

STATE OF HAWAII
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
KALAELOA BUSINESS MEETING

Wednesday, October 2, 2019

MINUTES

I. CALL TO ORDER/ROLL CALL

A regular business meeting of the Kalaeloa Members, Hawaii Community Development Authority (“Authority” or “Board”), a body corporate and a public instrumentality of the State of Hawaii, was called to order by, John Whalen Chair of the Authority at 11:04 AM am, October 2, 2019 at the Authority’s principal offices at 547 Queen Street in Honolulu, Hawaii, 96813.

Members Present: John Whalen, Chair
Wei Fang, Secretary
Maeda Timson
Shirley Swinney
Mitchell Tynanes
Chason Ishii
Robert Yu (B&F Ex-Officio)
David Rodriguez (DOT Ex-Officio)
Jobie Masagatani (DHHL non-voting)

Members Excused: Kathy Sokugawa, (DPP non-voting)

HCDA Staff Present: Garrett Kamemoto, Interim Kakaako Planning and Development Director
Tessa Malama, Kalaeloa Planning and Development Director
Francine Murray, Interim Compliance Assurance & Community Outreach Officer
Lindsey Doi, Asset Manager
Tommilyn Soares, HCDA Secretary

Legal Counsel: Max Levins Deputy Attorney General

II. ACTION ITEMS

Shall the Authority Approve the Kalaeloa Community Development District Operating Budget for Fiscal Year 2019 – 2020 in the Amount not to Exceed \$653,376.00 and Authorize the Issuance of Land User Assessments, in the Amount not to Exceed \$300,000.00, Pursuant to Hawaii Revised Statutes § 206E-196?

Ms. Tessa Malama highlighted the Analysis section on Page 2 of the report and explained that in previous years the budget included 2 Full-Time Employees (FTE) with \$200K, however; this year that was changed with an explanation under the analysis section.

Member Swinney questioned the 5.6 Full Time Employees (FTE) assigned to Kalaeloa and asked if the \$133,849 being charged for the FY 19-20 Assessments reflect salaries less fringe?

Mr. Garrett Kamemoto and Ms. Malama explained that a portion of HCDA's salaries are being funded by the State General fund. Therefore, the fringes will no longer be paid by HCDA.

Member Masagatani asked for clarification because she understands that if the \$133,849 is part of the FY 19-20 Assessments that would be considered a special fund, and those fringes should therefore be paid by the same account.

Member Robert Yu confirmed that if there are in fact 5 FTE's authorized in a general fund, the department of budget and finance will pick up the tab for those fringes. However, if there are authorized FTE's being funded by a special or revolving fund, those funds would then be responsible to pay for those fringes. He also stated that Member Masagatani is correct that the fringes would need to be paid by the Assessments if those funds will be used for salaries. He added that he would need to confirm the Method of Funding (MOF) for the 5.6 FTE's noted on the Exhibit.

Mr. Kamemoto explained that HCDA's Revolving Fund covered HCDA's salaries last year. However, the last legislative session there was a change and that half of HCDA's staff salaries are now being funded by the General fund, while the remaining salaries continue to be funded by the Revolving Fund.

Member Swinney asked Ms. Miyasaki (according to Exhibit A in the board packet) to confirm whether the 2 of the 5.6 FTE's are being funded by the Assessments with the remaining salaries being funded by the General fund?

Ms. Alison Miyasaki, stated that she understands the \$133,849 is an allocation of salaries from both the general and revolving fund, as some of the Kakaako staff work on Kalaeloa projects.

Member Masagatani explained that when the legislature funds salaries, there is usually a Method of Funding like the General Fund with a position count and a Special Fund with a position count and to clarify the question, the board would like to understand how the \$133,849 is being allocated and what is the Kalaeloa Community getting with that assessment? She also asked what the Kalaeloa portion of the Attorney General's salaries are and if the Kalaeloa staff feels they are satisfied with the Attorney General's support, as a portion is being funded by the Kalaeloa budget. She also asked if the Attorney General's are 100% fully dedicated to HCDA matters?

Ms. Miyasaki explained that the Attorney General portion paid by the Kalaeloa budget is 1/3 of the cost.

Deputy Attorney General Levins, explained that his colleague Lori Sunakoda is dedicated to HCDA 100% and that he is assigned to two DCCA boards, one which meets every other month and the other has not yet met. He further added that he is also assigned to other projects on a case-by-case basis, otherwise he is dedicated to HCDA.

Ms. Miyasaki stated that she would gather details for the board on the \$133,849 assessments.

Chair Whalen moved on to Hunts presentation to allow Ms. Miyasaki to gather information for the board.

Ms. Miyasaki reported back and noted that the \$133,849 is a number that was plugged into the spreadsheet to balance out the number that was given for HCDA's salaries that were funded by the legislature.

The board deferred the decision to the next board meeting so that the Executive Director can address board member questions.

III. INFORMATION AND DISCUSSION

Presentation by Hunt Companies of Hawaii – Overview of Activities and Anticipated Projects within the Kalaeloa Community Development District.

Steve Colon and Paul Kay of Hunt Companies provided an overview of the work that Hunt has done in Kalaeloa as well as planned and proposed projects for the Kalaeloa area.

The presentation provided an update on Hunts master planning activities and includes:

- Subdivision of its Kalaeloa west parcels;
- Redevelopment of the Kalaeloa Professional Center;
- Redevelopment of the former Barbers Point Furniture Complex;
- Improvements to the Kalaeloa water and wastewater systems;
- Potential pursuit of lease-to-fee conversions from the Navy; and
- Addressing infrastructure challenges.

Mr. Colon explained Hunt worked on its own Masterplan that is consistent with the HCDA's approved masterplan and is very eager to see that masterplan "get going."

Mr. Paul Kay explained the Master Plan/Infrastructure component and noted that it is an evolving and ongoing process. He referred to the map in the packet and explained that Hunt is currently working on developing Parcel 1 for housing and that Hunt does not construct vertical buildings. Hunt believes that Parcel 1 is large enough that a housing subdivision development can be laid out and hopes to get started with construction on that soon. He explained that the third and final extension to obtain final City subdivision approval on the first phase expires, February 11, 2020.

Mr. Kay highlighted the following four items pending HCDA's action:

1. Acknowledge that Kamokila Blvd. alignment as approved in the tentative subdivision map by the city and previous HCDA ED Jesse Souki is consistent with the existing 2012 regulating plan, and does not require a HCDA variance permit;
2. Allow the Draft Environmental Assessment (DEA) to be re-published by the Office of Environmental Quality Control (OEQC);

3. Review and generally accept the Fehr and peers roadway master plan update to allow DPP – Traffic Review Branch acceptance of Kalaeloa roads; and
4. Support and expedite conveyance of Roosevelt Ave from DOT to HCDA according to the 2016 MOU with the City, DOT and HCDA.

Member Timson noted that as she was a board member for BPNAS, the idea then was to gather communities for connectivity. She added that she likes Hunts work and there has not been any reason to not trust Hunt with its intent and work. She further added that she is confused about the changes that have been made from past approvals and does not understand why Hunt is not being supported. As a redevelopment agency HCDA should move forward and look at the entire region.

Discussion with board members, Hunt and HCDA staff confirmed that the DEA was accepted then rescinded so that Hunt could address and incorporate comments that were raised. Hunt addressed comments, questions and resubmitted the DEA in May 2019 and that HCDA is the accepting agency.

Chair asked staff to follow up on the four items and to report back to the board at its next board meeting.

There was no further testimony.

REPORT OF THE EXECUTIVE DIRECTOR
Monthly Activities Update of the Kalaeloa Office

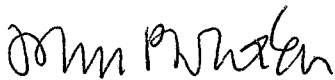
Board members deferred to the report provided in the board packet.

There was no further comments, questions and no public testimony.

VI. ADJOURNMENT

Chair Whalen adjourned the regular meeting at 1:03 pm.

Approved and Submitted by,



John Whalen, Chairperson

NOV 06 2019

Date Approved by HCDA Board