

University of Hawai'i's P3 Initiatives



Michael Shibata

Director, Office of Strategic Development & Partnership, University of Hawai'i System

Michael is the Director of Strategic Development and Partnership for the University of Hawai'i System. Prior to joining the University, he served as the Director of Real Estate for the Lili'uokalani Trust from 2015 to 2021. He also previously worked for Stanford Carr Development overseeing the development and construction of projects, and PBR Hawaii where he focused on land planning, entitlements, and feasibility studies for projects throughout the State. Shibata holds Bachelor degrees in Economics and Political Science, and a Master of Business Administration from the University of Hawai'i at Manoa.



Kalbert Young

Vice President for Budget & Finance/Chief Financial Officer, University of Hawai'i System

Kalbert is currently the vice president for Budget and Finance and the Chief Financial Officer of the University of Hawai'i System, a position he has held since early 2015. He served as the director of the Department of Finance for the State of Hawaii for four years from 2011 to 2014, and as the director of finance for Maui County from 2004 to 2010. He also previously worked for the Kapalua Land Company and Kamehameha Schools. He earned a bachelor's degree in American History and a Masters of Business Administration, both from the University of Hawai'i at Manoa.



Michael Lam

Senior Vice President, Hunt Companies-Hawai'i Division

Michael is responsible for the development and asset management of key Hunt Hawai'i projects, including the four million square feet the company has under management in Hawai'i. For development, he is responsible for completing Āhuimanu, a 42,000 square-foot grocery-anchored neighborhood center located in historic Kīlauea Town on Kaua'i and UH RISE, a public-private partnership with the University of Hawaii and the University of Hawai'i Foundation. Prior to joining Hunt, Mike served as Director, Investments with Alexander & Baldwin, leading its commercial property acquisition and disposition efforts. Previous positions include Director, Cluster Development for Alexandria Real Estate Equities and Associate Director, Asia Pacific for Cushman & Wakefield. He earned a BSc. in international business from Pepperdine University, a MSc. in real estate development from the Massachusetts Institute of Technology, and a MBA from Cornell University.



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Jared Everett

Managing Director of University Partnerships, Greystar

Jared is Managing Director of University Partnerships for Greystar, leading the pursuit and transactions of on-campus development and acquisition opportunities. Jared joined Greystar in 2018 through the company's acquisition of student housing leader EdR, where he served as Vice President of University Partnerships since 2016. He joined EdR after nearly 14 years with Boise State University, where he served in several capacities, including Treasurer and Executive Director of Real Estate and Business Development. In that role, he managed a \$500 million combined portfolio of investments, debt, and capital projects. Prior to Boise State, Everett worked at Arizona State University. He earned a Master's in Business Administration from Boise State and an undergraduate degree from Arizona State University.



Ethen Thacher

Senior Director of Development, Greystar

Ethen is Senior Director of Development for Greystar and manages various apartment developments in Southern California and Hawai'i. Ethen joined Greystar in 2019 and previously served as Director of Development for Lennar Multifamily Communities (LMC) between 2013 and 2019, managing apartment developments throughout Southern California. Ethen earned a Bachelor of Arts from the University of California, Santa Barbara and is currently enrolled in California State University East Bay's Bachelor of Science Business Administration program.





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Introduction

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 - Atherton RISE (Hunt)
 - NOAA Mixed-Use Graduate Student Housing Project (Greystar)
 - Others

Overview

UH P3 Objectives and Approach Considerations (in no particular order)

Enhancement of Facilities

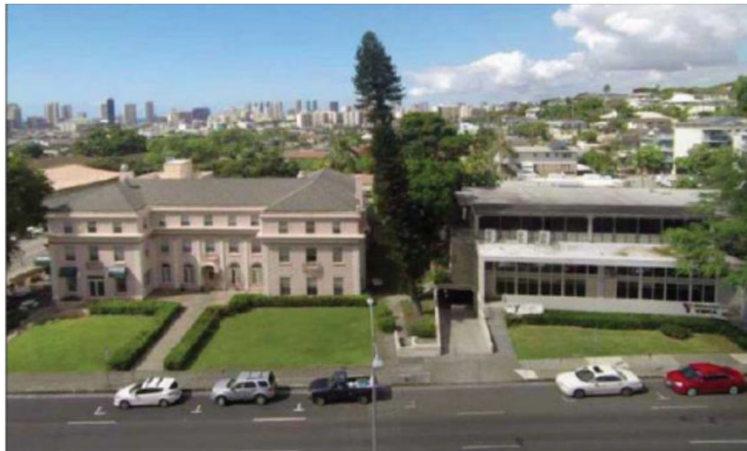
- Minimal financial contributions and commitments by UH.
- Limited balance sheet exposure.
- Elevated standards and quantifiable benefits for privatized facilities.

Risk Mitigation

- Minimize early-phase financial obligations.
- Shift risk of financial obligations and project economics.
- Minimize operations and maintenance responsibilities.

Obligations and Liabilities

- Extent of future financial obligations by UH.
- Degree of UH control, responsibility, and participation during project lifecycle.



Selection Process

- RFP for the NOAA New Multi-Family Mixed-Use Rental Project – Issued November 11, 2018.
- RFP for the Atherton New Mixed-Use Student Housing/Innovation and Entrepreneurship Center Project – Issued December 28, 2018.
- Review Proposals, Interviews, and Developer Selection.

UH-Specific Processes

- Board of Regents approved pre-construction agreements, including multi-phase funding approvals (for private partner), affiliation agreements, operating agreements, etc.
- UH involvement with all other partner(s) participation.

Design-Build-Finance-Operate-Maintain (DBFOM) Model

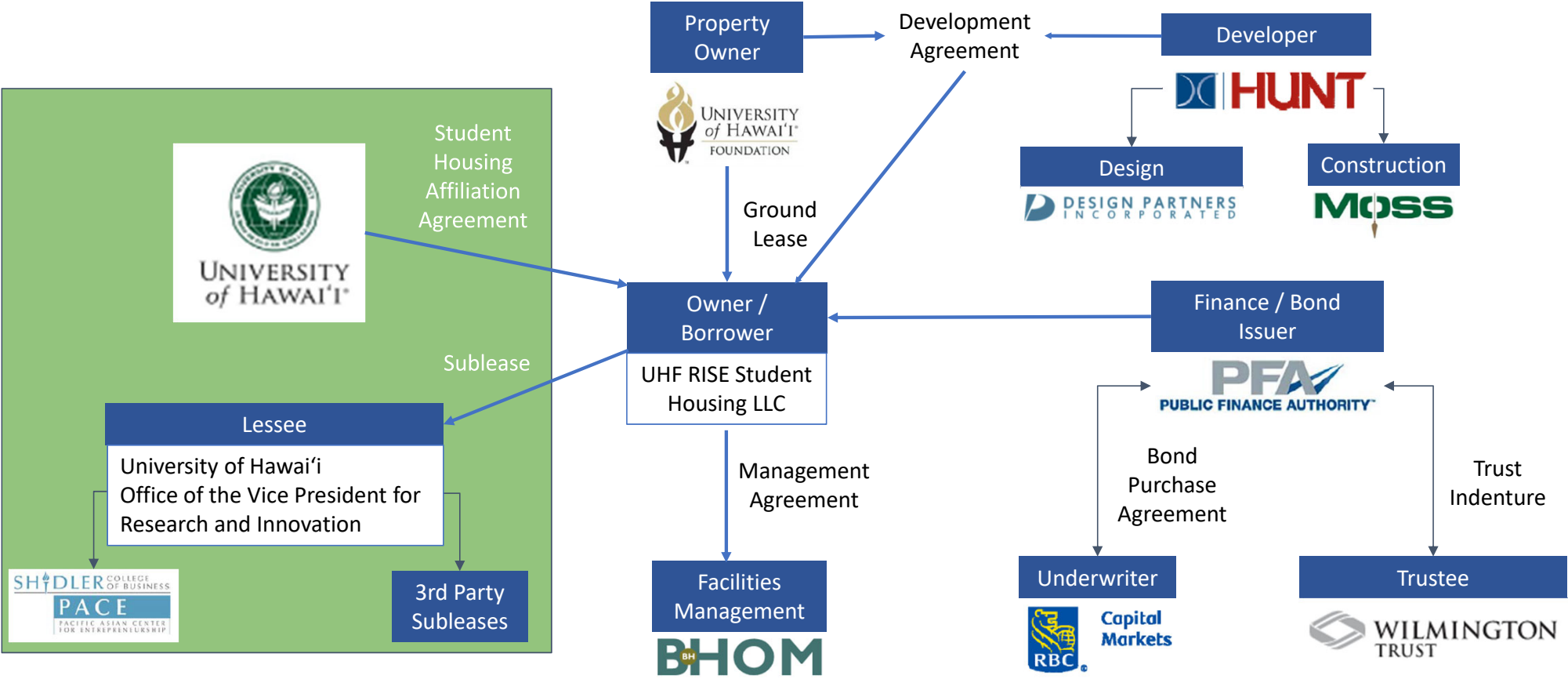
The project is financed, designed, built, operated and/or maintained primarily through the private partner. In essence the project is “owned” by the private partner. The public partner provides a tax-exempt status for the project.

There is “little-to-none” direct funding provided by the public partner.

Project risks are construction/development costs and financing costs that are issues for public entities, but can be assumed by private partners.

On-going lifecycle operations and/or maintenance can be included as part of approach that reduces public partner responsibilities, but increase overall economics for the private partner, and therefore, the overall project.

DBFOM Organizational Structure for Atherton RISE



P3 Initiative: Atherton RISE (Residences for Innovation Student Entrepreneurs)



Active in Hawai'i for over
30 YEARS

#2 Multifamily owner in
the state of Hawai'i

22 Justice facility planning
projects completed

1,100

Senior & Family
LIHTC housing
units financed

7,966

Units owned
and managed

Responsible for the
construction, financing
and development of:

11,497 UNITS

>500,000

SF OF COMMERCIAL SPACE

P3 Initiative: Atherton RISE (Residences for Innovation Student Entrepreneurs)

- Partnership with P3 developer Hunt Development Group to design, build, finance, operate and maintain the Atherton site (0.99 acres) to include student housing, an innovation center space and office space.
- Project estimated at \$75 million, expected completion by the Summer 2023 for occupancy by Fall 2023.
- Planning for 220 units/374 beds with a projected average rental rate of \$1,157 per bed. The Project will also accommodate for 25,000 square feet of innovation, classroom, office and commercial use.
- Exclusive Negotiation Agreement signed with Hunt Development Group in September 2019.
- Draft Environmental Assessment on March 2020.
- Final Environmental Assessment/Finding of No Significant Impact (FONSI) on May 2020.
- PRU Major Modification application submitted to DPP in September 2020 and received Full Council approval on August 2021.
- Bond financing component kick-off in September 2020; final bond closing in November 2021.





P3 Initiative: NOAA Mixed-Use Graduate Student Housing Project

Developer: Greystar

COMPANY WIDE

740K UNITS/BEDS MANAGED	200+ MARKETS GLOBALLY	16 COUNTRIES	19.7K+ TEAM MEMBERS	14 LOCAL DEVELOPMENT OFFICES IN THE U.S.
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UNIVERSITY RELATED

 APPROXIMATELY \$9.5 BILLION STUDENT HOUSING ASSETS UNDER MANAGEMENT	 80+ TOTAL UNIVERSITIES SERVED	 APPROXIMATELY 97,000 STUDENT BEDS MANAGED ON AND OFF CAMPUS AROUND THE GLOBE
 57+ YEARS OF ON-CAMPUS DEVELOPMENT AND MANAGEMENT	 70+ ON-CAMPUS PROPERTIES DEVELOPMENTS	 7,500+ BEDS OWNED UNDER DEVELOPMENT

Numbers as of March 21, 2021

P3 Initiative: NOAA Mixed Use Graduate Student Housing Project

- Partnership with P3 developer Greystar to design, build, finance, operate and maintain mixed-use rental housing at below-market rates for UHM grad students, junior faculty and staff, with preference to include a child care facility; on the former NOAA Fisheries site (~2+ acres).
- Project estimated at \$130 million, expected completion early 2025 for occupancy by Fall 2025.
- Planning for 317 units/559 beds with an average rental rate of \$1,400 (rental rates as of July 2021).
- Exclusive Negotiation Agreement signed with Greystar in November 2019.
- Draft Environmental Assessment in August 2020.
- Final Environmental Assessment/Finding of No Significant Impact (FONSI) on March 2021.
- PRU Minor Modification application submitted to DPP on July 2021 and approved on January 2022.



Potential Future P3 Initiatives

- UH West O'ahu – University Village
- Projects within Transit-Oriented Development (TOD)/Campus Areas
- UH Hilo – University Village
- UH West O'ahu Student Housing
- Faculty Housing

