

**STATE OF HAWAII  
HAWAII COMMUNITY DEVELOPMENT AUTHORITY  
KALAELOA MEETING**

**Wednesday, December 09, 2020**

**MINUTES**

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

The Hawaii Community Development Authority (“Authority” or “Board”), a body corporate and a public instrumentality of the State of Hawaii met virtually (utilizing the state-supported Zoom Meeting platform) for a regular meeting on December 09, 2020.

Board Chairperson, John Whalen, called the meeting to order at 11:03am.  
Those present were as follows:

**Members Present:**

John Whalen, Chairperson  
Shirley Swinney  
Maeda Timson  
Lynn Araki-Regan, DOT (Ex-Officio)  
Craig Hirai, B&F (Ex-Officio)  
Wei Fang  
Daniel Ikaika Ito

**Members Excused:**

Mitchell Tynanes  
Kathy Sokugawa, DPP (non-voting)  
Chason Ishii  
Department of Hawaiian Homelands

**Legal Counsel:**

Kelly Suzuka, Deputy Attorney General

**Staff Present:**

Deepak Neupane, Executive Director  
Lindsey Doi, Asset Manager  
Garet Sasaki, Administrative Services Officer  
Tessa Malama, Kalaeloa Director of Planning  
Francine Murray, HCDA Program Specialist  
Tommilyn Soares, HCDA Secretary

A quorum was present

## **Acknowledgement that the Meeting is Being Convened Virtually**

Chair Whalen reiterated the wording contained in the Meeting Agenda regarding the state's response to the COVID-19 pandemic, the state's efforts to slow the community spread of the virus and Governor David Y. Ige's issuance of Supplementary Emergency Proclamations which suspended Chapter 92 of the Hawaii Revised Statutes to the extent necessary to enable public boards and commissions to conduct business without holding meetings open to the public.

With regard to the foregoing, Chair Whalen reiterated wording contained in the Meeting Agenda noting that HCDA welcomes public attendance via the Zoom link, HCDA's Facebook Page and its YouTube channel contained in the meeting agenda, HCDA also welcomes public comment and public participation via submission of written and or verbal testimony (consistent with the social distancing guidelines and Emergency Proclamation directives in effect).

Chair Whalen stated that individuals from the public who have requested to provide testimony are on standby and will be permitted to speak during the public testimony session of the specific agenda item.

## **II. INFORMATION ITEM**

### **1. Status Update: Aloha Solar Energy Project II – Burial Treatment and Preservation Plan**

Tesha Malama – Kalaehoa Director of Planning presented an update on the project. Ms. Malama stated that to approve the development permit, three items needed to happen: perimeter fencing, a draft preservation plan, and fencing around each individual site. The only outstanding item was the preservation plan which was awaiting concurrence from the State Preservation Society.

Ms. Malama introduced the Aloha Solar team that presented an update on the preservation plan. Mr. Kawika McKeague with G70 and Mr. Shaun Reuben with Altus Power.

Mr. McKeague thanked the board for the opportunity to share the status update on the plan. Mr. McKeague started by explaining the HRS 6E Historic Preservation Review Process and where this project currently is in the process. He continued by giving a history of the project to this date. He concluded the update by sharing with the board how they are taking steps to ensure that they are preserving the burial sites yet still giving access to the descendants of those that are buried.

Member Swinney commended the project on the thoroughness of the report and how they have worked with the descendants of the buried. She then asked if there are any projections for sea level rise impact regarding this specific area.

Mr. McKeague noted that due to the expedited nature of sea level rising, looking at the maps shows that the inundation does cross over Coral Sea Road to the general area of the airport runway and just shy of the project location. At this point in time, it is not clear what the full impact is or will be over time and that preventative measures may be necessary in the future.

Member Timson wanted to express her gratitude for how the project has handled the historic preservation and safety for the project.

Chair Whalen noted that Member Daniel Ito has joined the meeting.

There were no further questions and no public testimony.

2. Possibility of Federal Grant Funding and Public-Private Partnerships Funding Opportunities within the Kalaeloa Community Development District (KLCDD) for Electrical Infrastructure Improvements.

Ms. Malama noted that the major roadblock to moving the development forward is electrical. Noted that both the Kakaako and Kalaeloa boards voted to fund the Kalaeloa Safe and Reliable Energy Infrastructure Project (SREIP) in the Kalaeloa Community Development District (KLCDD). C.H. Guernsey and Company was hired to develop options for transferring and upgrading the electric system in the KLCDD. In 2019, there were significant outages in the district that resulted in the loss of small businesses. In response, the Navy spent almost one million dollars to try to address the electrical outages. HCDA was notified in November 2019 that the fund that focuses on reacting to those outages was being defunded and therefore any issues that would arise going forward, in the district, would not be prefunded. In response, the Navy called a summit to address landowner concerns. The goal was to find the best possible way to move forward. The Hawaiian Electric Company (HECO), Hunt, HCDA, the National Guard, the United States Coast Guard, and other landowners attended.

HCDA had \$13 million that was given via legislative appropriation to contract with HECO to bring in duct work to connect power to the district at Midway Road from Kapolei Parkway. This project was completed in Q1 2020. Concurrently, the Department of Transportation-Airports Divisions (DOT-A) entered into an agreement with HECO to cable the duct work to power the DOT-A parcel.

Due to these projects, the working group that came from the summit started discussing options for receiving new funding to be able to work on the extensions of the projects on Enterprise Road to tie in HECO power to the downtown Kalaeloa area. From this discussion came the idea to apply for a Defense Community Infrastructure Pilot Program (DCIP) grant. This grant was due in the summer of 2020. HCDA, along with other partners, submitted this package to extend the legs coming from the Enterprise project. Due to the tight timeframe, the proposal was denied.

Additionally, an Economic Development Administration (EDA) grant was submitted in September 2020 with HCDA as the applicant. This package expanded on the DCIP package that had previously been denied. The project proposed to build a new electrical system throughout the KLCDD and along Coral Sea Road. The request was for an estimated \$27 million.

Ms. Malama then gave an update on the permits that have been approved for the district as well as those that are expected to be submitted by the end of the year. This included an extension of the Kamokila Boulevard to connect to Saratoga Boulevard that fronts Department of Hawaiian Home Lands (DHHL) property.

Member Timson asked if DHHL is contributing to the corridor.

Ms. Malama responded by saying that they are contributing.

Member Swinney asked if a discussion could be had regarding the future federal funding and public-private partnership funding opportunities.

Ms. Malama responded by giving an update on the Navy's partnership with Hunt regarding plans to connect to the Coral Sea Road Aloha Solar Energy Fund (ASEF) project to energize the Navy's cottages and the Kalaeloa Water Company's pump station. This project would be contingent on the approval of the 2021 National Defense Authorization Act.

Chair Whalen stated that it would be helpful to know the expectations for HCDA's involvement in obtaining federal funding; and that a framework adopted by the Board might be needed to give staff directive on how to pursue such funding.

Ms. Malama stated that HCDA would be relied upon and any future projects would make HCDA the point organization in any negotiations by the State of Hawaii and Navy. Any funding received would come through HCDA.

Executive Director (ED) Deepak Neupane stated that the reason for adding this item to the meeting agenda was to make the board aware of the projects that are currently ongoing. Mr. Neupane stated that there could be two paths forward regarding obtaining grant funding; the board authorizing the ED to make decisions ahead of time, or the ED bringing individual projects to the board to vote on.

Chair Whalen reminded the board that there is currently a Permitted Interaction Group (PIG) for Kalaeloa and that it might be necessary to expand their scope to cover requesting funding for electrical system upgrades in the district.

Member Swinney restated Mr. Neupane's concern with needing a position from the board on seeking future funding. Whether the ED would have full authority or if it needed to come before the board each time. There should be consistency in the board's position throughout each HCDA district.

Mr. Neupane agreed with Member Swinney stating that the idea would be not only for Kalaeloa, but for all current and future districts.

Chair Whalen stated that there is a policy regarding legislative mandates. Having the staff available to handle major grants is also a concern as grants come with a lot of work.

Mr. Neupane reminded the board that The Entrepreneur's Sandbox was created using an EDA grant and that HCDA was only involved on the technical side and that the Hawaii Technology Development Corporation (HTDC) was the lead.

Member Timson asked about what DHHL, DOT-A, Hunt, and others would contribute as HCDA would be using manpower. The concern is that the others would get the benefits without contributing.

Ms. Malama answered by saying that Hunt has been on their own getting their properties up to date on the electrical side and has had struggles getting their properties up to date due to the Navy not allowing new electrical.

Member Timson agreed that Hunt has done a lot, however, the other agencies and companies will also need to contribute.

Mr. Neupane stated that it is planned for HCDA to meet with these other parties to discuss partnerships moving forward. It was suggested to bring this item as a discussion at the next meeting as well.

Member Swinney suggested bringing it before the General Authority since it would affect each district.

Mr. Neupane agreed with this course of action. The PIG presented a list of items that need to be done in the district in the next few years.

Ms. Malama stated that Chair Whalen mentioned it may be part of the existing PIG to discuss the electrical infrastructure issues.

Mr. Neupane stated that this discussion will be brought back at the January General Meeting for the board to consider.

Member Swinney asked about the current status of the EDA application.

Mr. Neupane responded saying that a decision has not been made but that there is a slim chance that it will be approved based on feedback.

Member Swinney brought up the fact that if the grant is approved, it would be difficult to implement with the current staffing levels.

Mr. Neupane agreed with Member Swinney's comment.

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

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

#### **3. Monthly Reports and Other Status Reports**

##### **a. Status Update: Kalaeloa Heritage Park**

Ms. Malama gave an update on the intersection of Roosevelt and Enterprise. The Department of Transportation-Highways Division (DOT-H) is requesting a Right of Entry (ROE) from HCDA. She stated that an interest in the ROE demonstrates that they are moving forward on the traffic light and safety improvements for that intersection.

Chair Whalen stated that due to previous board decisions, HCDA staff can handle the ROE without board approval.

Member Swinney asked about the last part of an inventory list that included a kauhale, burial crypt, and aircraft wreckage that was submitted on an earlier ED report, asking if they are permanent or temporary features and if they are properly permitted.

Ms. Malama responded saying a permit was submitted and approved for the kauhale. Regarding the burial crypt, a consultant was hired to do the proper research. The last inventory list was submitted in September and that HCDA can follow up to get the remaining information Member Swinney requested.

Asset Manager Lindsey Doi stated that she has been working with the Kalaeloa Heritage and Legacy Foundation (KHLF) regarding a stewardship agreement. There are milestones that need to be completed before the agreement can happen. One of the milestones is permitting all the features. One of the issues that has been hindering the permitting process is getting a physical site address. This address was received in the past two weeks.

Member Timson asked if this was why HCDA keeps renewing the terms.

Ms. Doi stated that due to items getting delayed due to COVID, the term was renewed for another year.

Member Timson asked what the final cost of the stockpile removal was and if it could be provided at the next meeting.

Member Timson stated her frustration with there not being a Kalaeloa Authority Meeting each month as there are items that the board members want to discuss. If there is a way to notify the members in advance on whether there will be a meeting each week.

Member Fang asked to clarify the process for deciding on whether there will be a meeting each month, and how far in advance the decision is made so that the board can be notified.

Mr. Neupane answered saying that generally a decision is made three weeks before the meeting date. This depends on the time that is needed by the staff for the items to be addressed. If the board members have something that they want addressed, they can email him directly.

Member Timson stated that the PIG is going to start on their work and requests monthly meeting to give updates on the status of the work.

Mr. Neupane stated that monthly meetings can be arranged once the PIG work has started.

Administrative Services Officer Garet Sasaki stated that the expenses incurred in this fiscal year for removal of the stockpile was \$562,000.00 which was paid to the contractor.

Member Timson questioned that the number is not the final cost.

Mr. Neupane stated that the number was only for this fiscal year and that he will find out the total cost over the course of the removal and get back to Member Timson with the number.

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

**IV. ADJUORNMENT**

There being no further comment or questions, Chair Whalen thanked those who joined the meeting on Zoom and adjourned the meeting at 12:23 pm.

Approved and Submitted by,

*John P Whalen*

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John Whalen, Chairperson

*February 3, 2021*

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Date Approved by HCDA Board