



Collaboration Project With the Hawaii Strategic Development Corporation

**Information Briefing
May 27, 2015**

HCDA-Establish A Mixed Use District

- **§206E-31 Kakaako Community Development District – Purposes**
 - **“District is Relatively Undeveloped”**
 - **“Potential for Increased Growth and Development that can Alleviate Community Needs such as Low-Income Housing, Parks and Open Spaces, and *Commercial and Industrial Facilities*”**
 - **“Due to its Present Economic Importance to the State in terms of Industry and Subsequent Employment, there is a *Need to Preserve and Enhance its Value and Potential*”**
- **“Shall Respect & Support the Present Economic Function of Kakaako as a Major Economic Center”**

HCDA Strategy

- **Establish Kakaako as**
 - **an Urban Mixed Use Village**
 - **Community, Place & Destination**
- **The City's Premier Live, Work, Play Community**
 - **Live - Diversity of Housing Opportunities**
 - **Work - Preserve & Enhance Existing Small Businesses, Promote Area Economic Activity & Development**
 - **Play – Public Open Space, Waterfront & Community Gathering Places**

Hawaii Strategic Development Corporation

- **HSDC Promotes Economic Development & Economic Diversification thru a Return Driven Investment Program in Partnership w/Private Capital**
 - **Agency Attached to DBEDT**
- **Operates as a *Fund of Funds*, Investing in Venture Capital Partnerships**
 - **These Partnerships Then Makes Direct Investment into HI Based Companies**
- **Emphasis Given to Investment Opportunities that Further Technological Innovation in Hawaii**

HCDA/HSDC Area of Collaboration

➤ **Preserve & Enhance Small Business**

- **Vast Majority of Registered Businesses in Hawaii are Small Business**
- **Over 1,260 Small Businesses in Kakaako**

➤ **Tough Climate for Small Businesses**

- **80% of HI Business Survive the 1st Year**
- **70% Survive the 2nd Year**
- **50% Are Still in Operation After 5.5 Years**
- **24% Survive After 18 Years**

HCDA/HSDC Area of Collaboration

- **New Business Formation Foundation for HI's Economy**
 - **Create New Jobs, Startup Businesses**
 - **Establish Innovation as New Focus of Jobs & Businesses**
- **Identify Public Lands & Facilities in Kakaako**
 - **Where Small Business Might Be Established & Nurtured**
 - **HSDC Investment & Management is Wielded**
 - **Private Investment Might Be Encouraged**
 - **Business Startup Are Encouraged**
 - **Entrepreneurial Development to Taught**
 - **Innovation is Fostered**

INNOVATION



The background image shows a vibrant, modern office environment. In the foreground, there's a lounge area with a bright orange leather sofa, a small round white table with a lamp, and a red coffee table with some papers. The middle ground features several people working at long wooden tables with red and white chairs. The background has a wall with many small framed pictures and a large abstract mural. The overall atmosphere is creative and collaborative.

What is Innovation Technology?

The Process through which new (or improved) technologies are developed and brought into widespread use



HSDC Strategy Startup Paradise

**A Shared Vision to
Brand Hawaii as:
*the Destination to Live;
Collaborate; and
Launch Innovative
Companies***



HSDC Strategy HI Growth Initiative

***“Catalyze the Development of an Innovation Ecosystem
that Supports Entrepreneurial High Growth Businesses
and Creates High Wage Jobs”***

Business Incubator & Accelerator

Comprised of:
Inspiring Spaces for Co-Working; Meetings; Trainings & Events;
Business & Entrepreneurial Development Programs, Workshops;
Community Cultivation & Networking; and
Global Connectivity to a Network of Business/Impact Hubs



Collaboration to be Explored

- **HCDA Staff to Identify**
 - **Available & Appropriate Public Lands/Facilities in Kakaako for Business Development**
 - **Potential for Integration with HCDA/HTDC Development of Innovation Block in Kakaako Makai**
- **Discussion w/HSDC Staff & Board as to Investment Opportunities & Possible Areas of Collaboration**
- **If Appropriate, Identify Mechanism & Plan for Collaboration**
- **Return to Authority to Ratify Any Collaboration Plan & Program**

A modern conference room with large windows overlooking a city. The room features a long wooden table and several white ergonomic chairs. The text is overlaid on the image in a bold, blue, sans-serif font. The background shows a cityscape with buildings and greenery visible through the windows.

KAKAAKO MAKAI INNOVATION BLOCK

Opportunities & Possibilities

Enhanced Landscape

New Promenade
\$275 PER LINEAR FOOT

Fishermans' Market Restaurant (REPLACEMENT)

Harbor Shops and Restaurants
20,000 ± SQ. FT. (INCLUDING RESTAURANT + MARKET-RESTAURANT)
\$320 M

"GREENBELT LOT" OR 5% OPEN SPACE
3.6 ACRES INVASIVE
\$29.5 M

Museum of Marine and Commerce
70,000 ± SQ. FT.
TWO STORES
\$320 M

"PARKING LOT" OR 5% OPEN SPACE
2.5 ± AC INVASIVE
\$29.5 M

Fish Market
10,000 ± SQ. FT.
ONE STORY
\$7.0 M

Surfing and Watersports
Use of Field
15,000 ± SQ. FT.
ONE AND TWO STORES
\$10 M

Kiki Fishing Pier
10,000 ± SQ. FT.
\$8.5 M

KFC LOT
20% GREENSPACE
\$40M ± (INVASIVE)

Kanaka Marine Lab
20,000 ± SQ. FT.
TWO STORES
\$120 M

John Marin's Restaurant
(NOT A PART - OPTION FOR RECONSTRUCTION FIRM)
PARK EXPANSION: \$60M
1.1 ACRES
\$0.9 M (MORE IMPROVEMENTS + DEMO COSTS)

New Promenade
\$275 PER LINEAR FOOT

Marine-related Retail
20,000 ± SQ. FT.
ONE STORY
\$80 M

Parkland County Life Guard Facility
7,000 ± SQ. FT.
ONE STORY
\$16.6 M

New Promenade
\$275 PER LINEAR FOOT

Harbor Master
7,000 ± SQ. FT.
ONE STORY
\$16.6 M

NET STAGE
(FISH NET FACILITY)

Rampade Renovation
\$175 PER LINEAR FOOT

NORTH LOT
(HARBOR MASTER AND SURFING LOT)
75% OPEN SPACE
1.4 ACRES PARK EXPAUSE
\$1.2 M

Park Expansion
\$0.25 M

Kakaako Makai Innovation Block (aka Lot C)

Project Site Specs

Parking Requirement:

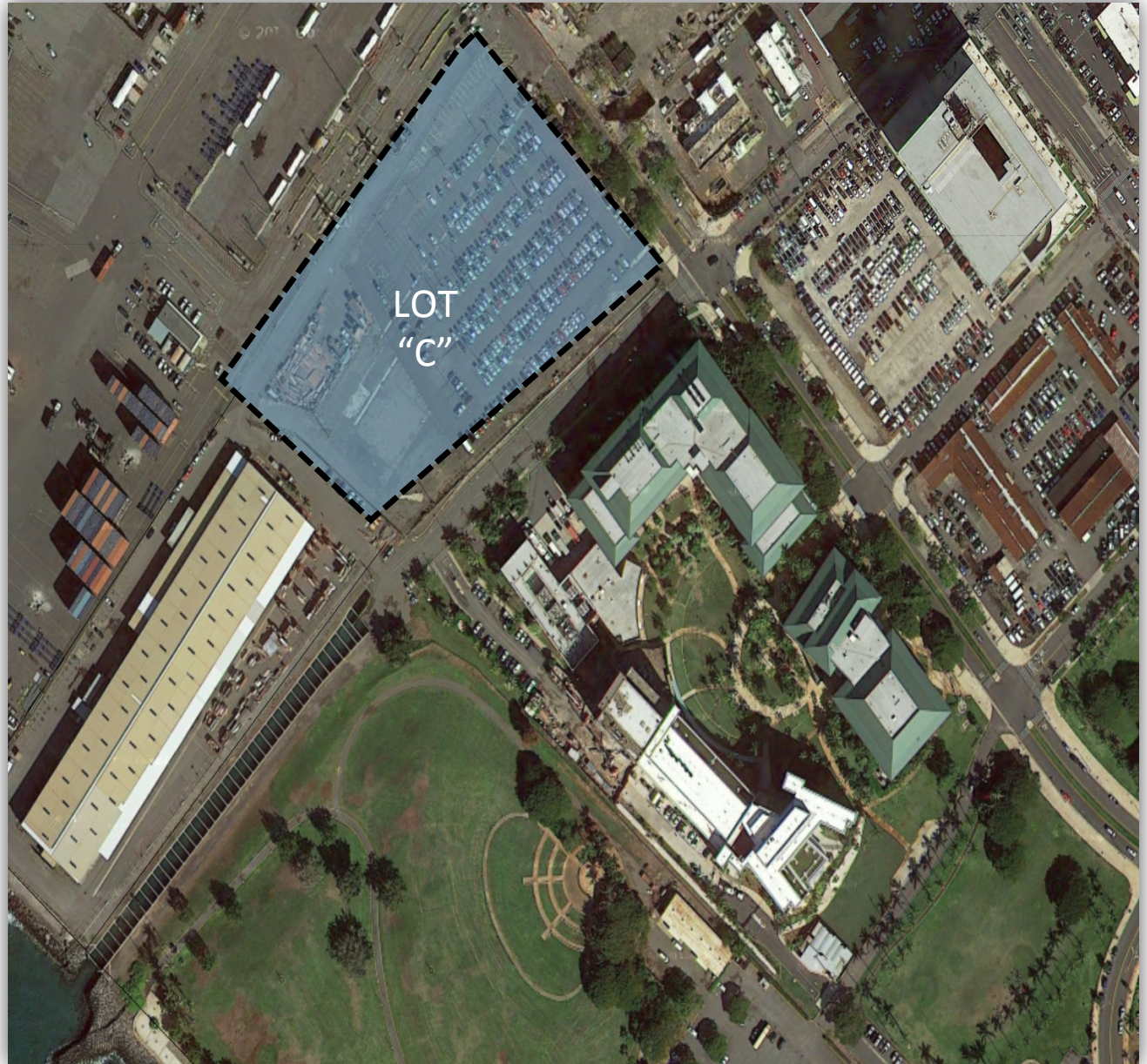
One for each ten students of design capacity, plus one per four hundred square feet of office floor area.

Lot Size: Approx. 5.5 acres

Maximum FAR: 1.5

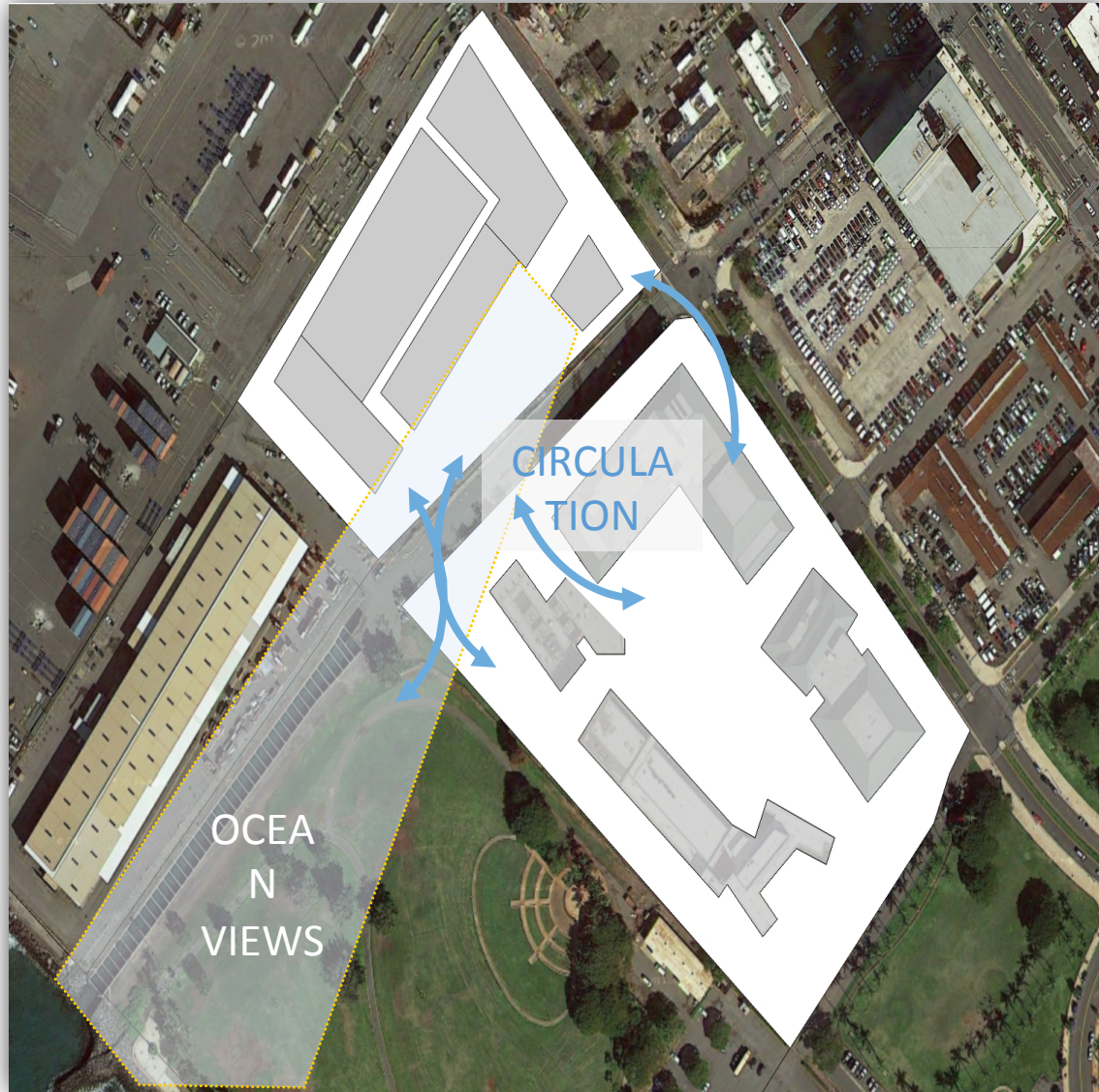
Allow. Floor Area:
360,000 sf

Maximum Height: 100'



Kakaako Makai Innovation Block

*Offers Great
Synergy and
Connection
with the
JABSOM, UH
Cancer Center
& the Kakaako
Makai Area*



Kakaako Makai Innovation Block Principles

Assets & Capacities

- **High Tech Development Corporation**
 - History of Tech & New Industry Incubation
 - Operator of Manoa Innovation Center
 - Awarded \$3M CIP Appropriation for Planning & Design of New Facilities
 - Working in Concert w/HCDA Staff to Implement
- **Hawaii Community Development Authority**
 - Lot Owner
 - Project Manager for Planning & Design
 - Working w/HTDC, University of Hawaii to Establish Master Plan for Site
 - Lead & Coordinate Execution of Authority's 2011 Kakaako Makai Conceptual Master Plan
 - Build Community & Place
 - Foster Economic Development and Learning

KAKAAKO MAKAI INNOVATION BLOCK

WHERE COMMUNITY MEETS LEARNING!

Junction of Discovery & Enterprise ***To Be Constructed in 3 Phases***

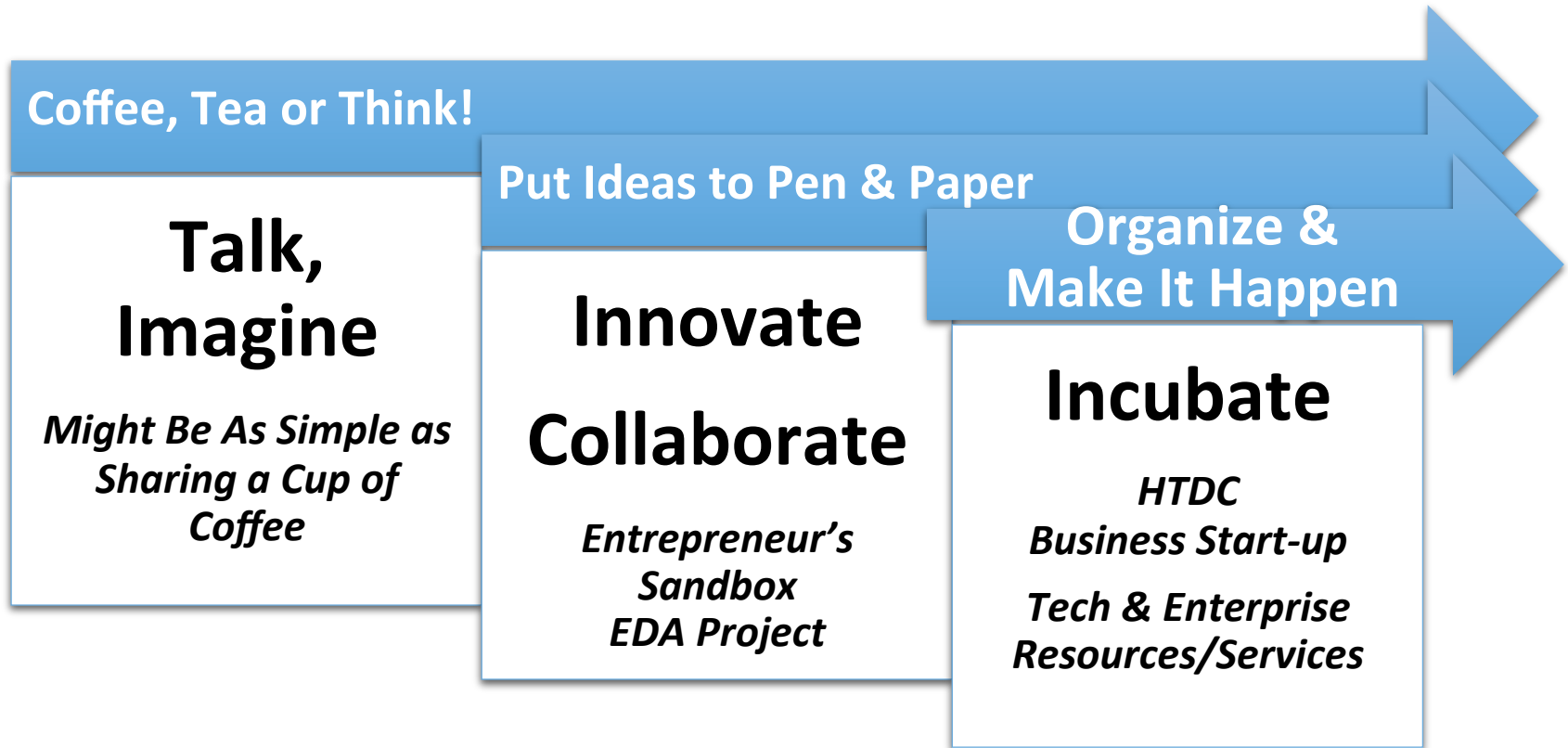
- **Entrepreneur's Sandbox (Phase 1)**
 - *Collaboration Space for Tech & Enterprise*
- **Innovation Hale (Phase 1)**
 - *Housing Tech & Enterprise Resources*
- **Kewalo Incubation Center (Phase 2)**
 - *High Tech Dev. Corp. Business Growth Facilities*
- **Regional Parking Facility (Phase 2)**
 - *Currently ≈ 400 parking stalls at grade*
 - *Future ≈ 600-900 stall parking structure*
- **Learning Center (Phase 3)**
 - *Up to 150,000 sf of facilities*
- **Keawe Courtyard (Phase 3)**
 - *Outdoor Gathering Place*

Discovery & Teaching Haven ***Existing Facilities***

- **John A. Burns School of Medicine (JABSOM)**
 - **Educating Health Care Professionals**
 - **Medical Research**
 - **Pursuing Asia-Pacific Alliance**
 - **Study of Native Hawaiian Healing Arts**
- **University of Hawaii Cancer Center**
 - **Pursuing "Why and Why Not"**
 - **Clinical Trials & Research**
 - **HI Cancer Consortium**
 - **Shared Community Resource Center**

Kakaako Makai Innovation Block

One Big Idea Can Lead to Another!



*Innovation Makes a Good Bedfellow for Technology and Enterprise/
Resource Companies*

Entrepreneur's Sandbox

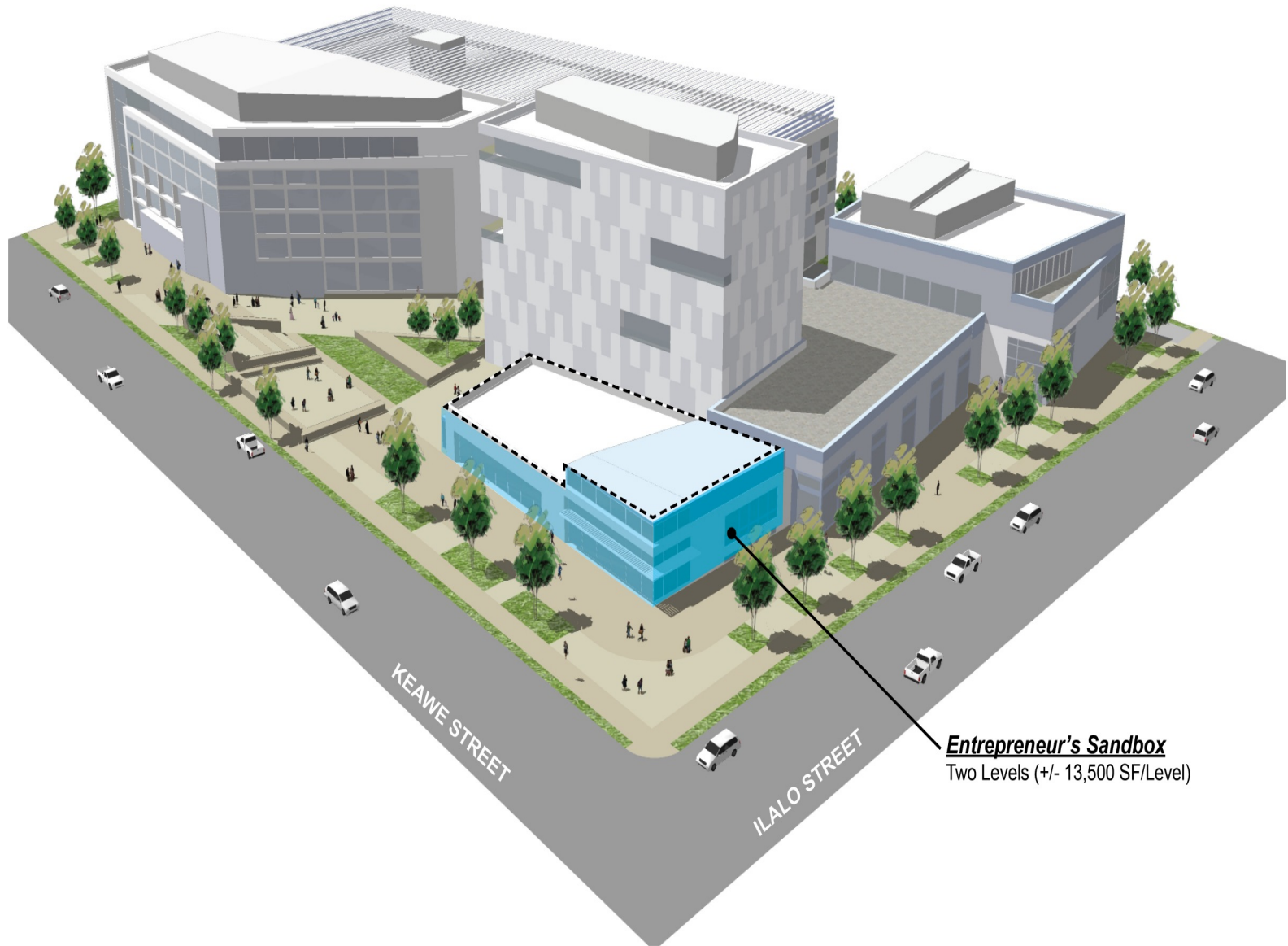
EDA Grant Program

- EDA = Federal Economic Development Administration
- EDA Sponsored Grant Program to Spur New Industry, Ideas & Jobs
- FY 15 Grant Program
- Joint Application Submitted
 - High Tech Development Corporation & HCDA
 - MOA Documenting Joint Application Considered Today
- **EDA Has Awarded the Grant to HTDC/HCDA**
 - Construction Award of Up to \$3M Match from EDA
- Award Envisions Partnering w/Local Business to Provide Match & Construct Entrepreneur's Sandbox
 - 13,500 sf Collaboration Center & Hub

What is the Entrepreneur's Sandbox?

Kakaako Makai Innovation Block

- **Phase 1 Construction Project**
- **Similar to the Iolani School Sullivan Center for Innovation & Leadership**
 - Innovation Lab
 - Flexible Project Spaces
 - Collaboration Classrooms
 - Digital Media Lab
 - Roof Garden
 - Research Lab
- **Final Design For Entrepreneur's Sandbox Still to be Determined**
- **What It is NOT:**
 - A Replacement for the HTDC MIC Innovation Campus
 - Incubator for New Early Stage Tech Companies
 - Access to Support Facilities and Business Development



Entrepreneur's Sandbox
Two Levels (+/- 13,500 SF/Level)

Innovation Hale

- **Phase 1 Construction Project**
- **Stand-Alone Commercial Office & Retail Mall Development**
- **Housing Market Based Tech & Enterprise Organizations**
- **Anchor Tenants**
 - Fisher Hawaii – Office, School & Education Resources & Supply Firm
 - DataHouse - Information Technology Development & Application
- **Other Potential Tenants**
 - Health Care Services
 - Technology Services
 - Education Resource Services
 - Data Services

Innovation Hale Anchor Tenants

DataHouse Hawaii

- **Information Technology Company**

- Software Application Development
- Host/System Integration
- Managed Services

- **Expertise & Innovation**

- Banking
- Education
- Government
- Healthcare

Fisher Hawaii

- **Home & Office Product Supply Warehouse**

- Business Machines
- Home & Office Furniture
- Household & Industrial Products
- Storage & Shelving

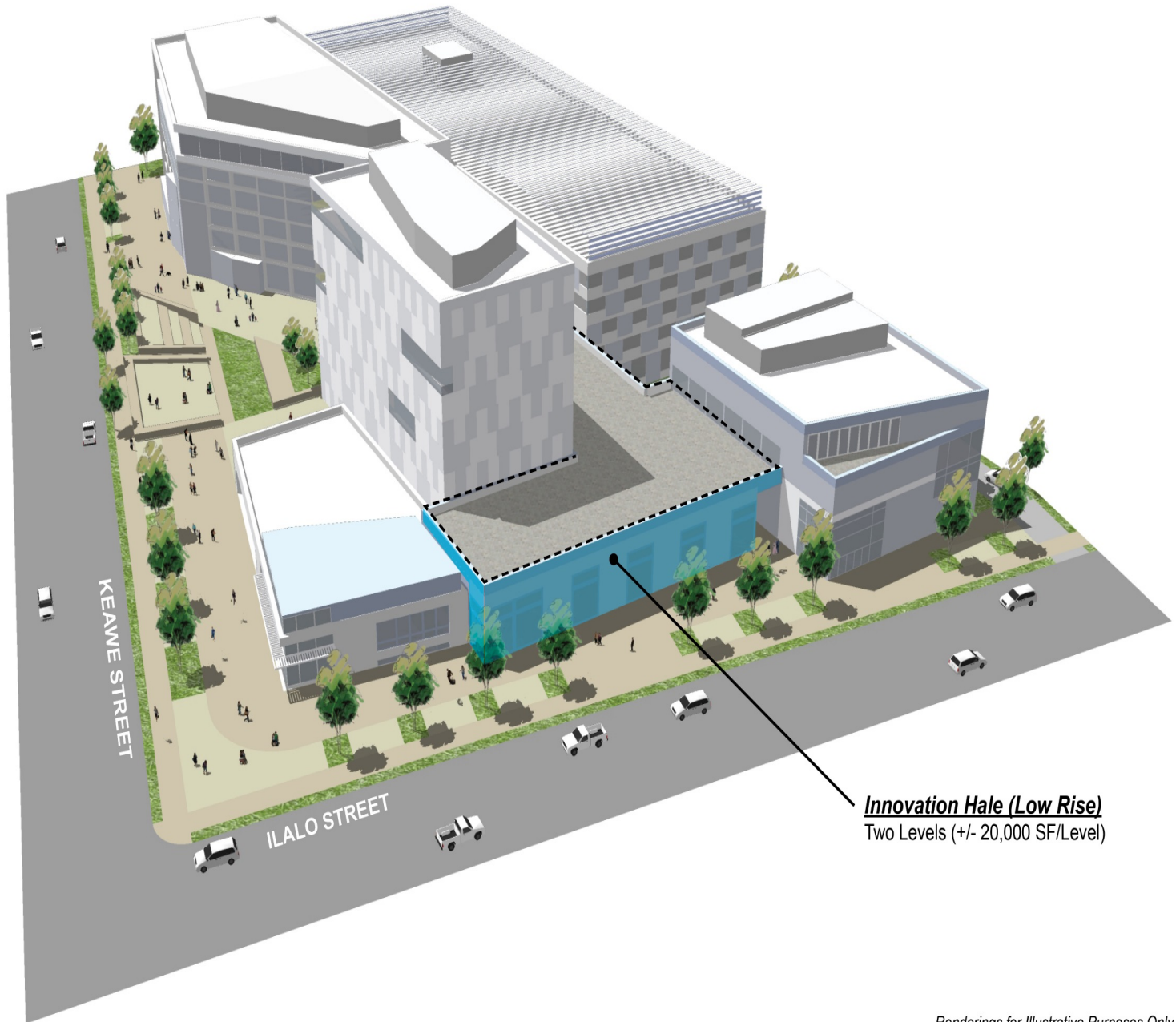
- **Resource Tool Source**

- Arts & Craft Supplies
- Educational Tools
- School Supplies

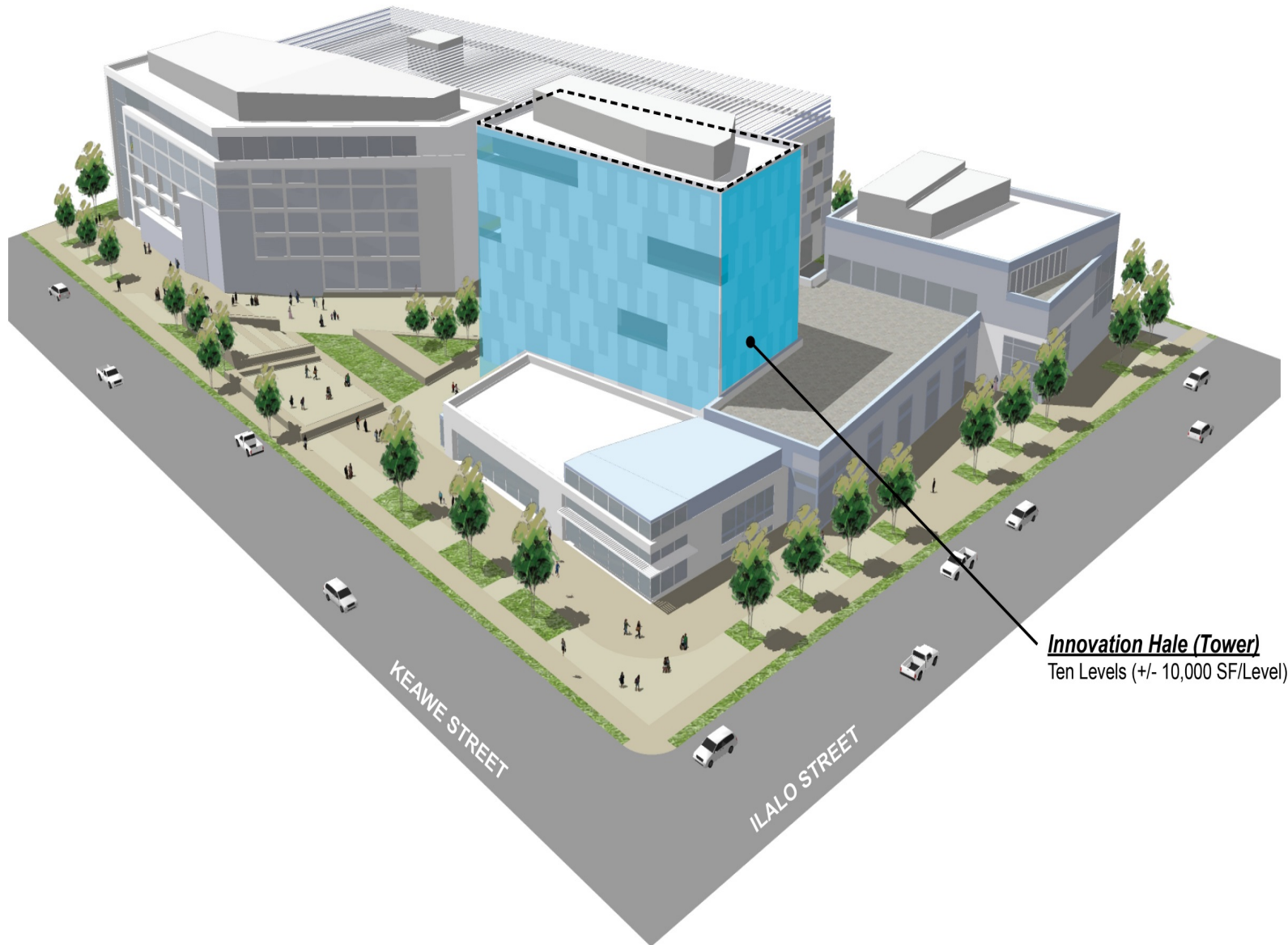
- **ED Resource Center**

- Curriculum Development/Virtual Book Store

- **Host Culinary Pop Up Enterprise**



Innovation Hale (Low Rise)
Two Levels (+/- 20,000 SF/Level)

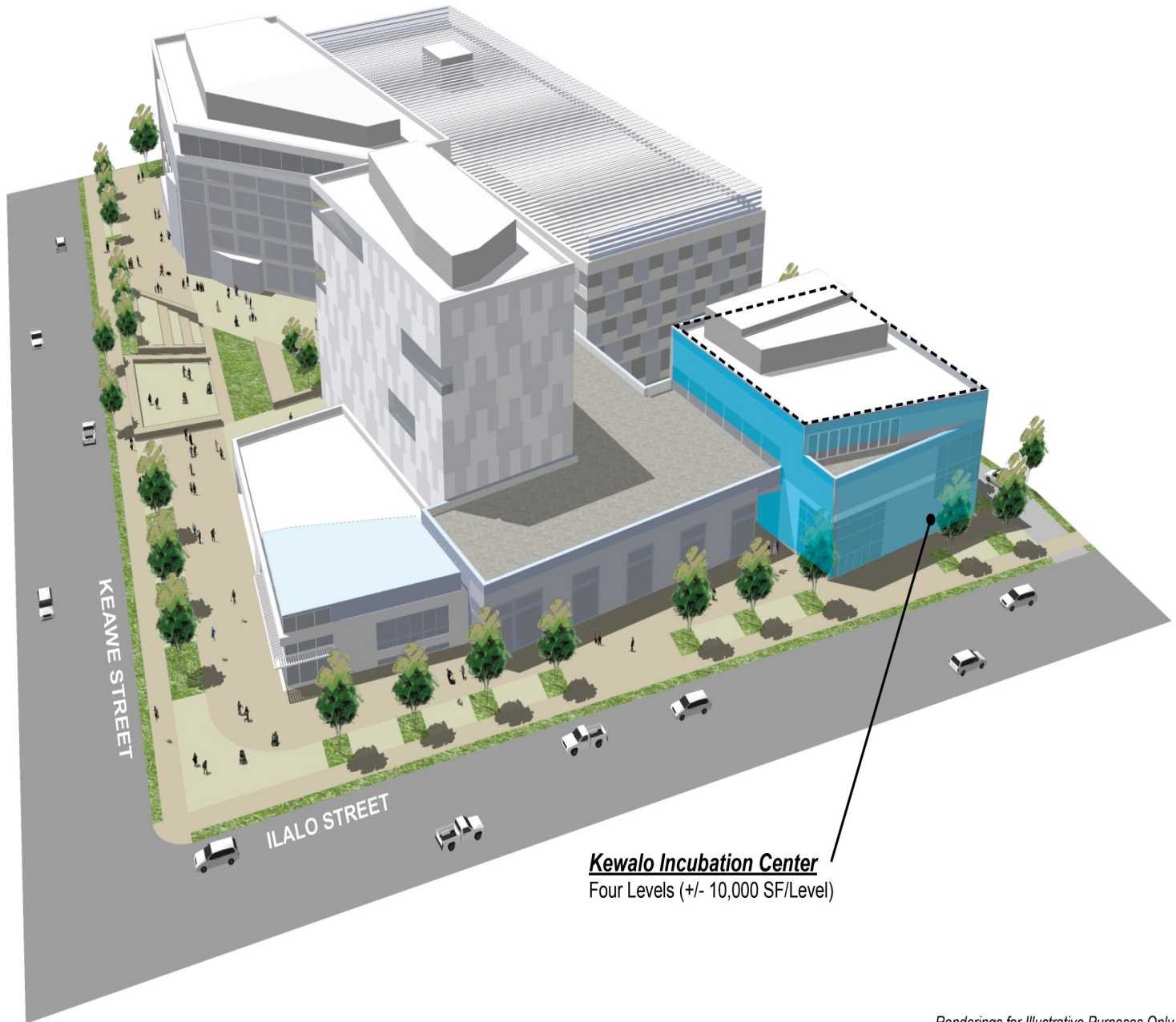


Innovation Hale (Tower)
Ten Levels (+/- 10,000 SF/Level)

Kewalo Incubation Center

A State of Hawaii High Technology Development Corporation Facility

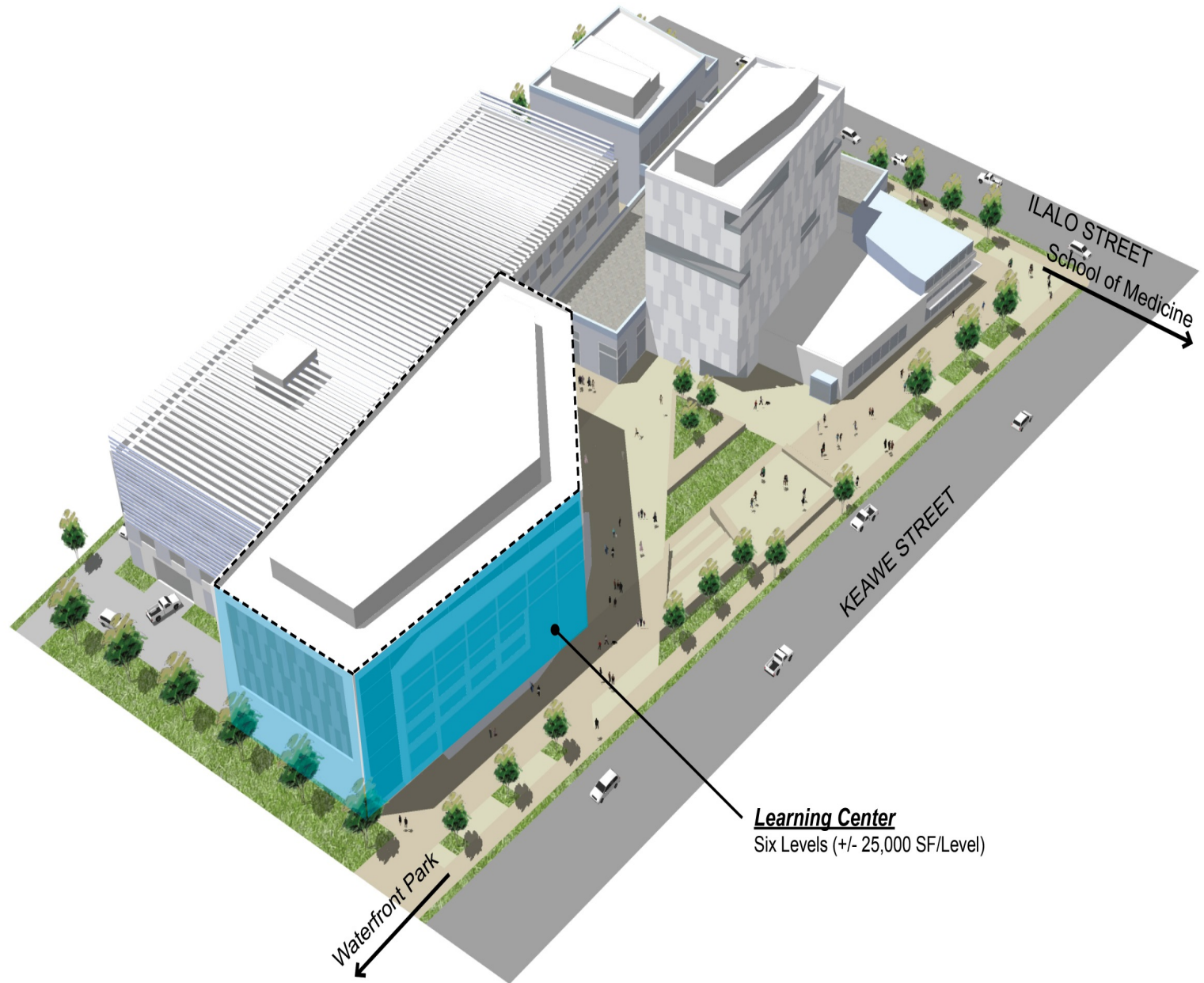
- **Phase 2 Construction Project**
- HTDC Provides Key Resources to Help Develop & Retain High Tech in Hawaii
- KIC to House Business Growth & Development Program
 - Caters to Start-Ups
 - Space Rents are Back Loaded
 - Customized & Flexible Spaces Available
 - Shared Space & Services
 - Conference Rooms
 - Back of Office Services
 - Other Enterprise Services Available!
- Link/Liaison with Strategic Partners, Networking, Marketing & Business Mentoring Programs



Kewalo Incubation Center
Four Levels (+/- 10,000 SF/Level)

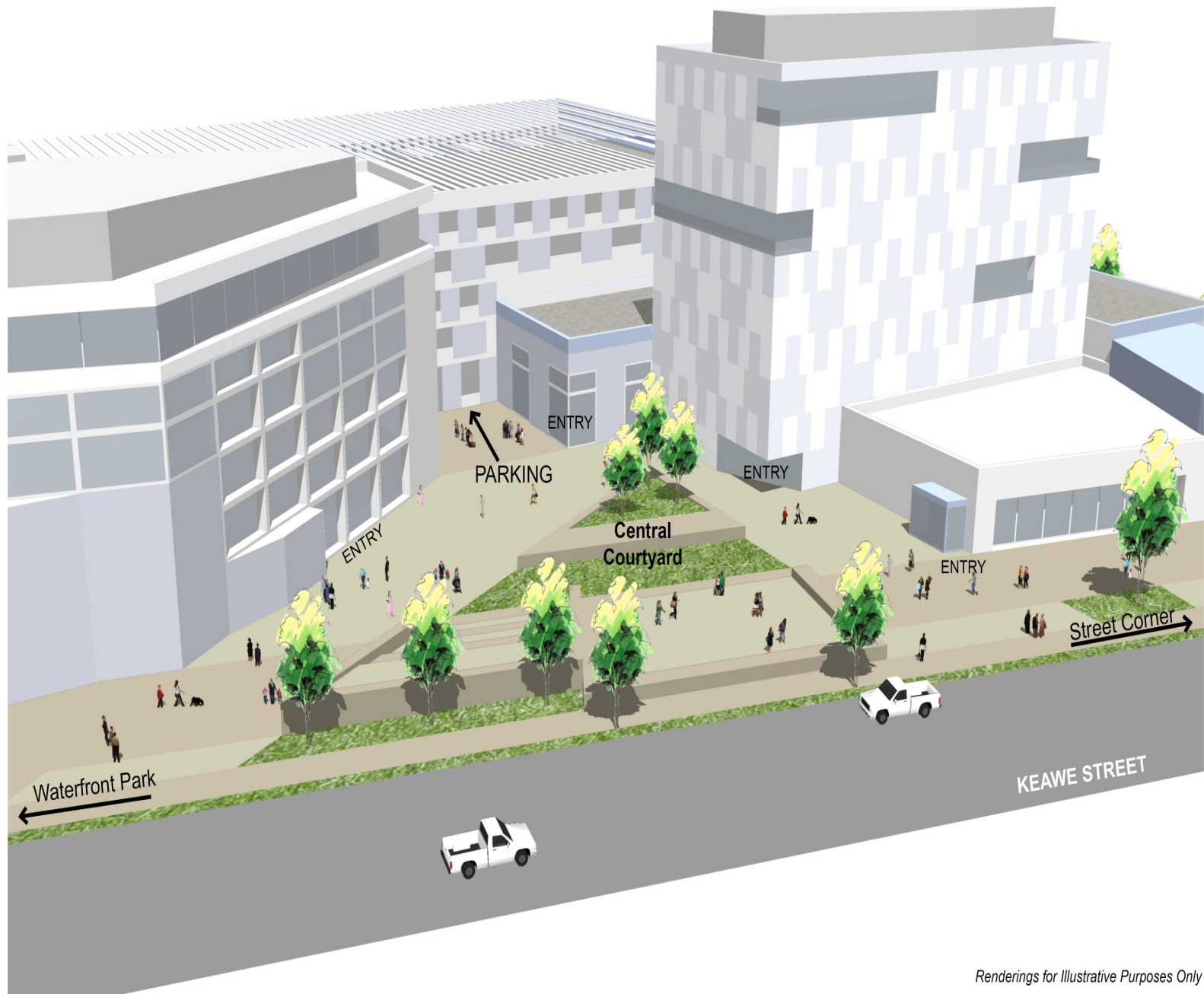
Learning Center

- **Phase 3 of 3 Stage Construction Timetable**
- **Stand-Alone Building Site Available**
 - **Featuring Views of Pacific Ocean, Kakaako Waterfront Park, Diamond Head, and Kewalo Basin Harbor**
 - **150,000 sf of Floor Area Allocated**
 - **Zoned for 100' Height**
- **Adjacent to Shared Parking Facility to be Constructed as a Part of Phase 2 of the Kakaako Makai Innovation Block**
- **Already Incorporated into Parcel Master Plan & Environmental Assessment**



Keawe Courtyard

- **Phase 3 Construction Project**
- **A Place to Gather Your Thoughts *or***
- **Outdoor Venue for Music & Presentation**
- **Great for Sharing Shaved Ice After a Hard Day of Work!**



Renderings for Illustrative Purposes Only

Kakaako Makai Innovation Block

Parking Structure

- **Phase 2 Construction Project**
- **Parcel is Currently at-grade HCDA Parking Facility**
- **Portion of Facility will Service Phase 1 Development**
- **600-900 Stall Parking Structure to be Constructed by HCDA as a Part of Phase 2 Construction**
- **Sufficient to Serve all of Kakaako Makai Innovation Block & Adjacent JABSOM and UH Cancer Center Parking Requirements**

