

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

Wednesday, June 3, 2015

**KAKAAKO BUSINESS**

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

A general business meeting of the Kakaako Members of the Hawaii Community Development Authority (“Authority” or “HCDA”), a body corporate and a public instrumentality of the State of Hawaii, was called to order by Chair Whalen at 9:00 a.m. June 3, 2015, at Authority’s principal offices at 547 Queen Street in Honolulu, Hawaii, 96813, pursuant to Article IV, Section 1 of the Authority’s Bylaws.

Members Present: Tom McLaughlin  
John Whalen  
Scott Kami (B&F)  
David Rodriguez (DOT)  
William Oh  
Jason Okuhama  
Steven Scott  
Mary Pat Waterhouse  
Beau Bassett

Others Present: Anthony Ching, Executive Director  
Lori Tanigawa, Deputy Attorney General  
Lindsey Doi, Compliance Assurance & Community Outreach  
Officer  
Aedward Los Banos, Asset Manager  
Shelby Hoota, Media Specialist  
Laura Savo, Court Reporter

**II. APPROVAL OF MINUTES**

1. Kakaako Special Meeting of May 27, 2015  
Chair Whalen asked if there were questions or corrections to the minutes of May 27, 2015 and hearing none, the minutes were approved as presented.

### **III. REPORT OF THE EXECUTIVE DIRECTOR**

Executive Director, Tony Ching, gave his report and provided updates on HCDA projects, asset management, and financials. He explained HCDA revenues in depth, as well as what we can expect moving forward.

Member Bassett asked about what funds have nexus to the leasing and management subfund. Mr. Ching noted the revenue sheet in members' packets, which lists the sources of revenue for that subfund.

Member Waterhouse asked about exhibit D and the revolving fund for improvement districts. Mr. Ching explained it is a summary sheet that breaks it down by subfunds. Member Waterhouse asked about receipts for ceded lands, like what Member Bassett was referencing.

Member Bassett mentioned he wants to plan for the deficit in FY 19 and needs something where he can easily understand the types of income that HCDA is receiving. Mr. Ching noted that the purpose of today is a briefing, an introduction, as the HCDA has its own business plan moving forward. Mr. Ching said this was meant as a briefing before the upcoming fiscal year so that members can understand the dynamics. He says the financials will be discussed more in the future.

Chair Whalen stated there seems to be responsibility on the state, since it settled the ceded lands with OHA, and so the state needs to fund this development district. He stated there are no general funds allocated to HCDA and there needs to be something to fill that gap. Chair Whalen asked where we can get the money to operate. Mr. Ching noted that in the legislature there has been much discussion about additions and subtractions to HCDA's budget. He noted that he will bring this matter back to the board as we move along.

Mr. Ching also noted the receipt of correspondence with Michael Macdonald of Macdonald and Porter and the issue of private roadways in Kakaako. He stated the HCDA is now looking to confirm or deny the claims in the document. He says HCDA will participate with the city and other agencies to investigate road ownership.

Michael Macdonald spoke before the board and stated that the road ownership issue needs to be resolved by the HCDA prior to future development. Macdonald noted that Kakaako Land Company never contributed to assessments for landowners during previous improvement projects. He stated Kakaako Land Company's aggressive claim to ownership has caused hardship for local businesses.

#### PUBLIC TESTIMONY

1. Keala Simoes, Kakaako business owner: Wants to know about liability for private streets and whether Kakaako Land Company has paid property taxes like all other private owners. Mentioned parking will continue to get

worse with the construction of rail. Wants to know who to call for issues about parking and usage of the roads.

Member Scott asked if anyone has contested the ownership of Kakaako Land Company. Mr. Ching noted that besides the 1978 study that noted the quitclaim deed by Kakaako Land Company, there was no further resolution since ID Project 11 did not proceed. He noted that during the construction of Kamakee Vista, the HCDA acquired some of the land and that Kakaako Land Company may have been a party to those proceedings.

Member Scott asked if this makes development in the contested areas difficult. Mr. Ching noted that in 2008, ID 11 was controversial because of the nature of the improvements and the potential for losing property and frontage. At the time, the HCDA conducted surveys and outreach, but failed to come to a consensus with stakeholders on how to proceed. The project was abandoned at that time, since the issues could not be resolved. Mr. Ching noted it is not an easy fix to assert ownership, so we must work with the city moving forward.

Member Scott asked the testifier what contact she's had with Kakaako Land Company. She replied nothing directly, but her neighbors have. She stated no parking signs and poles show up overnight, so things may get ugly. Now some businesses are paying for their parking.

Member Bassett asked about when Kakaako Land Company came around. She replied in the last two years she began seeing parking signs and towed cars.

Member McLaughlin asked about the status of the working group formed by the city resolution. Mr. Ching stated he believes the city is establishing the group and that the Chair and HCDA staff will participate, however the first meeting hasn't yet been scheduled. Chair Whalen noted that Steve Scott will represent the HCDA on the working group as a small business owner.

Member Scott asked about developers being asked to make street improvements for their developments and whether Kakaako Land Co. is assessed similar costs. Mr. Ching noted that the nexus exists for a new project, since they must connect to infrastructure. He stated the city generally improves streets on a planned basis. Mr. Ching stated in central Kakaako, the city standards conflict with the wishes of the private landowners and businesses.

#### PUBLIC TESTIMONY

2. Cliff Garcia, Queen St. business owner: Stated he had to hire a private law firm at his own expense to protect his parking. He received threats from Kakaako Land Co. and has to pay \$100 per parking stall to them. Doesn't know how they can use a quitclaim deed to claim ownership. City paid for repaving in the past, not Kakaako Land Co.

3. Pam Wood, Kakaako resident: Private road issues also affect residents, like Imperial Plaza. Stated there is no correspondence with Kakaako Land Co. when Imperial Plaza purchased a road and moved it. She stated the city refuses to accept these non-conforming roads and pay for improvement. Some police will respond to private roads, others won't. Don't allow new developments without settling this problem.
4. Dexter Okada, Queen St. business owner: Has been trying to solve this problem for awhile. He stated we can't rely on the city council committee because its main concern is improving the infrastructure, not determining ownership.

Member Kami asked if HCDA is not the proper authority to settle this issue, who is. Mr. Ching stated the HCDA has looked into this issue extensively and that we should examine MacDonald's claims first. Mr. Ching states he is unclear of HCDA's jurisdiction because HCDA does not own or maintain roadways or establish standards for their maintenance. Typically such responsibilities are carried by the city. HCDA only improves existing roads. He stated the HCDA should work with the city to support how the city will move forward, along with the AG's office.

#### PUBLIC TESTIMONY

5. Sharon Moriwaki, resident: Stated that this issue came up before the previous board as well and HCDA has jurisdiction over property. City says it's HCDA, so she urges board to look into this matter and determine what action can be taken so that roads are fixed.

There were no additional comments on this item from board members or the public.

Chair Whalen called a recess at 10:22 a.m.

Chair Whalen reconvened the meeting at 10:41 a.m.

#### **IV. KAKAAKO BUSINESS**

2. Decision Making: Shall the Authority Authorize the Executive Director to Extend a Right of Entry for Hawaiian Dredging Construction Company for an Additional Two (2) Years for an Approximately One-Acre Portion of Tax Map Key Parcel No. (1) 2-1-060: 002 (Por.) Commonly Referred to as the Former City and County Wastewater Lot in Accordance with the Terms and Conditions Recommended by the Hawaii Community Development Authority Staff Report?

Mr. Los Banos summarized the report located in tab 2 of the packet.

Chair Whalen asked about the lot and whether it is for park expansion. He stated everyone understands the homeless situation there and hopes there will be

some action to come to terms with it. He asked if this lease could require the lessee to restore the area and put grass or park expansion type things there.

Mr. Los Banos noted that this lot had been a placeholder for the Obama presidential library, which is no longer coming to Hawaii. That lot is zoned for a 1.0 FAR 1.0 ft. max height since it was planned for an educational park use. He stated we could entertain other uses, but it needs to be planned in the EIS.

Mr. Ching noted that the Right of Entry does include a redevelopment clause, so we can terminate it if necessary.

Member Scott asked how the lot is currently being used. Mr. Ching replied it is for storage and baseyard uses for Kakaako projects. Mr. Los Banos noted that only about 10% of the lot is being used, so large storepipes could be placed to take up more of the lot.

Member Kami asked about the termination clause and the 6 months advance notice. Mr. Ching noted that the ROE would be amended for a 6-month notice, since baseyard operations can be difficult to move in less time.

#### PUBLIC TESTIMONY

1. Michelle Matson, CPAC: Worked on master plan for area, which was adopted in 2011. The wastewater site is part of the plan for park expansion, so the concern is that a temporary use might become permanent. She has some suggestions about what to do with the homeless situation, since she has stated it is HCDA's purview. She says the homeless won't go away without action, and the situation has now become an environmental health hazard. She requests Hawaiian Dredging restore the site, remediate the lot, and provide park expansion.

Member Kami asked if extending the lease impairs future plans for the site. Mr. Ching clarified it is a right of entry, and stated that the termination clause ensures it would not impact future plans.

Member Kami asked about other options for this site. Mr. Ching noted that historically it was home to the C&C's wastewater yard with documented contamination of the ground. He stated redevelopment of the lot requires appropriate actions with the gravel cap, as well as the necessary environmental and health studies. Mr. Ching stated this represents a considerable cost, and with the EIS and park master planning, any activities in that area need to be consistent with those plans. Mr. Ching stated in the lot's current condition, baseyard storage and storepipes are ok since it does not disturb the gravel or contaminants. Current uses are limited.

Chair Whalen asked about the park EIS timeline, to which Mr. Ching replied it should be done by the end of the year. Determining the use and funding for future development could be done within two years.

There were no additional comments on this item from board members or the public.

Chair Whalen entertained a motion for this item. A motion was made by Member McLaughlin and seconded by Member Rodriguez. The motion was approved unanimously.

3. Decision Making: Shall the Authority Authorize the Executive Director or his Designee to Negotiate a Development Agreement with a Developer to Develop an Affordable Low- to Moderate-Income “Micro Unit” Housing at 630 Cooke Street?

Mr. Ching noted that one of the top three proposals withdrew. Developers of the remaining top two proposals made their public presentations of their Best and Final Offers.

Mutual Housing, a local non-profit, proposed a 12-story, 124-foot mixed-use tower with 93 micro unit studio apartments. A portion of the units would target 30% AMI, while the rest would target 60% AMI. It would be marketed as transit oriented development and encourage residents to use rail. The \$27 million development would have two dedicated car share stalls and bicycle storage instead of providing resident parking. Community and retail space on ground floor could accommodate popup businesses to activate street. There are also two community gardens on site to promote agriculture. Building profile is completely compliant with Mauka Area Rules. Modular units can be assembled offsite and transported to site to save time and money.

Member McLaughlin asked about a pet friendly building. Mutual Housing replied that service animals are allowed by law, however pets (dogs/ cats) will not be allowed due to insurance and liability issues.

Chair Whalen asked if they anticipate any problems filling the building at the targeted income groups. Mutual Housing says studies have been conducted and Kakaako has the most single residents as well as those who are willing to use alternative modes of transportation to get to work.

Member Oh asked about the level of commitment to replicate this project on similar sites, if the opportunity arose. Mutual Housing stated they want to ensure they can fully commit to projects before agreeing to them. So they would want to see the success of this project first, before doing others.

Member Scott asked about prefab modular construction in Hawaii, on land. Kiewit stated assemblies can be shipped complete to Hawaii from the mainland, then stacked on site. Alternatively, they say a shell can be built and then modules can slide in, which is a method that's growing popularity here in Hawaii.

Member Bassett thanked the developer for the building's design and being considerate of the neighborhood. He asked about the resident experience and the necessity for openness of the view plane. Developer stated that the exterior is like a Juliet balcony, but still maintains privacy with glass windows. It maintains three distinct spaces for cooking, living, and sleeping.

Chair Whalen asked about the requested exemptions, parking and floor area. Mutual Housing stated that the parking exemption is for TOD, and the floor area exemption is to allow the maximum units while minimizing the impact on the neighborhood and not entering a new building typology that would cost more.

Member Bassett asked for an explanation of the resident. Mutual Housing noted there is a wide range of demographics for Kakaako residents, so these units are designed to be flexible and open to fit individual needs.

Bronx Pro Group proposed a 17-story, 184-foot mixed-use tower with 104 micro units with exterior lanais. Solar panels will heat water and there will be LED lights throughout. CMD has other similar projects in Seattle and focuses on making units affordable and flexible. Conventional building would make this an 18-month project, but panelized system reduces 6 months from timeline. Building components will be assembled on Oahu by union labor. Bronx Pro has successfully completed prefab micro unit housing on the mainland and can apply lessons learned. First floor would be all glass and second floor is community meeting space with outdoor area. Bronx Pro stated all their projects put a lot of emphasis on community space and bringing in the arts (education, workshops, charitable events, etc.). Majority of units will go to 60% AMI residents, while some will go to 30% AMI. Bronx Pro says the quality of living will be much higher than what is expected.

Member McLaughlin asked if the average residency is 12-36 months. Bronx Pro stated micro units are very new, but based on research that is the average term of residency in Seattle. The developer stated unit size is meant to be a stepping stone to a larger unit.

Member Oh stated that micro units are all over Japan, China, and Europe and can make a big impact to the demand for low-income housing. He stated that the HCDA is providing free land, but asked if the project would still be economically feasible without it. Bronx Pro replied that it's a complex

question, but it's a matter of playing with the design and cost and whether it could be absorbed and balanced.

Bronx Pro stated that they have other projects in Hawaii and if there's flexibility it can be penciled out.

Member Bassett asked about the user of this type of unit. Bronx Pro replied that it would be anyone from baby boomers and empty nesters to millennials. It's anyone who is interested in a higher quality of living that wants to live on their own. Member Bassett asked about the practicality of the glass in the design and privacy. Bronx Pro replied there is a setback from the street, glazing for efficiency, and few tall buildings nearby. They stated it is a lifestyle choice that many are already making across the state and country.

Chair Whalen asked about house rules and EAH. EAH replied house rules would prohibit storage on the lanais to keep them nice. Member Bassett noted that Imperial Plaza has glass lanais that are empty and unused because there are too many restrictions on what you can put out there.

Member Waterhouse asked about the size of the unit. Bronx Pro replied it is a 300 sq. ft. unit plus a 40 sq. ft. lanai.

Member Kami asked about the financing structure. Developer replied they'll use Hula Mae tax exempt bonds and tax credits, which EAH and Bronx Pro are very familiar with.

Member Bassett asked how this design can be customized to accommodate the unique environmental qualities of Kakaako. Bronx Pro stated the first two floors are the interaction with the community, while the setback tower is the system. The first two levels with glass would be open to the community and inviting. Bronx Pro also noted that their structures are panels rather than boxes, so they can be customized easily.

Member Rodriguez asked about furnished apartments given the length of residency. Bronx Pro stated they do not anticipate furnishing the apartments, but they will provide guidance. Turnovers can be done within 2-4 days rather than 2-4 months. Member Rodriguez asked about bulky item pickup. EAH responded that there is not much furniture left behind in other projects so they're not expecting a huge issue.

#### PUBLIC TESTIMONY

1. Arnold Imaoka, resident: Rented a 275 sq. ft. studio for 5 years, so it is possible and not problematic for singles and couples. Main thing to remember is that singles don't spend a lot of time in the unit other than to sleep, so development shouldn't be overdesigned. A pamphlet of schematics for furniture layout would be helpful for future residents.



There were no additional comments on this item from board members or the public.

Member Bassett made a motion to enter executive session. Member Waterhouse seconded the motion. All members unanimously approved entering into executive session.

Chair Whalen recessed the meeting at 12:24 p.m.

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Pursuant to Section 92-5(a)(3) and 92-5(a)(4), Hawaii Revised Statutes, the Authority convened in Executive Session at 12:45 p.m.

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The regular meeting was reconvened at 1:29 p.m.

Chair Whalen entertained a motion for this item. A motion was made by Member Scott to authorize the Executive Director or his Designee to Negotiate a Development Agreement with Bronx Pro Group to Develop an Affordable “Micro Unit” Housing at 630 Cooke Street, provided the negotiations occur in a timely manner, not to exceed January 31, 2016. The motion was seconded by Member Rodriguez. The motion was approved unanimously.

4. Information and Discussion re: Status Report - Transit-Oriented Development Plan and Rules Overlay & Environmental Impact Statement for the Kakaako Community Development District.

Mr. Ching showed the HCDA-produced video on transit oriented development. The video is viewable on the HCDA YouTube page. Mr. Ching gave an update on the timeline of the TOD Overlay Plan and EIS.

Chair Whalen noted the video is informative for those who have not been to forums on TOD. He stated he did not read all the documents for the TOD EIS, but is familiar with the alternatives. Chair Whalen noted that there may be a middle ground that is not a big shift from the current plan but is still within the current laws. He stated that complete streets are very exciting but the HCDA doesn't have the budget to implement it. He mentioned working with the city to raise revenue to assess landowners. Chair Whalen also asked how this TOD overlay works with the vested master plans in the area. He said the board needs to be clear about what it's creating prior to doing any rule changes.

Mr. Ching noted that the EIS is not a decision making document, rather a disclosure document. He stated any implementation would be within the HCDA plan and rules, as the middle ground the Chair described. Mr. Ching noted that Kamehameha Schools and Howard Hughes have committed to complete streets on Auahi Street, so public funds are not required. Discussions are also ongoing with the city for a complete street/ cultural trail going down

Ward Ave. from Kapiolani Blvd. to Ala Moana Blvd., in coordination with Howard Hughes.

Member Bassett wanted more time to absorb the plans and says he will study them.

#### PUBLIC TESTIMONY

1. Sharon Moriwaki, Kakaako United: Concerned about TOD Overlay and EIS because there is no community advisory council for input. The DEIS had many concerns, including how it can be livable and sustainable. KS and HHC are problematic because they are not planning comprehensively for the district. A comprehensive assessment of the infrastructure has not been addressed and should be.
2. Michelle Matson, CPAC: Supports Sharon Moriwaki's comments. She questioned whether the required 45-day comment period was observed. She asked whether the final EIS goes back to the public for review, to which Mr. Ching replied the final EIS would already incorporate public comments from the draft EIS. Mr. Ching stated it would not return to the public because that would be circular, however it will go back to the Authority. Chair Whalen noted that the final EIS is distributed and published.

Chair Whalen explained the timeline for an EIS. Mr. Ching explained the 45-day comment period took place in January 2015 and procedure is being followed. Chair Whalen noted the draft TOD Overlay was issued, which was the basis for the EIS. He stated the TOD plan in the rules needs to be scrutinized since it will follow the finalization of the EIS. Mr. Ching stated that the rule making procedure for TOD is very tedious work and will take a long time, with no projected end date. Mr. Ching stated we are still in the process of finalizing comments, so the formal response has not yet happened.

Chair Whalen discussed the three alternatives, given the new cap of height. Mr. Neupane noted there could be a number of alternatives. Mr. Neupane noted the authority can appoint a subcommittee to work on the plan with staff, to which Chair Whalen and Member Bassett stated he'd like to participate. The item to form a committee can be put on the next meeting agenda.

There were no additional comments on this item from board members or the public.

#### 5. Information and Discussion re: Solicitation to Develop Three Development Parcels Surrounding Kewalo Basin Harbor Staff Update to the Authority.

Mr. Los Banos summarized the report located in tab 5 of the packet, which outlines the timeline for development. The solicitation for the fast lands surrounding Kewalo Basin Harbor, McWayne lot, harbormaster/ NOAA lot was

published in March 2015. Mr. Los Banos noted that because Mr. Ching recused himself from this discussion since he had been involved with the preparation of the proposals.

Chair Whalen asked about the cost of repairs to Kewalo Basin. Mr. Los Banos stated that the previous Authority awarded Howard Hughes with the management of Kewalo Basin harbor, including repairs. Chair Whalen asked about responsibility for financing improvements and if OHA is contributing. Mr. Los Banos stated OHA is not contributing, as the HCDA maintains jurisdiction over all submerged lands in the area. Mr. Los Banos stated that the riprap repair has CIP funding, and the other projects have monies from 7-years of collected revenue from leases at Kewalo Basin.

Member Scott asked where the money for harbor repairs comes from, to which Mr. Los Banos replied that Howard Hughes will underwrite the cost of the repairs with revenue generated from the harbor.

Member Bassett asked what harbor improvements mean. Mr. Los Banos noted that some piers were too dangerous to be on at the time HCDA took over the harbor, but conditions have improved. He says maintenance has been deferred for awhile, but now it's time to redo it completely. There were no additional comments on this item from board members or the public.

Member Scott made a motion to enter executive session. Member Kami seconded the motion. All members unanimously approved entering into executive session.

Chair Whalen recessed the meeting at 2:40 p.m.

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Pursuant to Section 92-5(a)(3) and 92-5(a)(4), Hawaii Revised Statutes, the Authority convened in Executive Session at 2:45 p.m.

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The regular meeting was reconvened at 3:11 p.m.

6. Information and Discussion re: Kakaako Investigative Committee Report.

Member Okuhama noted the committee had many priorities but they had to narrow them down. He stated the committee's top priorities are: 1) Affordable housing and adopting portions of the POTS report, 2) Homelessness and how it's impacting usage of Kakaako Makai, 3) Kewalo Basin and planned uses and development, 4) Infrastructure and solving road ownership issues, 5) Helping small businesses like the TOCBED report suggests.

Member Waterhouse asked what happens to the report now. Chair Whalen stated the TOCBED report was published years ago and has several recommendations for central Kakaako.

Member McLaughlin stated any objectives should follow up with a legislative action plan for the 2016 session. He stated without legislative assistance, nothing can be done because there is no money to do it. Chair Whalen agreed, saying if they can agree on the priorities, the next step would be an action plan. Mr. Neupane noted that HCDA staff can support in any way possible. Chair Whalen mentioned wanting to bring together stakeholders impacted by homelessness so that it can be determined what role HCDA can play.

Member Scott stated that at the next meeting, a representative from the Children's Discovery Center should be present to show what goes on as an agenda item. He stated the problem is out of sight, out of mind, so there is no incentive to do anything about it, but something needs to be done. Member Scott said there was a homeless encampment near his business, but then they moved, probably to Kakaako Makai. Mr. Neupane stated Loretta Yajima can be invited to the next session.

Chair Whalen stated the Kakaako homeless shelter is full so HCDA can only do so much. Mr. Neupane noted that the City & County does not enforce the sit lie law in Kakaako, and HCDA does not have that power.

Member Bassett agreed that we should put this issue on the agenda, and we should also hear from organizations who do work within the homeless community to better understand their needs.

Member Scott asked what it takes to change rules for housing like lowering the AMI. Mr. Neupane noted that HCDA has already started looking at the reserved housing rules and ways to amend them. He said within a month or two it will come before the authority for discussion. He noted the process itself can be done publicly or via subcommittee, then follow Ch. 91 rule making process which involves public hearings and public feedback before adoption.

Member Kami stated we need to look at alternatives that require funding, and those that do not require funding. He asked if HCDA can collaborate more with HHFDC to utilize their programs and resources like the rental housing trust fund.

Mr. Neupane noted that the Authority needs to make a policy decision on how to proceed on affordable housing. He stated current rules do not utilize public funding for housing developments, as reserved housing is viewed as an exaction on the developer. We can structure the rules differently once the Authority determines how it wants to proceed. Mr. Neupane stated the HCDA does collaborate with HHFDC on public funded developments.

Chair Whalen stated that public funding is not used as effectively as it could be.

PUBLIC TESTIMONY

1. Michelle Matson, CPAC: Believes there was an oversight of priorities, because the lei of green should be a priority. A task force is needed to review the tax map keys to understand what the acceptable uses are.
2. Sharon Moriwaki, Kakaako United: Says the priorities are daunting because they have never been done before. The last HCDA board was focused on approving permits and contracts without a comprehensive view of what's needed. Reserved housing rules need to be amended because they are hard to read.

Chair Whalen asked if the conceptual makai master plan can be used to clear up the confusion over what is park and what's not. Mr. Neupane stated he worked on the master plan for years, which delivered a general overview of the area. He said it did not include many little details, however the EIS could. Chair Whalen asked to move beyond the conceptual map, which doesn't include boundaries. Mr. Neupane stated there is no confusion over what belongs to OHA and what belongs to HCDA. He stated that OHA is now master planning their land in the Kewalo area. Chair Whalen asked HCDA to define what the expectations are for that area. Mr. Neupane replied that has been done.

Chair Whalen noted the adoption of priorities can be formally placed on the agenda for the next meeting, if desired. Or, he stated the Authority can generally act with those priorities in mind without formal adoption.

Member Scott noted that all the priorities will be addressed in the upcoming weeks, so it doesn't need to be formally adopted.

There were no additional comments on this item from board members or the public.

7. Information and Discussion re: Collaboration Project with the Hawaii Strategic Development Corporation for an Economic Accelerator in the Kakaako Community Development District.

Chair Whalen noted this item was deferred from the May 27 agenda. Mr. Los Banos presented the staff report, which was distributed at the last meeting. He mentioned HSDC is a sister agency and wanted the board discuss this item. Mr. Los Banos stated that details of a collaboration with HSDC still need to be finalized, but HSDC has the ability to help start new businesses with an economic accelerator. Such an economic accelerator would be useful to Kakaako, as there will be many commercial spaces in the upcoming developments.

Chair Whalen asked if HSDC wanted money, to which Mr. Los Banos noted that is still under discussion. Mr. Los Banos stated a request may be made at the next

meeting. Chair Whalen questioned why they would come to HCDA for help or money when HCDA has limited funds.

Member Bassett also questioned what HCDA's involvement would be in such a collaboration. Mr. Los Banos reiterated that is still being discussed.

There were no additional comments on this item from board members or the public.

**V. ADJOURNMENT**

Chairperson Whalen adjourned the regular meeting at 4:04 p.m.

Respectfully submitted,

/s/

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