

HCDA - KAKA'AKO COMMUNITY DEVELOPMENT DISTRICT
SUBCOMMITTEE MEETING; MONDAY APRIL 13, 2015 - 6PM- 8PM
MAKAI CONFERENCE ROOM @ ONE WATERFRONT TOWERS
SUMMARY NOTES

IN ATTENDANCE: Chair Jason Okuhama, Steve Scott, William Oh, John Whalen, HCDA; Dexter Okada, Bernard Nunies, Wayne Takamine, Ron Iwami, Randy Lui Kwan, Thomas Iwai, Jr., Galen Fox, Michelle Matson and Sharon Moriwaki.

Chair Okuhama convened the meeting of the Kaka'ako Community Development District Subcommittee. The purpose of the meeting is to hear from community members and stakeholders on issues that HCDA can address and include in the Kaka'ako Community Development District 2015 priorities. We will be holding additional briefings over the coming months.

A. Issues and Priorities. The following are the major issues and items that should be addressed:

1. Affordable housing—including “reserved” and “workforce” housing.

- a. Adopt (& implement) HCDA's reserved housing investigative committee report completed in 2014.
 - i. Change standard in “reserved housing” rules to 120% AMI (v 140% AMI)
 - ii. Address “flipping” by extending the period units remain in affordable pool to follow city and HHFDC standards
 - iii. Need to identify incentives for building affordable housing
 - iv. Who will build? Need to look for public-private partnerships and other mechanisms for building affordable housing for sale and rent

2. HCDA Operations—making them more expeditious & efficient

- a. Query: Should HCDA be transferred/returned to the City?
- b. Need to have more transparency and accountability of the ED & staff
- c. Staff do the work but only ED comes to community meetings; staff should be invited so they are more aware to the community they serve

ED should refrain from guiding decision-making; ED has been serving developers, not the community. ED should provide all, not filtered, information for independent, informed and balanced decision-making by HCDA board members.

- d. HCDA should look at the 2005 and 2011 Mauka Area Plans/Rules and work with the big landowners (HH owns 60 A and KS owns 29 A) to use only one set of plans/rules rather than “cherry pick” as HCDA ED has permitted to date

Using “one or the other” set of plans would be a slippery slope for Makai. The 2005 Makai Plan and Rules were developed to benefit A&B residential towers in Makai. Since that time, residential development has been precluded in Makai by statute, to

preserve this public shoreline area for public access and use. The Makai Plan and Rules should incorporate and be made compatible with the comprehensive community-based Makai Master Plan and Guiding Principles adopted by the HCDA in May, 2011.

3. Parks & shoreline – Mauka & Makai

a. Identify shoreline parcels for protection

The shoreline parcels to be protected have already been identified in the Makai Master Plan

i. Identify set aside for park/shoreline as public land

Makai is all public land except the four KS parcels along Ala Moana Blvd.

ii. Identify owners of parcels—OHA, State, etc.

OHA is a State public agency, as is HCDA. HCDA and OHA are the only fee landowners of Makai public land. The confusion stems from the Tax Map Keys (TMKs) associated with the parcels. Diverse uses are found within one TMK, such as public park open space/commercial waterfront.

Conversely, four (4) TMKs comprise one land use, Gateway Park. The Makai TMKs should be revisited, redefined and renumbered in accordance with appropriately designated land use, including expanded recreational park open space, and cultural and educational uses in a park setting, as well as commercial waterfront - all as called for in the Makai Master Plan.

iii. Legislative resolution (SCR106) sets up a working group to define parcels

The legislation was confused - the parks and shoreline” land areas (i.e., parcels) were already “identified” in the Makai Master Plan adopted by HCDA in 2011. The purpose of the proposed task force was to ensure a clear definition of these lands by TMK. The Legislature failed to consider this measure in the House. The HCDA should now do this, as it is more within the purview of HCDA to ensure the “Lei of Green” for Makai, rather than the unwieldy Legislature. See ii. above

http://www.capitol.hawaii.gov/session2015/bills/SCR106_SD1 .htm

b. Clarify process for parks plan – EISPN, HCDA scoping meeting, timelines

i. What’s the process: should there be an RFP before an EIS is conducted?

Any RFP or EIS for a comprehensive parks plan should comply with the Makai Master Plan and Guiding Principles adopted by the HCDA in 2011.

An EIS promotes a preferred direction and provides additional alternatives for comparison. The interested and affected public should be consulted on any proposals for these public lands before an EIS is underway.

c. Address Kewalo Basin and plan for its use and development

- i. Is the (“ED”s) Exclusive Negotiation Agreements with the Japanese companies still alive?
- ii. Is the DEIS for the parcels proceeding despite opening the RFP process and what is the effect?
- iii. Kewalo Basin: Friends of Kewalos will oppose any plan that negatively impacts:
 - 1. Park and ocean access roads, including boaters service road
 - 2. The park user’s free parking
 - 3. Jeopardizes the “Shoreline Promenade /Lei of Green” that was agreed to in the KM Conceptual Master Plan adopted by HCDA in 2011
 - 4. eliminates the Shoreline Promenade that was in the Makai Master Plan

Kewalo lands are still government owned lands and the public interest should prevail over any commercial development and preserve open spaces in perpetuity for the good of all.

The land owners (HCDA and OHA), lessee (HHC), and community should work together toward a comprehensive and compatible Kewalo Basin plan.

d. Address maintenance of parks, cost and who pays

- i. ED has said it costs \$1million to maintain the parks and justifies the commercialization of the parks to pay this cost
 - 1. Get detailed budget and expenditure report on HCDA’s parks maintenance
 - 2. Get information on current source of funding for the parks
 - 3. Remove park maintenance costs as an excuse for commercialization of parks
 - 4. Require a developers impact fee to contribute to park land needed and maintained for the public health and welfare (2 acres per 1000 capita = 60 acres for 30,000 Kaka’ako residents)
 - 5. Kaka’ako Makai public land is under State jurisdiction, and the State Budget should allow for operations and maintenance of Kaka’ako Makai parks.
- ii. Need to find dedicated source of funding for park maintenance
 - 1. Transfer to parks to appropriate parks managers, e.g., City DPR or DLNR
 - 2. Assess developments for park maintenance via impact fees
 - 3. Obtain endowment from Trust for Public Lands
 - 4. Assess impact fees from the developers such as HH. The future residents will definitely use and impact the parks

- e. Need to find park space in Kaka'ako Mauka.
 - i. Is there really no space for parks? Need to identify open state lands in Mauka and preserve if possible
 - ii. Follow City urban parks planning standard (2 acres of parkland for 1,000 residents)

4. Protect industrial services/small businesses

- a. Concerns of small business owners:
 - i. Property tax increases
 - ii. Infrastructure improvement assessments
 - iii. Disruptions accompanying rail
- b. Possible solutions to address concerns:
 - i. Property tax relief to small business owners, especially during the period of construction; ask HART to mitigate for (prior to) construction
 - ii. Property tax assessment deferred until property is sold (see California's Proposition 13)
 - iii. Require right of entry approval for rail
 - iv. Compensation to property owners for disruption/mitigation due to rail
 - v. Explore Tax Increment Financing (TIF)

5. TOD Overlay (covered under rail concerns of small business)

6. Public lands – set aside lands for affordable housing and for parks/open shoreline. See sections on affordable housing and on parks & open shorelines

7. Infrastructure

- a. We have never had a comprehensive EIS re: traffic impact, roads, sewers, schools etc. We need one now for Mauka with continuing challenges
- b. Sewers are example of infrastructure not being done right, with city and HCDA finger pointing instead of fixing the problem. Fix the problem
- c. City is allowing approval of permits without thorough assessment; they give "conditional approvals" only for present development projects and do not consider the future impacts on finite water supply and sewage capacity
- d. No schools capacity
- e. Need transparency – HCDA must share information on infrastructure condition, improvements planned and implemented; what works or doesn't
- f. Need to assess impact fees on the developers (e.g. Howard Hughes), with formula according to actual cost
- g. Examine the developer's "public facility dedication" and see what and when was it provided and with what value.

h. Get Howard Hughes' (HH) EIS for its master plan

8. Homeless

- a. This is a major problem in Kaka'ako (visit area next to Children's Discovery Center) and should be addressed
- b. This might be too big a problem for HCDA to tackle; should be forwarded to the City, which is building homeless shelters
- c. HCDA could convene a briefing on Kaka'ako's homeless problem and solutions. Suggested invitees other than Kaka'ako residents and business:
 - i. JABSOM
 - ii. HPD
 - iii. Sheriff's office
 - iv. HIS

B. Next steps

- 1. HCDA will be convening briefings addressing the above issues during the coming weeks; and Kaka'ako board members and the community will be able to learn more about these issues and ask questions
- 2. HCDA members have been on board for only two weeks and getting background materials and briefings