

690 Pohukaina Street Mixed-Use Transit-Oriented Development Project Update

Staff Report

February 3, 2016

Background: In October 2011, the Authority authorized the Executive Director to develop a Transit-Oriented Development (TOD) Plan and Rules Overlay for the Kakaako Community Development District, request conveyance of the former Pohukaina School Site (690 Pohukaina Street, Tax Map Key (TMK): 2-1-051: 041) to the Hawaii Community Development Authority from the Department of Land and Natural Resources pursuant to the Hawaii Revised Statutes Section 206E-8, and develop and issue a Request for Proposal for a Mixed-Use TOD Project (Project) on the former Pohukaina School Site (690 Pohukaina Street, TMK: 2-1-051: 041).

Subsequently, the Request for Proposals (RFP) was published on January 2012 and proposals received in August 2012. Two developers, Forest City Hawaii Residential Inc. (Forest City) and Lend Lease US Public Partnerships LLC (Lend Lease) submitted proposals in August 2012. Proposals were evaluated by an evaluation committee established by the Authority and composed of three Authority members. A public hearing on proposals from both Forest City and Lend Lease was held in November 2012 at which time both developers presented their best and final offer. Two additional community meetings were held in November and December 2012 for the community to provide comments on the proposals before the Authority's decision-making. In December 2012 at a public hearing, the evaluation committee recommended selecting Forest City as the developer for the Project. In January 2013, the Authority selected Forest City as the developer for the Project and authorized the Executive Director to negotiate a development agreement.

Negotiations on development agreement with Forest City reached an impasse in December 2013 due to certain requests made by Forest City that were explicitly prohibited by the RFP.

In the meantime, staff has received a request from the Department of Education (DOE) to include an elementary school as part of the Project. Members of the DOE will be available at the Authority meeting to address DOE's plan for an elementary school at the Project location.