notice to proceed for the grading over a portion of the property.
In order to proceed with the above-described project, The HHFDC is requesting the Board consent to a sixty-five (65) year ground lease to the County for Emergency Shelter and Affordable Housing Purposes. The proposed lease character of use is consistent with the purpose of the set-aside under EO 4575.

WITHDRAW AND RE-SET ASIDE TO COUNTY OF HAWAI:

The County Department of Public Works contacted HHFDC regarding the request for the withdrawal of the land from the EO and use of the property for construction of a road lot within the project area. HHFDC has no objection to the project. Accordingly, staff recommends the partial withdrawal from Executive Order No. 4575 of lands identified by the maps provided and reset aside to the County for roadway purposes. The County is also requesting an early right-of-entry so that it may begin the process of surveying and initiate construction for the proposed land to be withdrawn and re-set aside.

RECOMMENDATION:

1. Subject to the Applicant fulfilling all of the Applicant Requirements listed above, authorize the withdrawal of the subject area from executive Order No. 4575, Hawaii Housing Finance and Development Corporation, under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
   a) The standard terms and conditions of the most current form for withdrawal of land from a lease, as may be amended from time to time;
   b) Review and approval by the Department of the Attorney General; and
   c) Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

2. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the County of Hawaii, Department of Public Works under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
   a) The standard terms and conditions of the most current executive order form, as may be amended from time to time;
   b) Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
   c) Review and approval by the Department of the Attorney General; and
   d) Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
3. Authorize the issuance of a right-of-entry permit to the County of Hawaii, Department of Public Works covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

   a) The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;

   b) Waive any fees and provide this right-of-entry gratis; and

   c) Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Gordon C. Heit

Gordon C. Heit
District Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson
EXHIBIT A
EXHIBIT A
Figure 5 - Preliminary Conceptual Plan
Kukuiola and Village 9
Affordable Rental Community

Village 9 Affordable Rentals
(Approx. 18.2 acres)

Permanent Supportive Housing
(Approx. 12.7 acres)

Access Road

SOCcer Complex

Emergency Shelter
(Approx. 6.1 acres)
EXHIBIT B
THIS MEMORANDUM OF UNDERSTANDING, dated as of April 21, 2018 ("MOU"), made by and between the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawaii ("HHFDC"), doing business at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, and the COUNTY OF HAWAII, a municipal corporation of the State of Hawaii ("County"), doing business at 25 Aupuni Street, Hilo, Hawaii, 96720.

WITNESSETH:

WHEREAS, the State of Hawaii owns fee simple title to the parcel of undeveloped land at the southern corner of the intersection of Kealakehe Parkway and Ane Keohokalole Highway, known as Village 9, Villages of La‘i’opua, in Kealakehe, North Kona, Hawaii, totaling approximately 35.774 acres, Tax Map Key No. (3) 7-4-020:004 ("Property"), as shown on Exhibit A attached hereto and hereby incorporated by reference;

WHEREAS, HHFDC has the development rights to the Property pursuant to a Memorandum of Understanding with the Department of Land and Natural Resources ("DLNR") dated January 4, 1993 and Section 10-13.6, Hawaii Revised Statutes ("HRS");

WHEREAS, the Property is ceded land;

WHEREAS, by a letter dated August 29, 2017, the County requested DLNR for a set aside or a ground lease to approximately 15 to 20 acres of land at the makai (western) portion of the Property for permanent housing to accommodate the homeless population, and for an immediate right-of-entry ("ROE") to 5 acres of that area for an emergency encampment for the homeless;

WHEREAS, on September 14, 2017, the HHFDC Board of Directors approved, under certain conditions, a request to DLNR for a set aside of the Property to HHFDC, an ROE to the County for an emergency encampment for the homeless, subdivision of the Property, and easements for access and utility purposes to accommodate the County’s request;

WHEREAS, on October 13, 2017, the Board of Land and Natural Resources approved the set aside and an immediate management right-of-entry of the Property to HHFDC;

WHEREAS, HHFDC and the County wish to enter into this MOU to define their respective roles and responsibilities in pursuing development of the Property;

EXHIBIT B
NOW, THEREFORE, the parties hereby agree as follows:

I. **HHFDC Obligations.** HHFDC agrees to the following:

   A. Upon receipt of the management right-of-entry to the Property from DLNR, issue a ROE to the County, in a form acceptable to HHFDC, to 5 acres of the makai (western) portion of the Property as shown on the attached Exhibit B attached hereto and hereby incorporated by reference, for an emergency encampment for the homeless until the Ground Lease (defined below) is issued to the County;

   B. Issue a 65-year ground lease at $1/year to the County, in a form acceptable to HHFDC ("Ground Lease"), for approximately 15 to 20 acres at the makai (western) portion of the Property as shown in yellow on the attached Exhibit B ("County Parcel"), for permanent housing for the homeless ("County Project"), subject to the following:

      1. HHFDC receipt of the set aside of the Property from DLNR;
      2. Subdivision approval of the Property;
      3. Resolution of access for vehicular and utility purposes to the subdivided parcels acceptable to HHFDC and DLNR;
      4. DLNR consent to the Ground Lease to the County;
      5. Approval by the County Council;
      6. Completion of the EA (defined below); and

   C. Develop the mauka (eastern) portion of the Property under a request for proposals for a leasehold low-rise multi-family rental housing project affordable to households at 60% or below the U.S. Department of Housing and Urban Development area median income for approximately 150 to 200 units ("HHFDC Project");

   D. Subject to approval by the HHFDC Board of Directors and the Governor of the State of Hawaii, HHFDC shall reimburse the County from its Dwelling Unit Revolving Fund ("DURF Fund") in the amount of $184,000.00, unless otherwise approved by HHFDC, for the cost of a conceptual site plan of the Property for the HHFDC and County Projects ("Concept Plan") and the cost of the HRS Chapter 343 Environmental Assessment ("EA") of the HHFDC and County Projects, to be completed by the County, as follows unless otherwise approved by HHFDC:

      1. The initial budget of the DURF Fund is as follows:
         
         | Item          | Amount     |
         |---------------|------------|
         | Concept Plan  | $ 15,000.00|
         | EA            | $169,000.00|
         |               | $184,000.00|

      2. The DURF Fund may be used for any project related expense, as approved by HHFDC;
      3. Any amendments to the budget of the DURF Fund shall be subject to HHFDC approval;
      4. Request for periodic payments from the DURF Funds shall be made by the County by submittal of a written request to HHFDC (no more than...
once a month), accompanied by the worksheets and information supporting the withdrawal, in forms attached hereto as Exhibit C, or as otherwise approved by HHFDC; supporting information shall include the DURF Fund budget, amount of the DURF Fund budget paid to date, amount of the payment requested, and amount of the DURF Fund budget remaining for payment;

5. Payments from the DURF Fund shall be made payable to the County, for payment to its vendor; and

6. All contracts shall name DLNR, HHFDC and the State of Hawaii as additional indemnitees and additional insured parties;

II. County Obligations. The County agrees to the following:

A. Procure a consultant to complete the Concept Plan and the EA of the Property, including the HHFDC Project;
   1. The County shall procure the consultant to complete the Concept Plan and EA in compliance with HRS Chapter 103D;
   2. The Concept Plan shall be subject to HHFDC approval;
   3. The County shall be the proposing and accepting agency for the EA;
   4. The County shall conduct at least one community meeting during the EA process and invite HHFDC to the meeting;

B. Subdivide the Property and provide for an access for the subdivided parcels as approved by HHFDC and DLNR;

C. Provide sewer allocation from the Kealakehe Wastewater Treatment Plant and water allocation for developments on the Property, including the HHFDC Project, from the County's allocation (not from allocations from HHFDC's nearby Kamakana Villages at Keahuolu project as shown on the attached Exhibit A);

D. Prior to grubbing and grading on the County Parcel, have an archaeologist and a biologist do a field check to avoid negative impacts to any archaeological site, endangered species, or the critical habitat;

E. Acknowledge that the Property is ceded land and is subject to the requirement that in accordance with HRS Section 10-13.5, twenty per cent (20%) of all funds the County derives from the County Parcel, other than rent from affordable housing as approved by HHFDC, shall be paid quarterly to HHFDC by the end of the calendar month following the quarter for which such amount is based. The amount shall be submitted in arrears with an itemized list of all funds the County derives from the County Parcel, other than rent from leases of affordable housing, for the quarter upon which such amount is based;

F. Be responsible for compliance with Chapter 343, HRS;

G. Execute the Ground Lease for the County Parcel and commence construction of the permanent facilities on the County Parcel by September 14, 2022, unless otherwise extended at the sole discretion of HHFDC;
H. Abide by the terms of HHFDC's Memorandum of Understanding with the U.S. Department of Fish and Wildlife dated February 8, 2016 for two No Development Areas at the Property totaling 4.2 acres, including one No Development Area of 1.3 acres adjacent to the County Parcel;

I. Comply with the HHFDC For Action dated September 14, 2017;


K. As necessary, the County shall accommodate sewer flows from the HHFDC Project through the County Parcel for hookup to the sewer line makai (west) of the County Parcel; and

L. The County shall consent to HHFDC and DLNR perpetual easement(s) for utility purposes, including but not limited to, water, sewer, electrical, storm drainage, and other similar uses, through, over, and across the County Parcel; provided that the location and dimensions of the easements shall be agreed to by DLNR, HHFDC and the County, and shall be aligned so as to minimize any disruption or negative impact to the County Parcel; provided further that HHFDC shall bear all reasonable administrative costs related to the conveyance of title of said easements, including surveying, recordation, and attorneys' fees. Thereafter, the locations and dimensions of the easements may be changed from time to time by mutual agreement of DLNR, HHFDC and the County, provided, however, that relocation costs shall be borne by the party proposing relocation.

III. Termination. This MOU shall terminate upon fulfillment of its objectives or mutual agreement of the parties.

IV. Amendments, Waiver. This MOU can only be changed by an instrument in writing signed by HHFDC and the County. The terms of this MOU may not be waived, modified, or in any way changed by implication, through conduct, correspondence, or otherwise, unless such waiver, modification, or change shall be specifically agreed to in writing by HHFDC and the County. Any waiver in whole or in part to any of the terms and conditions hereunder, shall be specific and not general. Each waiver shall only apply to specific conditions and circumstances.

V. Binding Effect of Agreement. This MOU shall be binding upon and inure to the benefit of HHFDC and the County, and their respective successors and assigns.

VI. Gender and Number. The use of any pronoun in reference to HHFDC and the County shall be construed to mean the singular or plural, the masculine, feminine or neuter, as the instrument and context may require.

VII. No Party Deemed Drafter. The parties agree that neither HHFDC nor the County shall be deemed to be the drafter of this MOU and in the event this
MOU is ever construed by a court of law, such court shall not construe this MOU or any provision hereof against any party as the drafter of this MOU.

VIII. **Counterparts.** This MOU may be executed in any number of counterparts. Each such counterpart hereof shall be deemed to be an original instrument but all such counterparts together shall constitute but one MOU.

IX. **Invalidity of Provision.** If any provision of this MOU as applied to any party or to any circumstances shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way effect any other provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this MOU as a whole.

X. **Applicable Law.** This MOU shall be interpreted in accordance with the laws of the State of Hawaii as such laws are construed and amended from time to time.

XI. **Notices.** Any written notice required to be given by any party to this MOU shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The parties are responsible for notifying each other in writing of any change of address.

Notice to HHFDC shall be addressed to:

Executive Director  
Hawaii Housing Finance and Development Corporation  
677 Queen Street, Suite 300  
Honolulu, Hawaii 96813

Notice to the County shall be addressed to:

Mayor  
County of Hawaii  
25 Aupuni Street  
Hilo, Hawaii 96720

XII. **Approvals Required.** Notwithstanding anything to the contrary contained herein, this MOU shall not be binding upon the parties unless and until this MOU has been approved by the County Council (if required) no later than one hundred twenty (120) days after the last execution of this MOU, unless extended at the sole discretion of HHFDC, the notification of which shall be provided to HHFDC in a timely manner.

[The remainder of this page is blank. The next page is a signature page.]
IN WITNESS WHEREOF, the undersigned have executed these presents as of the day and year first written above.

Approved as to Form:

[Signature]
Deputy Attorney General
Representing HHFDC
1-12-18

Hawaii Housing Finance and Development Corporation

By [Signature]
Craig K. Hirai
Executive Director

Approved as to Form and Legality:

[Signature]
Deputy Corporation Counsel
County of Hawaii

County of Hawaii

By [Signature]
Harry Kim
Mayor

Approved as to Contents:

By [Signature]
Department of [CORPORATION COUNSEL]
ex: [Valmou county village 9.ag.rev.12-23-17]
On this 22 day of January, 2018, before me appeared CRAIG K. HIRAI, personally known to me, who, being by me duly sworn, did say that he is the EXECUTIVE DIRECTOR of the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawaii, that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that this 1/3-page MEMORANDUM OF UNDERSTANDING, VILLAGE 9, VILLAGES OF LA'I'OOPUA dated , was signed and sealed on behalf of the corporation by authority of its Board of Directors, and the said officer acknowledged the instrument to be the free act and deed of the corporation.
On this 2nd day of April, 2018, before me personally appeared HARRY KIM, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the County of Hawai'i, a municipal corporation of the State of Hawai'i, that the foregoing instrument was signed on behalf of the County of Hawai'i by authority given to said Mayor of the County of Hawai'i by Sections 5-1.3 and 13-13 of the County Charter, County of Hawai'i (2016), as amended, and said HARRY KIM acknowledged said instrument to be the free act and deed of said County of Hawai'i.
COUNTY OF HAWAII
25 Aupuni Street
Hilo, Hawaii 96720

Date: ____________

DRAW REQUEST AND CERTIFICATION

Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813
ATTN: Stan S. Fujimoto, Project Manager

Subject: Draw Request No. ____________
DURF Funds
Village 9
Villages of La'ipoua
Kealakehe, North Kona, Hawaii

We request payment for the attached contract and/or invoices in the following total amount for the above subject Village 9 for County and HHFDC Projects at the Villages of La'ipoua, in Kealakehe, North Kona, Hawaii, TMK No. (3) 7-4-020: 004:

$ ____________ From DURF Funds

We hereby certify that all of the requested items have been paid or are due and payable in connection with the project pursuant to the project documents including the following:

- Hawaii Housing Finance and Development Corporation (HHFDC) For Action dated January 11, 2018 approving the Memorandum of Understanding (MOU) and DURF Funds for Village 9 (MOU);
- Governor’s approval of release of DURF Funds for the project dated ____________; and
- MOU between the County and HHFDC for Village 9 dated ____________.

After disbursement of the amount requested, the total amount disbursed, and the balance of proceeds remaining after this disbursement will be as stated in the attached worksheets for the DURF Funds for the project.

Sincerely,
COUNTY OF HAWAII

EXHIBIT C-1
COUNTY MOU - VILLAGE 9
SUMMARY OF INVOICES
DRAW REQUEST NO. ______

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**EXHIBIT C-3**
AMENDMENT #1 TO THE MEMORANDUM OF UNDERSTANDING
VILLAGE 9, VILLAGES OF LA'I'OPUA

THIS AMENDMENT, dated as of 4/5/19, made by and between the HAWAI'I HOUSING
FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the
State of Hawaii ("HHFDC"), doing business at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, and
the COUNTY OF HAWAII, a municipal corporation of the State of Hawaii ("County"), doing business at 25
Aupuni Street, Hilo, Hawaii, 96720.

WITNESSETH:

WHEREAS, HHFDC and County entered into a Memorandum of Agreement dated April 2, 2018
(“MOU”) relating to affordable housing and homeless projects located on a ceded land parcel identified
as TMK No. (3) 7-4-020:004 totaling approximately 35.774 acres (“Property”); and

WHEREAS, HHFDC plans to develop the mauka portion of the Property for an affordable multi-
family rental housing project (“HHFDC Project”); and

WHEREAS, the MOU enables the County to develop the makai portion of the Property for a
homeless project (“County Project”); and

WHEREAS, the MOU commits the County to prepare a master plan and environmental
assessment to cover both the HHFDC Project and the County Project, to be funded by HHFDC; and

WHEREAS, to procure a consultant to prepare the master plan and environmental assessment,
the MOU section II.A.1 requires the County to comply with Chapter 103D, Hawaii Revised Statutes
("HRS"); and

WHEREAS, the Governor issued an emergency proclamation for homelessness dated December
14, 2018, as supplemented on February 12, 2019 (“Proclamation”), effective through April 13, 2019, that
suspects Chapter 103D, HRS, among other statutes and regulations, for purposes of providing
temporary shelter, permanent housing, or services to address homelessness, and any contracts entered
into by reasons of the provisions of the Proclamation shall continue but limited to a period not to
exceed 12 months, provided that such contracts may be extended for additional terms, but the total
terms with extensions shall not exceed 36 months; and

WHEREAS, the consultant contract for the master plan and environmental assessment will be
executed within the effective period of the Proclamation with an initial term not to exceed 12 months;
and

WHEREAS, MOU section IV requires a written Instrument signed by HHFDC and the County to
waive, modify, or change any terms of the MOU;

NOW, THEREFORE, the parties hereby agree as follows:

1. To the extent permitted by the Proclamation, Chapter 103D, HRS, is suspended with respect to
the County's contracting with a consultant to prepare the master plan and environmental
assessment for the HHFDC Project and County Project.

2. County agrees to provide HHFDC a copy of the fully executed consultant agreement.
3. All other terms of the MOU not affected by the above shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed these presents as of the day and year first written above.

Approved as to Form:

[Signature]
Deputy Attorney General

Approved as to Form and Legality:

[Signature]
Deputy Corporation Counsel

Approved as to Contents:

[Signature]
Department of Corporation Counsel

Hawai'i Housing Finance and Development Corporation

[Signature]
Craig K. Hiral
Executive Director

County of Hawai'i

[Signature]
Harry Kim
Mayor
AMENDMENT #2 TO THE MEMORANDUM OF UNDERSTANDING
VILLAGE 9, VILLAGES OF LAI'OPUA

THIS AMENDMENT, dated as of SEP 18 2020, made by and between the HAWAI'I HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawaii ("HHFDC"), doing business at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, and the COUNTY OF HAWAI'I, a municipal corporation of the State of Hawaii ("County"), doing business at 25 Aupuni Street, Hilo, Hawaii, 96720.

WITNESSETH:

WHEREAS, HHFDC and County entered into a Memorandum of Agreement dated April 2, 2018 ("MOU") relating to affordable housing and homeless projects located on a ceded land parcel identified as TMK No. (3) 7-4-020:004 totaling approximately 35.774 acres ("Property"); and

WHEREAS, HHFDC plans to develop the mauka portion of the Property ("HHFDC Parcel") for an affordable multi-family rental housing project ("HHFDC Project"); and

WHEREAS, the MOU enables the County to develop the makai portion of the Property ("County Parcel") for an emergency and permanent facilities for the homeless project ("County Project"); and

WHEREAS, the MOU was amended by Amendment #1 to the Memorandum of Understanding dated April 5, 2019 relating to the suspension of Chapter 103D, Hawaii Revised Statutes ("HRS"), for the County's procurement of a consultant to prepare the Concept Plan (as defined therein) and EA (as defined therein) for the HHFDC Project and the County Project, to the extent permitted by the Governor's emergency proclamation for homelessness dated December 14, 2018, as supplemented on February 12, 2019 ("Emergency Proclamation"); and

WHEREAS, the MOU provides for a resolution of access for vehicular and utility purposes to the HHFDC and County Projects acceptable to HHFDC and the Department of Land and Natural Resources ("DLNR") ("Access Road"); and

WHEREAS, the MOU commits the County to prepare a master plan and environmental assessment to cover both the HHFDC Project and the County Project, to be funded by HHFDC's Dwelling Unit Revolving Fund ("DURF Fund"), with an initial budget of $184,000.00, unless otherwise approved by HHFDC ("DURF Budget"); and

WHEREAS, the DURF Budget approved by HHFDC to date is $247,267.00 pursuant to Budget Modification No. 4 as shown on Exhibit D, attached hereto and hereby incorporated by reference; and
WHEREAS, the Property has been set aside to HHFDC by Governor's Executive Order No. 4575 dated December 19, 2018 for affordable housing and related purposes ("EO 4575"); and

WHEREAS, HHFDC and the County entered into a Revocable Right of Entry dated April 5, 2019, as amended by Amendment #1 to the Revocable Right of Entry dated February 21, 2020, pursuant to the Emergency Proclamation relating to the leasehold development and operation of the HHFDC Project and the County Project; and

WHEREAS, the parties wish to amend the MOU to increase the DURF Budget to reimburse the County for the costs of planning, design, construction and dedication to the County of the Access Road to be completed by the County, as approved by the HHFDC Board of Directors on December 12, 2019;

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions. Unless otherwise defined herein, all initially capitalized terms shall have the meanings given them in the MOU.

2. Sub-paragraph I.D. of the MOU under Paragraph I, HHFDC Obligations, is amended by deleting it in its entirety and replacing it with the following:

"D. Subject to availability of funds, approval by the HHFDC Board of Directors, and release of funds by the Governor of the State of Hawaii, HHFDC shall reimburse the County from its Dwelling Unit Revolving Fund ("DURF Fund") in the amount of $3,693,738.00, as shown on the attached Exhibit D, unless otherwise approved by HHFDC, for reimbursement to the County for the cost of a conceptual site plan of the Property for the HHFDC and County Projects ("Concept Plan") and the cost of the HRS Chapter 343 Environmental Assessment ("EA") of the HHFDC and County Projects, and the planning, design, construction and dedication to the County of the Access Road, all to be completed by the County, as follows unless otherwise approved by HHFDC:

1. The initial budget of the DURF Fund is as follows:
   - Concept Plan: $15,000.00
   - EA: $169,000.00
   - Total: $184,000.00

2. The DURF Fund may be used for any project related expense, as approved by HHFDC;

3. Any amendments to the budget of the DURF Fund shall be subject to HHFDC approval;

4. Request for periodic payments from the DURF Funds shall be made by the County by submittal of a written request to HHFDC (no more than
once a month), accompanied by the worksheets and information supporting the withdrawal, in forms attached hereto as Exhibit C, or as otherwise approved by HHFDC; supporting information shall include the DURF Fund budget, amount of the DURF Fund budget paid to date, amount of the payment requested, and amount of the DURF Fund budget remaining for payment;

5. Payments from the DURF Fund shall be made payable to the County, for payment to its vendor; and

6. All contracts shall name DLNR, HHFDC and the State of Hawaii as additional indemnitees and additional insured parties;

3. The following new Sub-paragraph I.E. shall be added to Paragraph I. of the MOU under HHFDC Obligations:

"E. After subdivision approval, request approval by the Board of Land and Natural Resources ("BLNR") for the dedication of the Access Road to the County by cancellation of EO 4575 over the Access Road and re-set aside of the Access Road to the County;"

4. The following new Sub-paragraphs II.M. to II.R., shall be added to Paragraph II. of the MOU under County Obligations:

"M. Procure consultants and contractors necessary for the planning, design, construction and dedication of the Access Road to the County;

N. Obtain subdivision approval of the Property to provide for the Access Road, the County Parcel and the HHFDC Parcel, as approved by HHFDC;

O. Work with, and request approval by the BLNR for the dedication of the Access Road to the County by cancellation of EO 4575 for the Access Road and re-set aside the Access Road to the County, after subdivision approval and prior to commencement of construction of the Access Road;

P. Except for the emergency homeless project, require its general contractor to furnish HHFDC a performance and payment bond equal to 100% of the construction contract for the proposed construction work to be commenced, naming HHFDC, DLNR and the State of Hawaii as co-obligee on the bonds;

Q. After completion of construction and approval by BLNR, accept dedication of the Access Road from DLNR as approved by BLNR; and

R. To satisfy HHFDC's affordable requirements for EO 4575 and DURF Funds, agree to HHFDC’s minimum affordable requirement that more than 50% of the units, or, for a mixed-use project, more than 50% of the gross

Reviewed by SAC, 8/28/20
floor area of the County Project shall be affordable to households at 140% or below the U.S. Department of Housing and Urban Development area median income for the term of the ground lease."

5. All other terms of the MOU not affected by the above shall remain in full force and effect, and the MOU as hereby amended, is hereby ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed these presents as of the day and year first written above.

Approved as to Form: Hawai'i Housing Finance and Development Corporation

Sandra Ching
Deputy Attorney General
Sep 3, 2020

Janice Takahashi
Interim Executive Assistant
Sep 3, 2020

Approved as to Form and Legality:

Digitally signed by
Joseph Kamelamela

Deputy Corporation Counsel

for Harry Kim

Mayor

Reviewed by SAC, 8/28/20
COUNTY OF HAWAII
25 Aupuni Street
Hilo, Hawaii 96720

Date: __________

DRAW REQUEST AND CERTIFICATION

Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813
ATTN: Stan S. Fujimoto, Project Manager

Subject: Draw Request No. __________
DURF Funds
Village 9
Villages of La‘i‘opua
Kealakehe, North Kona, Hawaii

We request payment for the attached contract and/or invoices in the following total amount for the above subject Village 9 for County and HHFDC Projects at the Villages of La‘i‘opua, in Kealakehe, North Kona, Hawaii, TMK No. (3) 7-4-020: 004:

$ ____________ From DURF Funds

We hereby certify that all of the requested items have been paid or are due and payable in connection with the project pursuant to the project documents including the following:

- Hawaii Housing Finance and Development Corporation (HHFDC) For Action dated January 11, 2018 approving the Memorandum of Understanding (MOU) and DURF Funds for Village 9 (MOU);
- Governor’s approval of release of DURF Funds for the project dated ________; and
- MOU between the County and HHFDC for Village 9 dated _________.

After disbursement of the amount requested, the total amount disbursed, and the balance of proceeds remaining after this disbursement will be as stated in the attached worksheets for the DURF Funds for the project.

Sincerely,
COUNTY OF HAWAII

____________________

EXHIBIT C-1
### COUNTY MOU - VILLAGE 9
### SUMMARY OF INVOICES
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**Total:** 0

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**EXHIBIT C-2**

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<td><strong>Financing Fees &amp; Expenses</strong></td>
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<td><strong>Developer's Fees</strong></td>
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<tr>
<td>Developer's Fee</td>
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<td><strong>Total Project Cost</strong></td>
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**EXHIBIT C-3**
## VILLAGE 9 DURF BUDGET MODIFICATION

8/28/2020

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<th>Budget Item</th>
<th>Initial Budget</th>
<th>Current Budget Mod.</th>
<th>Proposed New DURF</th>
<th>Variance % of Total Budget</th>
<th>Contingency Approx. 13% of Total Budget</th>
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<td>553,529.00</td>
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<td>250,000.00</td>
<td>4,250,000.00</td>
<td>4,000,000.00</td>
<td></td>
</tr>
</tbody>
</table>

EXHIBIT D

\[\text{x:\c:\\1.xlsx(2020)exh d - mou total durf budget proposed}\]
AMENDMENT #3 TO THE MEMORANDUM OF UNDERSTANDING
VILLAGE 9, VILLAGES OF LA'I'ÖPUA

THIS AMENDMENT, dated as of _Jan 15, 2021_, made by and between the HAWAI'I HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawaii ("HHFDC"), doing business at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, and the COUNTY OF HAWAI'I, a municipal corporation of the State of Hawaii ("County"), doing business at 25 Aupuni Street, Hilo, Hawaii, 96720.

WITNESSETH:

WHEREAS, HHFDC and County entered into a Memorandum of Agreement dated April 2, 2018 ("MOU") relating to affordable housing and homeless projects located on a ceded land parcel identified as TMK No. (3) 7-4-020:004 totaling approximately 35.774 acres ("Property"); and

WHEREAS, HHFDC plans to develop the mauka portion of the Property ("HHFDC Parcel") for an affordable multi-family rental housing project ("HHFDC Project"); and

WHEREAS, the MOU enables the County to develop the makai portion of the Property ("County Parcel") for an emergency and permanent facilities for the homeless project ("County Project"); and

WHEREAS, the MOU was amended by Amendment #1 to the Memorandum of Understanding dated April 5, 2019 relating to the suspension of Chapter 103D, Hawaii Revised Statutes ("HRS"), for the County's procurement of a consultant to prepare the Concept Plan (as defined therein) and EA (as defined therein) for the HHFDC Project and the County Project, to the extent permitted by the Governor's emergency proclamation for homelessness dated December 14, 2018, as supplemented on February 12, 2019 ("Emergency Proclamation"); and

WHEREAS, the MOU was amended by Amendment #2 to the Memorandum of Understanding dated September 18, 2020 increasing the DURF Budget by $4,000,000.00 to reimburse the County for the costs of planning, design, construction and dedication to the County of the vehicular and utility access for the HHFDC and County Projects acceptable to HHFDC and the Department of Land and Natural Resources ("DLNR")("Access Road") to be completed by the County, as approved by the HHFDC Board of Directors on December 12, 2019; and

WHEREAS, HHFDC and the County entered into a Revocable Right of Entry dated April 5, 2019, as amended by Amendment #1 to the Revocable Right of Entry dated February 21, 2020, and Amendment #2 to the Revocable Right of Entry dated
September 18, 2020, pursuant to the Emergency Proclamation relating to the leasehold development and operation of the HHFDC Project and the County Project; and

WHEREAS, in conjunction with this Amendment #3 to the MOU, HHFDC and the County anticipate executing Amendment #3 to said Revocable Right of Entry; and

WHEREAS, the parties wish to amend the MOU to reflect HHFDC's conceptual approval of the grading plan on the HHFDC Parcel necessary to provide fill for the Access Road and the County Project, subject to the construction of a security fence and gate along the mauka boundary of the Access Road and the reporting of trespassers observed at the HHFDC Parcel for applicable and appropriate citation.

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions. Unless otherwise defined herein, all initially capitalized terms shall have the meanings given them in the MOU.

2. The following new Sub-paragraph I.F. shall be added to Paragraph I. of the MOU under HHFDC Obligations:

   "F. HHFDC approves the conceptual grading plan at the HHFDC Parcel attached hereto as Exhibit E-1, with grading profile of the graded area between the proposed onsite access road at the HHFDC Parcel and Kealakehe Parkway as shown on the attached Exhibit E-2, and with grading profile of the proposed onsite access road as shown on the attached Exhibit E-3;"

3. The following new Sub-paragraphs II.S. to II.U., shall be added to Paragraph II. of the MOU under County Obligations:

   "S. Install a 5' high chain link fence along the mauka boundary of the Access Road to the end of the cul de sac, with a 20' wide double gate at the entry of the onsite access road to the HHFDC Parcel secured with a chain and lock with sufficient keys for the County and HHFDC to access the HHFDC Parcel from the Access Road as necessary, with "No Trespassing" signs secured to the fence at appropriate intervals;

   T. Report any trespassers observed at the HHFDC Parcel to the Police Department for investigation and citation, as applicable and appropriate, until the area is developed for the HHFDC Project; and

   U. Provide advance notice to the U.S. Fish and Wildlife Service ("FWS") of the construction start date of all phases of the County Project and keep the FWS informed of the progress of the County Project."
4. All other terms of the MOU not affected by the above shall remain in full force and effect, and the MOU as hereby amended, is hereby ratified and confirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed these presents as of the day and year first written above.

Approved as to Form: Hawai’i Housing Finance and Development Corporation

Sandra Ching
Deputy Attorney General
Jan 12, 2021

Francis Paul Keeno
Executive Assistant

Approval Recommended

Housing Administrator
County of Hawai’i
Office of Housing and Community Development

Lee E. Lord
By: Its: Managing Director

Approved as to Form and Legality:

Deputy Corporation Counsel
Date: 01/06/2021

Reviewed by SAC, 12/11/20
EXHIBIT C
A right-of-entry (the "Right of Entry") dated __________ is granted by the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION ("HHFDC"), a public body and a body corporate and politic of the State of Hawaii, whose business and mailing address is 677 Queen Street, Suite 300, Honolulu, HI 96813, to the COUNTY OF HAWAII, a municipal corporation of the State of Hawaii, whose address is 25 Aupuni Street, Hilo, Hawaii 96720, its employees, officers, agents, representatives, invitees, and its contractors, including their consultants, subcontractors and suppliers (hereinafter collectively "Permittee") onto and over the unimproved property of approximately 35.774 acres at the Villages of Lā'ī'opua Village 9 property at Kealakehe, North Kona, Hawaii, Tax Map Key (3) 7-4-020: 004, as shown on the map marked Exhibit A, which is attached and incorporated by reference (the "Property"), for the following purposes—

1. Planning, design, construction and operation of an emergency encampment for the homeless on approximately 5 acres within the makai (western) portion of the Property, as shown on the attached map marked Exhibit A ("Emergency Homeless Area"), to include—

   a. Grubbing and grading;
   b. Temporary shelter;
   c. Support infrastructure;
   d. Services;
   e. Parking;
   f. Security; and

2. Planning, design and construction of the following at the Property as described in the Memorandum of Understanding between HHFDC and Permittee dated April 2, 2018 ("Village 9 MOU"), to include—

EXHIBIT C
a. A master plan and an Environmental Assessment pursuant to HRS Chapter 343 for development by Permittee of permanent facilities to service the homeless population ("County Project") on approximately fifteen to twenty acres of the makai portion of the Property (inclusive of the Emergency Homeless Area) as shown on the attached Exhibit A ("County Parcel"), development by HHFDC of the mauka portion of the Property ("HHFDC Parcel") for a leasehold affordable multi-family rental housing project ("HHFDC Project"), and an access road between the County and HHFDC Projects;
b. Subdivision to allow for the creation of an access road and the County and HHFDC Parcels;
c. A ground lease to Permittee at $1/year for 65 years for the County Parcel ("Ground Lease"); and
d. Non-exclusive easements for access and utility purposes over the access road for the benefit of the County and HHFDC Projects.

This Right of Entry is entered into pursuant to the Governor’s Emergency Proclamation to address the homeless dated December 14, 2018 and Supplementary Proclamation dated February 12, 2019 ("Proclamation") and therefore this Right of Entry is effective from the date of this Right of Entry until Twelve (12) months from the date of this Right of Entry, provided that this Right of Entry may be extended for two additional 12-month terms, at the sole discretion of HHFDC, but the total term of this Right of Entry with extensions shall not exceed 36 months, subject to the following conditions:

1. This Right of Entry is entered into pursuant to the Proclamation which suspended a number of statutory provisions, including:
   a. HRS Chapter 343 for Environmental Assessments/Environmental Impact Statements;
   b. HRS Chapter 103D, Procurement;
   c. HRS Chapter 171, Public Lands; and
d. HRS Chapter 46, Counties.

2. Permittee shall accept the Property in “AS IS” condition.

3. Permittee shall assume all responsibility for its actions or omissions in connection with this Right of Entry.
4. At all times during the term of this Right of Entry, Permittee; (a) shall keep the County Parcel in a safe, clean, sanitary and orderly condition; (b) shall not cause the HHFDC Parcel to be in an unsafe, unclean, unsanitary, or disorderly condition; and (c) shall not make, permit, or suffer any waste, strip, spoil, nuisance, or unlawful, improper or offensive use of the Property.

5. Permittee shall be responsible for clearing and removing all materials and debris generated during and resulting from Permittee’s activity within the Property.

6. Permittee shall ensure that any materials which Permittee stores in and upon the Property will not contain any hazardous or toxic material or substance as such terms have been, or may be, defined by any federal, state, county or municipal laws, ordinances, rules and regulations.

7. Permittee shall observe and comply with all applicable laws, ordinances, rules and regulations of the federal, state or county governments affecting the Property.

8. Permittee shall be responsible for compliance with HRS Chapter 343.

9. Permittee’s activities shall in no way be outside the scope contemplated under this Right of Entry, and upon written notification of violation by HHFDC, Permittee shall promptly remove all of Permittee’s property and personnel from the Property. In such event, this Right of Entry shall be deemed automatically terminated.

10. This Right of Entry cannot be assigned, sold or transferred by Permittee.

11. This Right of Entry may be terminated in the sole discretion of the HHFDC by written notification to Permittee at any time, and upon written notification, Permittee shall promptly remove all of Permittee’s property and personnel from the Property.

12. HHFDC may permit entry on the Property to other persons with the approval of Permittee. Permittee shall work cooperatively with other persons granted use of the Property by HHFDC and Permittee.

13. This Right of Entry may be subject to easements and conditions for entry by others. Should any such access rights be affected detrimentally by
Permittee under this Right of Entry, then Permittee shall be responsible for restoring reasonable access.

14. Except as described herein, there shall be no construction on the Property which will alter or detrimentally affect the Property, without prior written approval by HHFDC.

15. Subject to necessary Council approvals, Permittee shall assume sole and complete liability for and shall indemnify, defend and hold the State of Hawaii, the Department of Land and Natural Resources and HHFDC harmless from and against any loss, liability, claim or demand for property damage, personal injury, and death arising out of any act or omission of Permittee and Permittee's contractors under this Right of Entry. This provision shall survive termination of this Right of Entry, notwithstanding any other provision to the contrary.

16. Permittee shall cause its contractors, consultants, and/or persons acting for, or on its behalf ("Contractors"), at their cost and expense, to procure and maintain insurance acceptable to HHFDC throughout the term of this Right of Entry. The policy or policies of insurance shall provide the following limits and coverages:

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Minimum Policy Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial General Liability and Automobile Insurance</td>
<td>Contractor's commercial general liability and automobile liability, including products and completed operations coverage, and automobile liability insurance shall be written on occurrence form and contain broad form property damage and bodily injury coverage of a combined single limit of not less than $1,000,000 per occurrence and $2,000,000 in the aggregate (the maximum amount paid for claims during a policy term) arising out of or in connection with operations performed under this Right of Entry. Automobile insurance and basic no-fault and personal injury protection as required by Hawaii laws, shall be no less than $1,000,000 per accident. If Contractors do not own automobiles, they shall</td>
</tr>
</tbody>
</table>
Workers' Compensation  

As required by Hawaii laws

Insurance shall be in force on the first day of the term of this Right of Entry. Each insurance policy required by this Right of Entry shall contain the following five provisions:

a. It is agreed that any insurance maintained by the State of Hawaii shall apply in excess of and not contribute with insurance provided by this policy.

b. The HHFDC, Department of Land and Natural Resources, and the State of Hawaii are added as insured parties and loss payees for operations performed on the Property under this Right of Entry.

c. If a general aggregate limit is used, the general aggregate limit shall apply separately to this Right of Entry.

d. This insurance shall include a cross liability or severability of interest provision.

e. The Permittee shall immediately provide written notice to HHFDG should any of the insurance policies evidenced on Contractor's Certificate of Insurance form be cancelled, limited in scope, or not renewed upon expiration.

All insurance described herein shall be primary and cover the insured for all work to be performed under this Right of Entry, all work performed incidental thereto or directly or indirectly connected therewith, including work performed outside the work area and all change order work.

Permittee shall cause each Contractor to agree to a Waiver of Subrogation for each required policy described herein. When required by the insurer, or should a policy condition not permit the Contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, Permittee shall cause its Contractors to notify the insurer and request that the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition specifically prohibiting such an endorsement, or voids coverage should the Contractor enter into such an agreement on a pre-loss basis.
Permittee agrees to cause its Contractors to deposit with HHFDC, on or before the effective date of this Right of Entry, certificates of insurance necessary to satisfy HHFDC that the insurance provisions of this Right of Entry have been complied with. Permittee further agrees to cause its Contractors to keep such insurance in effect and the certificates therefor on deposit with HHFDC during the entire term of this Right of Entry. The certificates of insurance shall refer to this Right of Entry.

HHFDC shall retain the right at any time to review and approve coverage, form, and amount of the insurance required by this Right of Entry. If, in the reasonable opinion of HHFDC, the insurance provisions in this Right of Entry do not provide adequate protection for HHFDC, HHFDC may require Permittee to cause its Contractors to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. HHFDC's requirements shall be reasonable but shall be designed to assure protection from and against the kind and extent of the risks which exist at the time a change in insurance is required, provided that such additional insurance or coverage is available.

HHFDC shall notify the Permittee in writing of any changes in the insurance requirements desired by HHFDC. If the Permittee does not deposit Contractor's copies of insurance policies with HHFDC incorporating such changes requested by HHFDC within 30 days of receipt of such notice, Permittee shall be in default and this Right of Entry shall terminate without further notice to the Permittee and HHFDC shall be entitled to all legal remedies.

The procuring of the required policy or policies of insurance shall not be construed to limit the Permittee's liability under this Right of Entry or to fulfill the indemnification provisions and requirements of this Right of Entry. Notwithstanding the policy or policies of insurance, the Permittee shall be obligated for the total amount of any damage, injury, or loss incurred under or related to this Right of Entry.

17. Except as described herein, Permittee shall vacate the Property and shall promptly remove all of Permittee's property and personnel from the Property upon termination or expiration of this Right of Entry.

18. Except as described herein, upon vacating the Property, Permittee shall restore the Property to a condition as similar as reasonably possible to that which existed prior to the Permittee's entry to the Property, or better.
This provision shall survive the termination of this Right of Entry, notwithstanding any other provision to the contrary.

19. If the Ground Lease is executed prior to the expiration or earlier termination of this Right-of-Entry, this Right-of-Entry shall be superseded by such Ground Lease as to the County Parcel.

20. Permittee shall comply with the terms of the following:

a. Memorandum of Understanding between HHFDC and the U.S. Fish and Wildlife Service ("FWS") dated February 8, 2016 regarding two No Development Areas of 2.9 acres and 1.3 acres at Village 9, TMK (3) 7-4-020: 004, and work with, and coordinate with FWS before any ground disturbing activities take place at the Property;

b. HHFDC For Action dated September 14, 2017;

c. HHFDC For Action dated January 11, 2018;

d. The Village 9 MOU; and


21. HHFDC reserves the right to impose additional terms and conditions, if it deems them necessary.

Attachments

[Signature page follows]
Revocable Right of Entry to The County of Hawaii
Village 9, Villages of La'i'opua, TMK (3) 7-4-020: 004
Page 8

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

By: Craig K. Hirai
11s Executive Director
Dated: APR 4 2019

"HHFDC"

ACCEPTED AND AGREED:

APPROVED AS TO FORM AND LEGALITY:
COUNTY OF HAWAII

By: Harry Kim
Mayor
Dated: APR 2 2019

"Permittee"
EXHIBIT A

Property Map
AMENDMENT #1 TO THE REVOCABLE RIGHT-OF-ENTRY
VILLAGE 9, VILLAGES OF LA'I'OPUA

THIS AMENDMENT, dated as of FEB 21 2020, made by and between the HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawaii ("HHFDC"), doing business at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, and the COUNTY OF HAWAII, a municipal corporation of the State of Hawaii ("Permittee"), doing business at 25 Aupuni Street, Hilo, Hawaii, 96720.

WITNESSETH:

WHEREAS, a ceded land parcel identified as TMK No. (3) 7-4-020: 004 totaling approximately 35.774 acres ("Property") has been set aside to HHFDC by Governor’s Executive Order No. 4575 dated December 19, 2018 for affordable housing and related purposes; and

WHEREAS, HHFDC plans to develop the mauka portion of the Property for an affordable multi-family rental housing project ("HHFDC Project"); and

WHEREAS, HHFDC and Permittee entered into a Revocable Right-of-Entry dated April 5, 2019 ("ROE") relating to the development and operation of affordable housing and homeless projects located on the Property; and

WHEREAS, the ROE enables the Permittee to develop the makai portion of the Property for an emergency and permanent facilities for the homeless project ("County Project"); and

WHEREAS, on November 23, 2019, Permittee published a Final Environmental Assessment pursuant to Chapter 343, Hawaii Revised Statutes, in The Environmental Notice of the Office of Environmental Quality Control for the HHFDC and County Projects at the Property; and

WHEREAS, the ROE expires on April 4, 2020, provided that the ROE may be extended for two additional 12-month terms, at the sole discretion of HHFDC, but the total term of the ROE with extensions shall not exceed 36 months; and

WHEREAS, HHFDC is agreeable to extend the ROE for the first of two additional 12-month terms;

NOW, THEREFORE, the parties hereby agree as follows:

1. The term of the ROE is hereby extended by the first of two additional 12-month terms, from April 5, 2020 to April 4, 2021, provided that the ROE may be extended for one additional 12-month term, at the sole discretion of HHFDC, but the total term of the ROE with extensions shall not exceed 36 months.
2. All other terms of the ROE not affected by the above shall remain in full force and effect, and the ROE as hereby amended, is hereby ratified and confirmed and shall remain in full force and effect.

[signature page follows]
IN WITNESS WHEREOF, the undersigned have executed these presents as of
the day and year first written above.

Approved as to Form:

Deputy Attorney General
2/21/20

Hawai'i Housing Finance and Development Corporation

Denise Iseri-Matsubara
Interim Executive Director

Approved as to Form and Legality:

Deputy Corporation Counsel

County of Hawai'i

Harry Kim
Mayor

x:\c:\m:\2020\roe amend#1a.ag.rev.2-5-20

Reviewed by SAC, 2/5/20
AMENDMENT #2 TO THE REVOCABLE RIGHT OF ENTRY
VILLAGE 9, VILLAGES OF LA'I'ŌPUA

THIS AMENDMENT, dated as of SEP 18 2020, made by and between the HAWAI'I HOUSING FINANCE AND DEVELOPMENT CORPORATION, a public body and a body corporate and politic of the State of Hawai'i ("HHFDC"), doing business at 677 Queen Street, Suite 300, Honolulu, Hawaii, 96813, and the COUNTY OF HAWAII, a municipal corporation of the State of Hawaii ("Permittee"), doing business at 25 Aupuni Street, Hilo, Hawaii, 96720.

WITNESSETH:

WHEREAS, HHFDC and Permittee entered into a Revocable Right of Entry dated April 5, 2019 ("ROE") relating to the development and operation of affordable housing and homeless projects located on a ceded land parcel identified as TMK No. (3) 7-4-020:004 totaling approximately 35.774 acres ("Property"); and

WHEREAS, the Property has been set aside to HHFDC by Governor's Executive Order No. 4575 dated December 19, 2018 for affordable housing and related purposes ("EO 4575"); and

WHEREAS, HHFDC plans to develop the mauka portion of the Property ("HHFDC Parcel") for an affordable multi-family rental housing project ("HHFDC Project"); and

WHEREAS, the ROE enables the Permittee to develop the makai portion of the Property ("County Parcel") for an emergency and permanent facilities for the homeless project ("County Project"); and

WHEREAS, the ROE provides for development of the HHFDC and County Projects pursuant to a Memorandum of Understanding between HHFDC and Permittee dated April 2, 2018, as amended by Amendment #1 to the Memorandum of Understanding dated April 5, 2019 ("Village 9 MOU"), which is subject to a resolution for access for vehicular and utility purposes acceptable to HHFDC and the Department of Land and Natural Resources ("DLNR"); and

WHEREAS, the Village 9 MOU is proposed to be further amended by Amendment #2 to the Memorandum of Understanding to increase HHFDC's budget from HHFDC's Dwelling Unit Revolving Fund ("DURF Budget") for the planning, design, construction and dedication to Permittee of the access road between the HHFDC and County Parcels as approved by HHFDC ("Access Road"), to be completed by the Permittee; and

WHEREAS, the ROE provided that it was effective from the date of the ROE until twelve (12) months from the date of the ROE, provided that the ROE may be extended.
for two additional 12-month terms, at the sole discretion of HHFDC, but the total term of
the ROE with extensions shall not exceed 36 months; and

WHEREAS, Amendment #1 to the ROE dated February 21, 2020 extended the
term of the ROE for an additional 12-month term from April 5, 2020 to April 4, 2021, and
HHFDC is agreeable to extend the ROE for a final 12-month term, from April 5, 2021 to
April 4, 2022;

NOW, THEREFORE, the parties hereby agree as follows:

1. Unless otherwise defined herein, all initially capitalized terms shall have the
meanings given them in the ROE.

2. The term of the ROE is hereby extended by a final 12-month term, from April 5,
2021 to April 4, 2022.

3. Paragraph 2 of the ROE relating to purposes of the ROE is hereby amended by
adding the purpose of the planning, design, construction, and dedication to
Permittee of the Access Road, to be completed by Permittee;

4. Paragraph 14 of the ROE is amended by deleting it in its entirety and replacing it
with the following:

"14. Except for the emergency homeless project, Permittee shall not
commence construction on the Property which will alter or detrimentally
affect the Property until a Notice to Proceed has been issued by HHFDC.
The Notice to Proceed shall not be issued prior to the fulfillment to
HHFDC's satisfaction of all of the following conditions precedent, unless
otherwise approved by HHFDC:

a. Permittee shall furnish to HHFDC evidence satisfactory to HHFDC
that subdivision plans for the Access Road and the County and
HHFDC Parcels as approved by HHFDC have received final
subdivision approval.

b. For construction of the Access Road, Permittee shall furnish to
HHFDC evidence satisfactory to HHFDC that Permittee has
submitted a request to DLNR for the cancellation of EO 4575 over
the Access Road and re-set aside of the Access Road to Permittee.

c. For the Access Road, Permittee shall furnish to HHFDC two (2)
half-sized set of plans and a "pdf" electronic file on CD of the set of
plans and specifications for the proposed construction approved by
HHFDC and the Disability and Communication Access Board
Reviewed by SAC, 8/28/20

(“DCAB”). For the County Project, Permittee shall furnish to HHFDC a "pdf" electronic file on CD of the set of plans and specifications for the proposed construction approved by Permittee and the DCAB.

d. For construction on the County Parcel, Permittee shall furnish to HHFDC evidence satisfactory to HHFDC that the Ground Lease to Permittee has been issued and recorded at the State of Hawaii Bureau of Conveyances.

e. Permittee shall furnish to HHFDC evidence satisfactory to HHFDC that the proposed construction is in compliance with the requirements of Section 103-50, HRS, and the Disability and Communication Access Board, or that Section 103-50, HRS, is not applicable to the proposed construction.

f. Permittee shall furnish to HHFDC evidence satisfactory to HHFDC that Permittee has obtained a grading and/or building permit for the proposed construction.

g. Permittee shall furnish to HHFDC evidence satisfactory to HHFDC that Permittee had an archaeologist and a biologist do a field check to avoid negative impacts to any archaeological site, endangered species, or the critical habitat, has identified any applicable site or plant and prominently marked the outer boundaries of adequate buffer zones around the site or plant to prevent accidental damage by equipment operators.

h. If applicable, Permittee shall furnish to HHFDC evidence satisfactory to HHFDC that Permittee has procured an archaeologist to monitor ground disturbing activities pursuant to any monitoring plan required by the State Historic Preservation Division.

i. Permittee shall furnish to HHFDC evidence of Notice of General Permit Coverage approved by the Department of Health for the type of discharge(s) from the proposed construction authorized by an NPDES General Permit.

j. Permittee shall furnish to HHFDC a copy of the construction contract for the proposed work to be commenced ("Construction Contract").
k. Permittee shall furnish to HHFDC a copy of a performance and payment bond equal to 100% of the Construction Contract for the work to be commenced. The contractor shall be the principal, and the surety shall be a corporate surety satisfactory to HHFDC. The bond shall be conditioned upon the full and proper performance of the work in accordance with the plans and specifications of the Access Road approved by HHFDC, and of the County Project approved by Permittee, and upon the payment of all materials and labor in connection with the development and construction of the project. HHFDC, DLNR and the State of Hawaii shall be additional co-obligees on the bonds.

l. Permittee shall furnish to HHFDC copies of current Certificates of Insurance from its general contractor naming HHFDC, DLNR and the State of Hawaii as additional insured parties as required by this ROE.

m. Coordinate any groundbreaking ceremonies with HHFDC Housing Information Specialist, Kent Miyasaki, at kent.k.miyasaki@hawaii.gov, phone 587-0597.

n. The period of time for legislative action or inaction in any regular or special session next following the date of the setting aside of the Property to HHFDC required by Section 171-11, HRS, has lapsed.

5. The following new paragraphs f and g shall be added to Paragraph 20 of the ROE:

"20. f. EO 4575; and

g. HHFDC For Action dated December 12, 2019."

6. The following new paragraph 22 shall be added to the ROE:

"22. Upon the earlier of completion of construction as described in Paragraph 14 of this ROE, or as soon as each item is obtained, Permittee shall submit the following to HHFDC:

a. A certification by an architect or engineer duly licensed under the laws of the State of Hawaii that the improvements have been substantially completed in accordance with identified project plans and specifications, with a summary description of the project, as-built, to include the following information (as applicable):"
(1) Area of project site;
(2) Gross building area of the project;
(3) Gross building area of any non-residential uses;
(4) Total number of residential units and number of each residential unit type and average size of each unit type;
(5) Number of buildings, stories, and elevators in each building;
(6) Number of parking stalls, as allocated between residential and non-residential uses;
(7) Number of handicapped parking stalls, as allocated between residential and non-residential uses; and
(8) Number of loading stalls.

b. Electronic “pdf” file on CD of “as-built” drawings reflecting all construction changes, alterations or deletions and bearing the stamp or seal and the signature of the registered professional engineer or architect of the construction work completed.

c. All copies of applicable Certificates of Occupancy issued by Permittee for the construction work completed; and

d. Copy of the Affidavit of Publication filed at the applicable Circuit Court of the State of Hawaii indicating that notice of completion of the applicable increment of construction has been published.”

7. All other terms of the MOU not affected by the above shall remain in full force and effect, and the MOU as hereby amended, is hereby ratified and confirmed and shall remain in full force and effect.

[signature page follows]
IN WITNESS WHEREOF, the undersigned have executed these presents as of the day and year first written above.

Approved as to Form:

Sandra Ching
Deputy Attorney General
Sep 3, 2020

Hawai‘i Housing Finance and Development Corporation

Janice Takahashi
Interim Executive Assistant
Sep 3, 2020

Approved as to Form and Legality:

Digitally signed by Joseph Kamelamela

County of Hawai‘i

Roy Takemoto
Deputy Corporation Counsel
Sep 18, 2020, 11:39:16 PM HST

Mayor

Reviewed by SAC, 8/28/20