

Minutes of a Regular Meeting  
of the Members of the  
Hawaii Community Development Authority,  
State of Hawaii

MEETING NO. 387  
Wednesday, July 3, 2013

**AUTHORITY BUSINESS  
KAKAAKO, KALAELOA AND HEEIA**

**I. CALL TO ORDER/ROLL CALL**

A regular meeting of the Kakaako, Kalaeloa and Heeia Members of the Hawaii Community Development Authority ("Authority"), a body corporate and public instrumentality of the State of Hawaii, was called to order by Mr. Brian Lee, Chairperson of the Authority, at 1:02 p.m. on Wednesday, July 3, 2013, at the Authority's principal executive offices at 461 Cooke Street, Honolulu, Hawaii, pursuant to Article IV, Section 1 of the Authority's Bylaws.

Members Present: Mahealani Cypher  
Mary Alice Evans (DBEDT)  
Randy Grune (DOT)  
Miles Kamimura (for Kakaako and Kalaeloa)  
Brian Lee  
Amy Luersen  
Lois Mitsunaga  
Luis Salaveria (DBF)  
Dean Seki (DAGS)  
Shirley Swinney

Members Absent: Linda Chinn (DHHL)

Others Present: Anthony Ching, Executive Director  
Lori Tanigawa, Deputy Attorney General  
Chris Sadayasu, Asset Manager  
Shelby Hoota, Program Specialist  
Patricia Yoshino, Secretary  
Holly Hackett, Court Reporter

**MATERIALS DISTRIBUTED:**

1. Summary Minutes of Authority Regular Meeting of March 6, 2013.

Chairperson Lee welcomed the 2 newly appointed Members of the Authority. Member Cypher was appointed to the Heeia Authority, and Member Swinney was reappointed to the Kalaeloa Authority.

Member Cypher stated she was happy to be joining the Authority to review plans for State lands in Heeia and hoped that whatever mana'o she had to share would be helpful to the Authority.

Member Swinney thanked the Governor the appointment and Member Kamimura for sitting in as an interim for Kalaeloa. Her purpose was to make sure that the Kalaeloa community's voice is heard.

Chairperson Lee stated that he would take the agenda out of order and start with the election of officers.

#### **IV. AUTHORITY BUSINESS\***

##### **2. Election of Officers, FY 2013-2014**

Chairperson Lee stated that the HCDA by-laws call for officers to be elected on the first meeting following July 1 of each year. He opened the floor for nominations for the offices of Chairperson, Vice Chairperson and Secretary.

Member Salaveria nominated Member Lee as Chairperson, Member Mitsunaga and Vice Chairperson, and Member Kamimura as Secretary.

There were no other nominations made.

Chairperson Lee asked whether any member of the public wished to comment. There were none.

Chairperson Lee stated that Members would vote for the slate of officers nominated.

A roll call vote was conducted.

Ayes: Members Cypher, Grune, Kamimura (for Kakaako), Kamimura (for Kalaeloa), Lee, Evans, Luersen, Mitsunaga, Salaveria, Seki and Swinney.

Nays: None

The motion carried with a vote of 11 to 0 with 5 excused (Member Chinn and 4 vacant positions).

Members Salaveria and Seki exited the meeting at 1:11 p.m.

## II. APPROVAL OF MINUTES

### 1. Regular Meeting of March 6, 2013

Chairperson Lee asked whether there were any corrections to the minutes of the March 6, 2013 meeting. There were no comments or corrections from the Members, and the minutes were approved as presented.

## III. REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Anthony Ching presented his report via a PowerPoint presentation (see Exhibit A).

Member Swinney asked whether operating funds remain in each district and is it limited as to how it can be used in the district.

Mr. Ching explained that each year the Legislature establishes spending ceilings for operational expenses. The HCDA has to forecast to the Legislature on how it proposes to spend the operational funds. For Kalaeloa, the operational budget is \$200,000, as an authorization and is consistent with funds generated through assessments to landowners. As the Kalaeloa district becomes more robust in terms of its activities and can generate through interaction with developers, either assessment proceeds or impact fees which have their own strings. For example, public facilities dedication funds generated are earmarked for those types of programs. We must be accountable for the accounts. If we can allocate within the account, projects can be undertaken where we have an available balance.

Chairperson Lee encouraged Members to have further discussions with Mr. Ching to become familiar with the financials.

There were no comments from the public on the agenda item.

## IV. AUTHORITY BUSINESS (continued)

### 3. Recompose Committee to Revise the Hawaii Community Development Authority By-Laws

Chairperson Lee explained Act 323, which took effect in July 2012, created a new structure for the HCDA. As a result, the HCDA By-Laws need to be revised to reflect the important changes. On November 7, 2012, he had appointed Members Evans, Chun, Kanahale and himself to the committee to revise the HCDA By-Laws. As Mr. Chun and Mr. Kanahale were no longer members of the Authority, he recomposed the committee and appointed Members Luersen, Cypher, Swinney and himself to the committee conduct a review of the existing By-Laws, report on their progress, and provide a final report and recommendations to the board.

4. Recompose Committee to Consider the Performance Evaluation of the Executive Director

Chairperson Lee stated that on November 7, 2012, he had appointed an investigative committee whose scope was to develop a process for the Authority to conduct a performance evaluation of the executive director. That committee was composed of Members Evans, Chun, Salaveria and myself. As Mr. Chun was no longer a member of the Authority, he recomposed the committee and appointed Members Evans, Kamimura, Salaveria and himself to the investigative committee to conduct a performance evaluation of the executive director. The committee will report its recommendations back to the Authority at the future meeting during an Executive Session.

There were no questions from Members or comments from the public on the agenda item.

**V. ADJOURNMENT**

A motion to adjourn was made by Member Swinney and seconded by Member Grune. By a show of hands vote, the motion carried unanimously.

The meeting adjourned at 1:24 p.m.

Respectfully submitted,

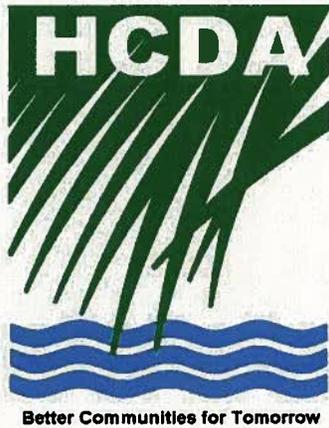
/s/

Miles Kamimura  
Secretary

Attachment: Report of the Executive Director PowerPoint Presentation

\*Meals were served to Authority Members and required staff as an integral part of the meeting.

Note: The transcript of this meeting contains a verbatim record and should be consulted if additional detail is desired.



Report of the Executive Director

## ED's July 2013 Report

- Summary Agency Financial Report
- Kewalo Basin Update
- Next Meeting

## HCDA Financial Summary

### Current Month - May

### Fiscal Year to Date

Actual	Budget	Variance	Actual	Budget	Variance
(KA) 206,386	205,516	870	2,186,430	2,314,047	(127,617)
(KL) 24,790	23,663	1,127	275,718	271,764	3,954
Revenue	Expenditure	Net Change	Revenue	Expenditure	Net Change
(ID) 80,665	1,695,169	(1,614,504)	257,996	11,373,081	(11,115,085)
(LM) 123,306	180,275	(56,969)	1,065,492	931,799	133,693
(PFD) -	35,023	(35,023)	13,301	529,796	(516,495)
(RH) -	-	-	155,070	1,010,816	(855,746)
(CL) 3,751	-	3,751	55,227	2,686	52,541
(SDep) 650	-	650	28,950	37,362	(8,412)
(KL) 1,858	-	(1,858)	187,567	9,687	177,880
(Heeia) 56	-	-	74	-	74

## Summary of HCDA Revolving Funds

	Description	Amount
Cash on Hand		
	HCDA Revolving Fund & Kakaako District Operating Fund	21,636,338
Outstanding Obligations		
	Subtotal - Known Obligations as of 02/29/2012	16,716,689
Cash Balance		4,919,649
Additional Cash		
	Kewalo Basin Harbor Operations Fund (for KBH only)	2,600,781
	Kalaheo Community Development District Revolving Fund	279,084
	Kalaheo Community Development District Operating Fund	85,941
	Heeia Community Development District Revolving Fund	50,074
	Subtotal Additional Cash Balance	3,015,879

## Kewalo Basin Update

	May	June
Overall Occupancy	99%	98%
Slip Revenue	\$96,000	\$96,000
Parking Revenue	\$1,500	\$1,500
Total Revenue	\$115,000	\$115,000
Operating Expenses	\$60,000	\$60,000
Net Income	\$55,000	\$55,000
Deposits (02-29-12)	\$135,794	

## Next Meeting

- Regularly Scheduled Meeting
  - August 7, 2013
- Location
  - 461 Cooke Street
- Special Public Hearing Dates
  - July 17, 2013