

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

Wednesday, August 5, 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 11:01 am June 24, 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
William Oh
Mary Pat Waterhouse
Jason Okuhama
Jade Butay (DOT)
Tracy Ban (B&F)
Steven Scott
John Whalen

Members Absent: George Atta (DPP non-voting)
Beau Bassett

Others Present: Aedward Los Banos, Acting Executive Director
Lori Tanigawa, Deputy Attorney General
Deepak Neupane, Planning Director
Laura Savo, Court Reporter
Tommilyn Soares, Secretary
Lindsey Doi, Compliance Assurance & Community Outreach
Shelby Hoota, Media Specialist

II. APPROVAL OF MINUTES

Kakaako Meeting of July 8, 2015

No questions or corrections to the minutes of July 8, 2015 were made and the minutes were approved as presented.

III. REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director, Aedward Los Banos presented a brief report and highlighted the recent HCDA staff changes that includes resignations and temporary assignments to help cover those positions that have been recently vacated. Mr. Los Banos also gave a brief update on the homeless issue and noted there are current discussions on identifying parcels to be set aside as “safe zones” and that HPD has been working with all landowners to fortify trespass policies and enforcement on private property.

Vice Chair Scott asked if there has been any effort to address the health concerns that are in the Kakaako Waterfront Park, or Kewalo Basin areas with reports of contamination in the water due to the drains and has that been brought to the attention of the Department of Health. Mr. Los Banos reported, HPD hopes to have a plan forthcoming to address the displacement and then the clearing out and cleaning will begin and hopes to have a strategy soon. Vice Chair Scott expressed concern for the people in the ocean, surfers, bodysurfers, swimmers, etc. that have had staph infections because of the drains that empty into the ocean and contaminate the water. Mr. Los Banos commented, board of health is aware of the health concerns and there are no immediate action on the horizon but various agencies including the city are folding everything into a larger plan to remediate the situation.

Member Waterhouse asked if there were discussions to put porta-potties out there. Mr. Los Banos replied, resources committed work toward a safe zone and has not heard about porta potties for the area.

IV. KAKAAKO MATTERS*

Decision Making: Shall the Authority Authorize the Executive Director or His Designee to Negotiate a 65-year lease with Seagull Schools for development of an early education or early childhood education facility in Kakaako Makai on a portion of land parcel identified as TMK: 2-1-06:008

Acting Executive Director, Aedward Los Banos highlighted the report provided in the board packet. Seagull Schools approached HCDA in spring of 2013 to develop an early education center in the Kakaako Makai area. The interest was driven by the increasing population in Kakaako and the possible closure of Seagull’s Honolulu location at the top of the Civic Center Parking Structure due to the City’s planned renovation/repair to the leaking structure.

Chuck Larson and Gary Gill of Seagull School Inc provided a brief presentation to the board on the proposal. Currently, the proposed site is located in Kakaako Waterfront Park on a parcel identified as TMK 2-1-060:008, currently the Maintenance Shed location. Seagull School would like to leave the structure and renovate the building and had hired Urban Works who conducted an

environmental assessment that HCDA accepted with a finding of no significant impact and is now seeking HCDA's approval to move forward in developing the school with a lease.

Chair Whalen asked how Seagull School and HCDA got to its current request. The Cancer Center has available space as they were interested in having a childcare facility with a secure outdoor area that could meet the needs of a childcare facility in their courtyard. Mr. Gill responded at the time, the board of the organization felt pressure because the City was planning to make major repairs to the parking facility that's under the childcare center on the Civic Center Grounds that could have potentially closed the school and left its current students without a facility, therefore, the process began to look for a place Seagull could begin to operate in the downtown area and a contact with HCDA led to the current discussion. Chair Whalen noted at one of the authority meetings held in June, he noted a conflict as the Seagull School Environmental Assessment was underway and there was also a status report on the Makai area park master plan presentation that designates the site as part of a park. Also the current zoning does not allow additional floor area.

Member McLaughlin asked for a status update on the Civic Center. Mr. Larson replied and noted Mayor Carlisle's administration planned to make the repairs and since then Mayor Caldwell has expressed his administration does not have any plans to close the school for the repair work on the parking garage. Member McLaughlin stated he attended previous HCDA meetings and remembers the urgency and the emphasis being on a replacement facility and as the replacement facility is not necessary, he asked if this is now a forward growth initiative for Seagull Schools. Mr. Larson replied yes. Mr. Gill commented the reality is that the parking lot under the childcare center that Seagull operates belongs to the City and it remains in jeopardy because at some point they will be repairing the parking lot.

Member McLaughlin asked, what Seagull's fallback position would be if the space in Kakaako were not available. Mr. Gill replied, that Mr. Larson has looked around and there virtually is no space that Seagull has been able to identify for development of new childcare facilities that fits in its model.

PUBLIC TESTIMONY

Michale Fahey of Good Beginnings Alliance provided testimony and expressed support for Seagull School in seeking a lease to develop a childcare facility in Kakaako Makai.

Ms. Lisa Nillos, daughter attends Seagull Schools provided support of a lease for the development of a Seagull School on the Kakaako Makai parcel.

Standford Carr, Chairman of the Capital Campaign for Seagull Schools

expressed his support urged the authority to consider and support the continued negotiations for a long-term lease.

Mr. Glenn Mason, board member of Seagull School noted the demand for child care in the downtown area is incredible and with the development in Kakaako there is a desperate need to find places for the kids to go to school in the area.

Michelle Matson, provided testimony on behalf of Wayne Takamine and Sharon Moriwaki and noted the 2011 Kakaako Makai Master Plan approved by HCDA provides for a centralized, shared parking facility and urges the board to not pursue the proposal by Seagull School but instead urged HCDA to work with Department of Education to pursue a plan for properly placed educational facilities in Kakaako Mauka.

No other comments or questions were made.

Member Okuhama 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 12:23 p.m.

Pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, the Authority convened in Executive Session at 012:23 pm

The regular meeting was reconvened at 1:36 p.m.

Vice Chair Scott made a motion for the Authority to not authorize the executive director or his designee to negotiate a 65-year lease with Seagull Schools for the development of an early childhood education facility in Kaka'ako Makai on a portion of land parcel identified as TMK 2-1-060:008.

Member Okuhama seconded, roll call was conducted and passed unanimously.

Information and Discussion re: Solicitation to Develop Three Development Parcels Surrounding Kewalo Basin Harbor on a Portion of Tax Map Key: 2-1-058:131 for Development Lots 1, 2 & 3.

Chair Whalen noted before convening in Executive Session there will be no public presentation on this item but would like to afford the public to come forward to make comments on those proposals presented earlier at a previous meeting by the two parties.

PUBLIC TESTIMONY

Michelle Matson, noted she doesn't plan to testify but would like to know the

major differences between the two proposals. Chair Whalen indicated that one developer submitted for only one parcel, while the other developer submitted proposals for all three parcels with some expansion beyond those particular lots identified. Chair Whalen also noted the public presentations are available on HCDA's website.

Vice Chair Scott 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 1:44 p.m.

Pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, the Authority convened in Executive Session at 1:44 pm

The regular meeting was reconvened at 4:41 p.m.

V. ADJOURNMENT

Chairperson Whalen adjourned the regular meeting at 4:41 p.m.

Respectfully submitted,

/s/

John Whalen,
Chair

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