

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

MEETING NO. 394
Wednesday, February 5, 2014

KAKAAKO

I. CALL TO ORDER/ROLL CALL

A regular meeting of the Kakaako Members of the Hawaii Community Development Authority ("Authority"), a body corporate and public instrumentality of the State of Hawaii, was called to order by Mr. Brian Lee, Chairperson of the Authority, at 10:43 a.m. on Wednesday, February 5, 2014, at the Authority's principal executive offices at 461 Cooke Street, Honolulu, Hawaii, pursuant to Article IV, Section 1 of the Authority's Bylaws.

Members Present: Mary Alice Evans (DBEDT) (10:50 a.m.)
Randy Grune (DOT)
Miles Kamimura
Brian Lee
Lois Mitsunaga
Dean Seki (DAGS)
Brian Tamamoto

Members Absent: Luis Salaveria (DBF)

Others Present: Anthony Ching, Executive Director
Lori Tanigawa, Deputy Attorney General
Lindsey Doi, Compliance Assurance & Community Outreach
Officer
Deepak Neupane, Director of Planning & Development-Kakaako
Chris Sadayasu, Asset Manager
Shelby Hoota, Program Specialist
Patricia Yoshino, Secretary
Holly Hackett, Court Reporter

MATERIALS DISTRIBUTED:

1. Report of the Executive Director;
2. Summary Minutes of Regular Kakaako Authority Meeting of January 8, 2014;
3. Decision Making: Shall the Authority Authorize the Executive Director to Execute an Agreement Subordinating its Shared Equity Encumbrance on the

- Keola Lai Condominium Unit No. 1707 and Consenting to the Owner's Request to Refinance the Original Mortgage;
4. Decision Making: Shall the Authority Waive Its Option to Buy-Back the Pacifica Honolulu Condominium Reserved Housing Unit No. 803;
 5. Presentation and Decision Making re: Kewalo Basin Harbor Lease and Fast Lands Adjacent to the Harbormaster's Office (TMK: 2-1-58: 061 & 127): A. Shall the Authority Authorize the Executive Director to Enter Into a Thirty (30) Year Lease Agreement, With a Ten (10) Year Option to Extend, with a Selected Developer for the Development and Management of the Kewalo Basin Harbor in Accordance with the Terms and Conditions Recommended by the Hawaii Community Development Authority Staff, and B. Shall the Authority Authorize the Executive Director to Enter Into a One (1) Year Exclusive Negotiations Agreement with a Selected Developer for the Potential Lease and Development of the Kewalo Basin Harbor Fast Lands Under and Adjacent to the Harbormaster's Office (TMK: 2-1-58: 061 & 127);
 6. Decision Making: Shall the Authority Authorize the Chairperson to: (a) Issue an Order to Show Cause to Petitioners Association of Apartment Owners of One Waterfront Towers and Kakaako United Regarding Their Petition for Relief and (b) Schedule an Order to Show Cause Hearing.

II. APPROVAL OF MINUTES

1. Kakaako Regular Meeting of January 8, 2014

Chairperson Lee asked whether there were any corrections to the minutes of the January 8, 2014 meeting. There no comments or corrections from Members, and the minutes were approved as presented.

III. REPORT OF THE EXECUTIVE DIRECTOR

Mr. Ching reported stated he would defer to the report presented during the preceding Authority Business meeting.

IV. KAKAAKO MATTERS

2. Decision Making: Shall the Authority Authorize the Executive Director to Execute an Agreement Subordinating its Shared Equity Encumbrance on the Keola Lai Condominium Unit No. 1707 and Consenting to the Owner's Request to Refinance the Original Mortgage?

Mr. Ching summarized the report in the packet distributed to Members.

There were no questions from Members or comments from the public on the agenda item.

Chairperson Lee entertained a motion for the Authority to authorize the Executive Director to execute an agreement subordinating its shared equity encumbrance on the Keola Lai Condominium Unit No. 1707 and consenting to the owner's request to refinance the original mortgage.

A motion was made by Member Tamamoto and seconded by Member Evans.

A roll call vote was conducted.

Ayes: Members Evans, Grune, Kamimura, Lee, Mitsunaga, Seki and Tamamoto.

Nays: None.

The motion passed 7 to 0 with 2 excused (Member Salaveria and 1 vacant position).

3. Decision Making: Shall the Authority Waive Its Option to Buy-Back the Pacifica Honolulu Condominium Reserved Housing Unit No. 803?

Mr. Ching summarized the report in the packet distributed to Members.

There were no questions from Members or comments from the public on the agenda item.

Chairperson Lee entertained a motion for the Authority to waive its option to buy-back the Pacifica Honolulu Condominium Reserved Housing Unit No. 803.

A motion was made by Member Evans and seconded by Member Tamamoto.

A roll call vote was conducted.

Ayes: Members Evans, Grune, Kamimura, Lee, Mitsunaga, Seki and Tamamoto.

Nays: None.

The motion passed 7 to 0 with 2 excused (Member Salaveria and 1 vacant position).

4. Presentation and Decision Making re: Kewalo Basin Harbor Lease and Fast Lands Adjacent to the Harbormaster's Office (TMK: 2-1-58: 061 & 127)

- A. Shall the Authority Authorize the Executive Director to Enter Into a Thirty (30) Year Lease Agreement, With a Ten (10) Year Option to Extend, with a Selected Developer for the Development and Management of the Kewalo Basin Harbor in Accordance with the Terms and Conditions Recommended by the Hawaii Community Development Authority Staff?

B. Shall the Authority Authorize the Executive Director to Enter Into a One (1) Year Exclusive Negotiations Agreement with a Selected Developer for the Potential Lease and Development of the Kewalo Basin Harbor Fast Lands Under and Adjacent to the Harbormaster's Office (TMK: 2-1-58: 061 & 127)?

Mr. Ching presented his report via PowerPoint Presentation (see Exhibit A).

Member Tamamoto asked if there was a particular reason why decision-making was at this meeting, since the contract with Almar Management ("Almar") was expiring on February 2014, without more time for discussions.

Mr. Ching explained that the unsolicited offer came after the Environment Impact Statement ("EIS") was completed. Staff did due diligence research and the Authority gave direction to staff to pursue a direct negotiation vehicle. He would have preferred to have taken action in 2012 after the due diligence. However, the Authority directed staff to consult and coordinate harbor development plans with the Office of Hawaiian Affairs ("OHA"). Any further consideration was postponed for a year and a half until OHA could make its determination. In August 2013, OHA formally indicated it would take no position with respect to the redevelopment. HCDA staff also examined whether there were other interested parties, development alternatives, the potential of self-financing through revenue to general obligations bonds. When interest was expressed by the Howard Hughes Corporation ("HHC"), there was a due diligence period again to allow for the two viable parties to assemble offer sheets consistent with the parameters given by the Authority. The stakeholders were concerned about impacts on their livelihoods and maintenance of the rate schedules. Over that time and consultation with the stakeholders, examination of business terms and legal requirements, the HCDA would be poised to consider the partnership and be able to enter into a defined transition period.

Member Tamamoto asked whether there had been any discussions with the current provider on continuing to operate the harbor on a month-to month lease.

Mr. Ching replied that he had explored legal procurement methods to be able to extend the current management contract and also inquired with Almar if they would be interested.

Member Seki exited the meeting at 11:30 a.m.

Mr. David Striph, senior vice president, Mr. Race Randle, development director, and Ms. Bobbie Lau, general manager were present for HHC. They provided a PowerPoint presentation of their operation and proposal for development of the harbor (see Exhibit B).

Chairperson Lee asked whether Members or the Executive Director had any questions.

Mr. Ching asked if HHC had examined the permit and EIS development plan, and what their development timetable would be to build out the project.

Mr. Randle replied that they had a team of experts ready to come on board to look at plans and do onsite due diligence. If no additional permit requirements are necessary, they could begin construction this year. The improvements could be done immediately and sequentially to be completed in approximately 1-1/2 to 2 years.

Mr. Ching asked if HHC would be working in coordination with stakeholders and the existing stakeholder advisory group to improve signage and branding.

Mr. Randle replied that they would be working with the stakeholders, similar to what they do with their retail tenants.

Mr. Ching asked for an example of improved branding for the harbor.

Mr. Striph replied that they would spend time talking to the stakeholders to brand the place as somewhere people want to go with opportunities for recreation and for synergy with the mall.

Mr. Ching asked how they would seek to maintain access for recreational users.

Mr. Randle replied that they would continue to make sure access is perpetuated. Regarding the National Oceanographic and Atmospheric Administration ("NOAA") site, there is a potential programming item for the parcel which could provide some additional parking opportunities.

Mr. Ching asked if they had any objection to having a lifeguard station established at the NOAA site.

Mr. Randle stated that it was included in their presentation and would be a great benefit to have quick response lifeguard watercraft available at that location.

Mr. Ching noted that the harbor partnership would be operated by a special purpose entity. He asked if HHC would perhaps make contributions to support that entity.

Mr. Striph replied in the affirmative.

Mr. Ching asked what overall staffing levels were planned for the project.

Ms. Lau replied that a harbormaster and assistant would be needed and the security contractor and almost all their contractors would expand their current roles.

Mr. Striph added that it would include landscaping, security, maintenance and housekeeping contractors.

Mr. Ching asked about the timetable to complete engineering studies and due diligence.

Mr. Randle explained that due diligence would coincide with taking over transition operations. He expected 30-60 days to be sufficient for due diligence pending discovery of anything unforeseen.

Mr. Ching noted that any lease could not include subordination or indemnification conditions binding the land. The Authority's request for an assignment premium condition would be included in the lease condition.

Mr. Randle responded that they were aware and felt there were no clauses in the lease that could not be agreed to or final negotiations done by their attorneys.

Member Tamamoto expressed his concern that HHC lacked experience in managing harbors. For a long term contract, he would like to be able to go back and evaluate the experience or the performance level. He asked if HHC was planning to hire or outsource the operations.

Mr. Striph replied that their intention was to hire people, but would consider outsourcing if there was a viable alternative. They have all types of properties, including New York and New Orleans properties that are marina-type projects, so they have quite a bit of in-house experience.

Member Tamamoto asked what their vision is for the harbor.

Mr. Randle explained that the vision is to make it a nice place, well maintained, good landscaping, gate security, a safe place to visit. As more people come to the area, they need to make sure there are ocean front areas with places people want to enjoy, walk out to and that connect with the properties across the street.

Member Tamamoto asked what would be the mixture of commercial vessels, fishing boats and private craft in developing the harbor.

Mr. Randle replied that the mixture today is roughly 60/40 commercial and recreation. The rules are clear and the priority is to be given to commercial fisherman and commercial operations. At this time, they cannot anticipate what the mix might be, but would plan to create the new slips and depend on the rules to allow for priority to those particular users.

Member Tamamoto asked if HHC was equipped to fill the hundred new slips.

Mr. Striph replied that it would be similar to the leasing they do for the 300 tenants they have today. They would go out into the market and advertise that the slips were available.

Member Tamamoto inquired as to what the NOAA facility would be used for besides having emergency craft.

Mr. Randle replied that they have already met with some stakeholders as to particular uses that might be appropriate. Some ideas would be places where they can buy groceries, some food and beverage, or additional parking. They would develop something that would be a community amenity after meeting with stakeholders and the HCDA.

Mr. Ching asked if they had any predisposition as to the deployment of floating versus fixed piers.

Mr. Randle replied that they did not have any predisposition. They have heard concerns about floating docks and have reached out to the engineer who did the plans that the HCDA approved. It would tie to their immediate due diligence with their construction team and an engineer to reconfirm how long things will last and the maintenance required for each solution.

A recess was taken at 12:00 p.m.

The meeting was reconvened at 12:20 p.m.

Mr. Tom Hogan, one of the principal owners of Almar, Mr. Jim Hayes, chief operating officer, and Mr. Eric Noegel, consultant from Bellingham Industries were present for Almar. They presented the Almar proposal for the harbor via a PowerPoint presentation (see Exhibit C).

Mr. Hogan explained their concept for a dry stack storage facility for the NOAA site. It would be a place to store boats under 35 feet and have access to the water.

Mr. Noegel described Bellingham Marine as a global company and the world's largest marina builder. They manufacture more than 20 million square feet of floating dock systems worldwide and have worked in every recreational harbor in the U.S. Almar is their biggest client. In working with Almar, they decided that a concrete floating dock system was the right choice for the project.

Chairperson Lee asked whether Members had any questions.

Member Tamamoto noted that Almar had extensive experience with harbor design and management. He asked for clarification on their design of the harbor with respect to the historical area, environmental concerns, and how they would work with the stakeholders.

Mr. Hayes explained that they would only have to deal with the docks, and signage would be a big part of it. Kewalo Basin has a lot of history. They would clean it up, fix the docks and do some marketing to bring people to the harbor. There is a huge

demand for slips in Hawaii, and it would be a successful harbor. They would continue to work with the stakeholders, as they have done for the last 5 years.

Member Tamamoto asked if Almar would be willing to guarantee the projected income that the HCDA would receive.

Mr. Hogan replied in the negative. He explained that it was a public/private partnership based on performance.

Member Tamamoto stated that it was essentially a partnership, but Almar was the primary partner since they were in charge of the design, construction, and monitoring the lease. If they did not perform, they would be no income to the HCDA.

Mr. Hogan replied that they had been able to turn the harbor around from where it was and expected that to continue.

Mr. Ching asked Almar to confirm there was a harbormaster, 2 office staff and 2 maintenance staff.

Mr. Hayes confirmed the staffing.

Mr. Ching asked what they proposed for security.

Mr. Hayes explained that they would install security gates with card key access which would increase security. They currently have someone on an overnight shift to do security patrols.

Mr. Ching asked for a description of the maintenance coverage.

Mr. Hayes responded that maintenance would be seven days a week, with either one or two people on site from 8:30 am. to 4:00 p.m.

Mr. Ching asked with respect to the dry stack if boats would be launched upon retrieval.

Mr. Hayes replied that the boats would be launched from the site.

Mr. Ching asked if a boat coming from the dry stack would have to navigate around the harbormaster's office to get to the loading dock.

Mr. Hogan replied that they would provide a new harbormaster building attached to the dry stack.

Mr. Ching asked how many boats would be accommodated by the dry stack, and what the range and size might be.

Mr. Hogan replied it would be around 198 boats that would be from 29-35 feet long.

Mr. Ching asked if they anticipated 2 wave walls or surge abatement facilities.

Mr. Hogan replied that they spent quite a bit of time with Moffat and Nichol. Two walls, one from each side, was a better solution to dampening the waves that come in.

Mr. Ching asked what the shelf life would be for concrete dock technology.

Mr. Noble replied that it would be a 50-year life.

Mr. Hogan added that the facilities would have to be properly maintained.

Mr. Ching asked what their capacities would be for in-house or outsourced marketing.

Mr. Hayes replied that they have done it quite a bit in California and would use the same techniques in Kewalo Basin. Signage, marketing and advertising would be used not just to rent the slips, but for the charter and commercial fishing businesses.

Mr. Hogan stated that boating is 90% word of mouth. When they moved from Ko Olina to Kewalo, a significant number of boaters who were tenants in the marina followed them. It is a reputation of looking at the marina and satisfying the boaters' needs. They do not need a huge marketing program to make this marina successful.

Mr. Ching asked how a floating dock would perform with respect to handicap access.

Mr. Hayes replied that there would be areas that would be reserved exclusively for handicap access.

Mr. Noegel stated that all of their projects were designed and built to all the Americans with Disabilities Act ("ADA") standards for marinas, from access to gangways down to floating docks to certain slips that have certain dimensional widths that you have to maintain.

Mr. Ching asked if there were any design plans besides the dry stack for the fast land area.

Mr. Hogan replied that they do marina and harbor related business, and do not pretend to be land developers.

Mr. Ching asked if there were any of the potential lease terms and conditions that might become issues.

Mr. Hogan replied that they do not have a problem with the indemnification clause as far as the marina is concerned. Their new leases do not have a profit participation

clause. However, if they can understand the arrangement, they would negotiate something that makes sense for everyone.

Member Kamimura noted that Almar had a schedule on the harbor side for the cost of docks that recovers costs, some paying rent and higher rents over time. He asked what kind of formula was applied to the dry dock building.

Mr. Hogan explained that rents for dry storage are about 25-30% less than what is in the water. Boats in the dry stack can be a public benefit because the boats are sheltered and not exposed to weather conditions.

Member Kamimura asked if they anticipated enough demand for boats both in the water and in the dry stack.

Mr. Hogan replied that there is enough demand for boats in the water relative to what they have been able to accomplish. Ko Olina was an overnight success. He felt there would be more demand for dry storage facilities than for boats in the water.

Mr. Hayes added that the smallest space in the water is 45 feet, but the largest space in the dry stack is 35 feet.

Member Kamimura wondered if a boat that wouldn't have gone in the water would actually go into the dry stack.

Mr. Hayes replied that someone could put a 35-foot boat in a 45-foot space. However, sailboats do not have that opportunity and have to go in the water.

A recess was taken from 1:10 p.m.

The meeting was reconvened at 1:25 p.m.

Chairperson Lee stated that testimony would heard on Agenda Item 4.A. first.

PUBLIC TESTIMONY, Agenda Item 4.A:

Ms. Hina Wong Kalu stated her support of the Howard Hughes Corporation. She shared her experience as current chair of the Oahu Burial Council in their interaction with HHC. From the Hawaiian perspective, the selection of HHC would empower someone who is part of the hoku'aina circle that speaks to the authority; and also to serve in the capacity of konohiki to ensure land management is consistent with the Hawaiian conceptualization and philosophy of how things are done.

Mr. Bill Hecker stated he does a lot of accessibility work for most of the county and city governments, modifying buildings and facilities for people with disabilities in Hawaii. He noted that the ADA compliance duties

require inclusion of accessible design in the redevelopment of the facilities. 28 CFR Part 35.150 has regulations for state agencies for program accessibility and an ongoing duty to ensure that the opportunities available at the harbor are made accessible to and usable by people with disabilities.

Mr. Paul Sheriff stated his support for the HHC plan because they include land and water. He was concerned because there has not been any accessibility work at the docks since 2012 when the new guidelines kicked in. He wondered when it would be that his civil rights would not be violated anymore.

Mr. Mike DeRego stated he runs a charter operation tour out of Kewalo Basin. He wanted the Authority to come to the harbor and look at what is happening before voting. He wanted them to understand what Hawaii is about before creating a non-Hawaiian environment. Almar understands what it means to have a front row pier and to have access. He believed that experience matters, and Almar has been there.

Mr. Nick Fidelibus with Waikiki Diving stated he opposed a long term lease for the harbor. A whole harbor in Maui was redone for \$4 million and the state has experience and expertise in doing this. Almar has experience and he felt they would be willing to help us continue with the repairs to the harbor. We should keep the lands and manage them ourselves.

Mr. Rob Harrington stated he has had a charter boat operation for about 6 years. Both Almar and HHC are at the top of their fields, but they already have a working relationship with Almar. They concentrate on boating and have the experience to do it.

Mr. Tony Mathes stated he has a charter boat business in Kewalo Basin. If there was a way to fund the reconstruction with the profits from the harbor, that is the route that should be taken. For construction, maintenance and upkeep of the harbor, you can't beat the experience of Almar.

Mr. Charles St. Romain stated he is a charter boat owner and was in favor of Almar and their experience. The feeling he gets is that HHC will plan to outsource, and doesn't have the experience and proven track record. He did not think the dry storage would be practical because of the cost. If you add on a \$200-\$300 per month cost to a 25-30 foot trailer boat, the owner would no longer want it.

Mr. Robert St. Romain stated that the state should own and run its own harbor. Almar has been pretty good to them. He has seen the docks in Ko Olina. At first, nobody liked them, but after 5 years, the kind of have a relationship with them. The plan for docks 5 years ago is not valid 5 years later, so you need to stop delaying.

Mr. Joe Ferraro stated he was an architect with a small business in Kakaako. He was a tenant and consultant to HHC on other projects. HHC has been a fantastic group to work with and taken a real heart of community issues. They have done full research and involved a lot of local people in the design of their projects. The architectural community feels that Kakaako and all of Honolulu needs world class facilities. The harbor is going to work, but we want something more. He supported HHC because they can do that. They are investing millions of dollars into this community, and this would be the front door to that community. He did not want a dry stack at the head of the harbor.

Mr. Ron Iwami from Friends of Kewalos stated they were neutral on the choice, but just wanted to give park users a voice in the decision. He hoped that whoever is selected realizes the needs and concerns of the recreational users who have been using the area for a long time.

Questions/Discussion by Authority Members during Testimony Period for Item 4.A

Member Tamamoto asked Mr. DeRego for his comment on the need for utilization of a dry stack.

Mr. DeRego replied that he thought it would be used and made a lot of sense if it was done right. His concern was that it is a commercial harbor with a small channel, and it would be adding more boats. In Kona, 95% of the boats do not go anywhere.

Member Tamamoto asked Mr. Fidelibus what would be the appropriate number of years for a contract if we had to outsource and have someone manage the harbor.

Mr. Fidelibus replied that the repairs would have to be done on one section and it would be affordable. We have made \$1.2 million in the past 2 years. If it gets done in 5 years and rates are increased after construction is completed, you would be making double. So in 15 to 20 years it will be paid off. Anything after that is just profit the state is giving away.

Member Tamamoto asked Mr. Harrington to comment on the dry stack.

Mr. Harrington thought it would be good revenue and would be very popular for boats that range 20-29 feet. There are not a lot of places to store boats.

Member Tamamoto asked Mr. Mathes to comment on the dry dock facility.

Mr. Mathes replied that the only bad idea on how to use the lands is putting an Italian restaurant on the front row.

Member Tamamoto asked Mr. Robert St. Romain to comment on the dry dock stack.

Mr. St. Romain stated he was not in favor of it because it creates traffic. A rack is for private boats, but he was in favor of the harbor being strictly commercial.

Member Tamamoto asked Mr. Iwami for his recommendation on what the NOAA site should be.

Mr. Iwami replied that he could not speak for his group because they had not decided. In his personal opinion, KUPU, the non-profit group located next to it, has been helping the youth there and doing good work. The site has a valuable asset, which are the wells, and is something that should be kept. KUPU has shown Friends of Kewalos a plan for starting a training program for the youth to learn about creating and running a hatchery from the wells and being able to sell the fish fingerlings to the growers. He stated they liked the idea of a lifeguard station.

PUBLIC TESTIMONY, Agenda Item 4.B:

Mr. Bill Hecker stated he would just repeat the same testimony he provided earlier.

Mr. Paul Sheriff stated his family has been in the islands since the 1830's, and he wanted to preserve the sense of Hawaiiana in our culture. HHC has been doing a lot for the community. Almar is a good harbor manager, but he wanted to look at the bigger picture to make sure the right decision is made.

Mr. Mike DeRego stated his biggest concern about dry storage is the traffic in the harbor, and the traffic getting to the dry storage. We need to look at what is best for the area before contemplating what to put there. Everyone should have a say before giving anyone the right to negotiate a lease for the area.

Mr. Nick Fidelibus stated he was against an exclusive right to negotiate a lease for the fast lands. It should be put out for bid. These types of things are not in the best interest of the public, and we need to stop doing exclusive negotiation agreements.

Mr. Bob Harrington stated it would be a good idea to get more input on fast lands. They are there every day and have an idea of what works. The

harbormaster should be moved to where the Italian restaurant is going to be. You could have a nice restaurant, a place where their customers can go and have their fish cooked, grills, showers, etc. at that area.

Mr. Tony Mathes stated that we need to hold off on going into any exclusive negotiations. There is too much, too fast. He agreed with Mr. Harrington on putting the harbormaster's office where the Italian restaurant will be, and take back the area and make it a restaurant.

Mr. Charles St. Romain stated he was opposed to the dry storage. The land should be used for something more practical than a big steel building. He agreed with what everybody else was saying.

Mr. Robert St. Romain stated he concurred with everything on the boat storage and was not in favor of it.

Mr. Jack Hamada wanted to have a stipulation in the contract that there would be no large, private, deep draft boats allowed in Kewalo Basin for the duration of the contract.

Questions/Discussion by Authority Members during Testimony Period for Item 4.A

Member Tamamoto asked Mr. Fidelibus if he had a vision for the NOAA site.

Mr. Fidelibus replied that something overlooking the water with a nice lanai and a bar would be good. It would be good location for sightseeing or whale watching, and was a prime location for doing many things.

Member Tamamoto asked if it should be kept as a commercial site, but more in keeping with a Hawaiian sense of place.

Mr. Fidelibus answered in the affirmative.

Member Evans asked if Almar had provided the dimensions for their proposed dry stack storage facility: how high, how wide and what is the length.

Mr. Hogan explained that the building would roughly be 55-60 feet high, 200 feet long and 100 feet wide.

Member Tamamoto asked Mr. Hogan if, after hearing testimony from stakeholders, he would still pursue having a dry stack on the site.

Mr. Hogan replied that there were 2 separate leases, one for submerged lands and one for the dry storage. What was important to them was the development of the harbor operating in the submerged lands. They provided the dry stack as an alternative, and the particular site could be used for a number of different things.

A motion to convene in Executive Meeting was made by Member Evans and seconded by Member Mitsunaga. By a voice vote, the motion passed unanimously.

Chairperson Lee asked Deputy Attorney General Lori Tanigawa and HCDA staff members Mr. Ching, Mr. Neupane, Ms. Doi, Mr. Sadayasu, and Ms. Yoshino to join the executive session.

Pursuant to Section 92-5(a)(3), Hawaii Revised Statutes, the Authority convened in Executive Session at 2:25 p.m.

The regular meeting was reconvened at 3:30 p.m.

Chairperson Lee entertained a motion for the Authority to authorize the Executive Director to enter into exclusive negotiations with Howard Hughes Corporation for a potential lease and development and management of Kewalo Basin Harbor for a 60-day period whereby the negotiated lease terms will be subject to Board approval.

A motion was made by Member Kamimura and seconded by Member Mitsunaga.

A roll call vote was conducted.

Ayes: Members Evans, Grune, Kamimura, Lee and Mitsunaga.

Nays: Member Tamamoto.

The motion passed 5 to 1 with 3 excused (Member Salaveria and Seki and 1 vacant position).

Chairperson Lee stated that Agenda Item 4.B would be deferred.

5. Decision Making: Shall the Authority Authorize the Chairperson to: (a) Issue an Order to Show Cause to Petitioners Association of Apartment Owners of One Waterfront Towers and Kakaako United Regarding Their Petition for Relief and (b) Schedule an Order to Show Cause Hearing?

Mr. Ching reported that on September 6, 2013, a Petition for Relief from Approval of the Development Permit for Kamehameha Schools Land Block E Master Plan Permit No. PL MASP 13.2.8 was filed by Ms. Linda Paul as attorney for the Association of Apartment Owners of One Waterfront Tower and Kakaako United ("Petitioners"). The petition seeks the Authority to rescind its approval of development permit

KAK 13-033 for Kamehameha Schools and conduct another supplemental EIS. An Amended Petition for Relief was received from Ms. Paul on October 25, 2013. Motions for Intervention were received from the Trustees of the Estate of Bernice Pauahi Bishop, dba Kamehameha Schools ("KS") and from The Collection, LLC ("A&B"). He recommended that the Authority schedule an Order to Show Cause to the Petitioners why the Authority is permitted to grant Petitioners the relief that they seek.

Member Evans exited the meeting at 3:40 p.m.

There were no questions from Members or comments from the audience on the agenda item.

A motion to convene in Executive Meeting was made by Member Grune and seconded by Member Kamimura. By a voice vote, the motion passed unanimously.

Chairperson Lee asked Deputy Attorney General Lori Tanigawa and HCDA staff members Mr. Ching, Mr. Neupane, Ms. Doi, and Ms. Yoshino to join the executive session.

Pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, the Authority convened in Executive Session at 3:42 p.m.

The regular meeting was reconvened at 4:00 p.m.

Chairperson Lee entertained a motion to authorize the Chairperson to (A) issue an Order to Show Cause to Petitioners why the Authority is permitted to grant Petitioners the relief they seek, (B) schedule an Order to Show Cause hearing on February 19, 2014 at 9:00 a.m., and (C) deem A&B and KS necessary parties so that they may also have an opportunity to present their position before the Authority takes formal action.

A motion was made by Member Mitsunaga and seconded by Member Grune.

A roll call vote was conducted.

Ayes: Members Grune, Kamimura, Lee, Mitsunaga and Tamamoto.

Nays: None.

The motion passed 5 to 0 with 4 excused (Member Evans, Salaveria and Seki and 1 vacant position).

V. ADJOURNMENT

The meeting was adjourned at 4:03 p.m.

Respectfully submitted,

/s/

Miles Kamimura
Secretary

Attachments: Exhibit A - Kewalo Basin Harbor Redevelopment and P3 Solicitation
Exhibit B - Kewalo Basin Harbor Lease Presentation - The Howard Hughes Corporation and Victoria Ward Limited
Exhibit C - Kewalo Basin Harbor - Almar Management

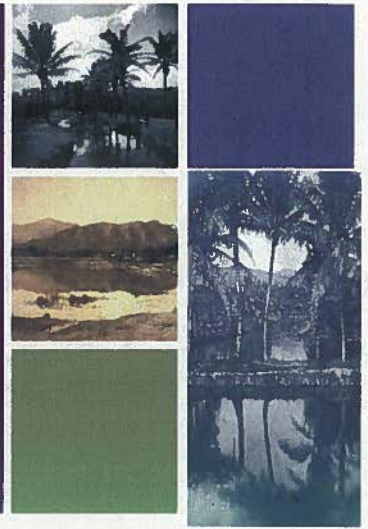
*Meals were served to Authority members and required staff as an integral part of the Executive Meeting.

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

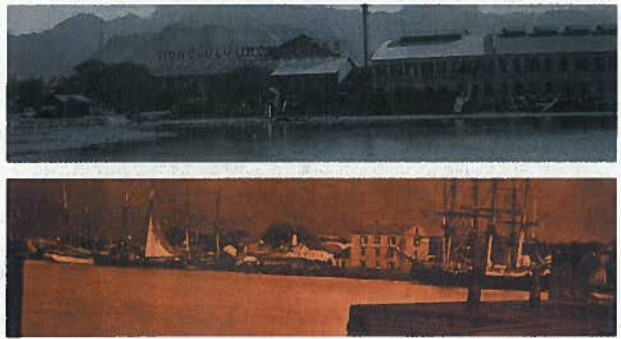


**Kewalo Basin Harbor
Redevelopment & P3 Solicitation**

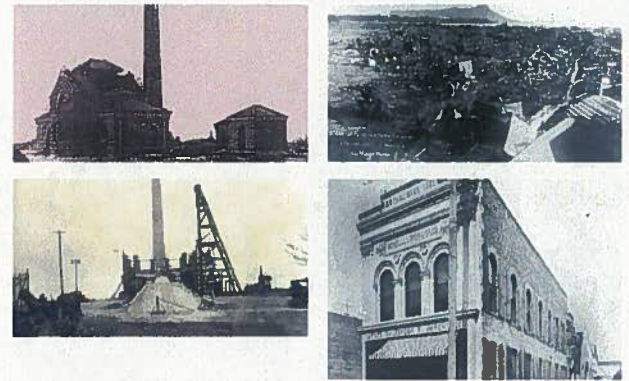
**+ Early Kakaako
Wetlands In Between
the Harbor & Waikiki**



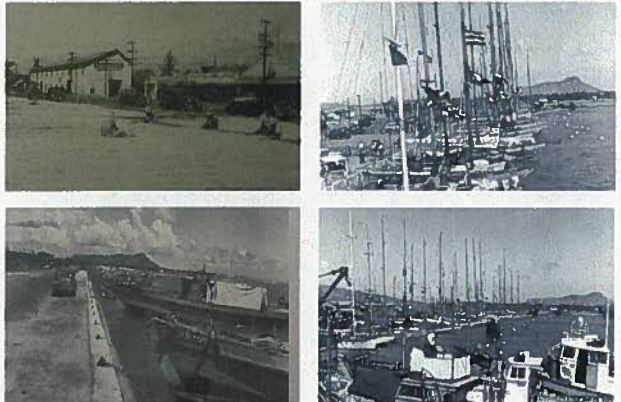
**+ Industry – The Port of Honolulu
and the Honolulu Ironworks**



+ Kewalo Landmarks



**+ Kewalo Basin Harbor
Home to Aku Boat Fleet & Commercial Fishing**



**+ The Tuna Packers Cannery
A Fixture at the Fisherman's Wharf**



+ Kakaako Makai & Kewalo Harbor
A Work in Progress



+ History of Kewalo Basin Harbor

- Commercial & Recreational Harbor First Developed in the 1920's
 - Construction of Kewalo Basin Wharf (at Fisherman's Wharf)
- Construction of Mauka and Waikiki Bulkhead Followed
- Harbor Dredged & Expanded During WWII
- Makai Revetment Constructed in 1955
- Harbor Considered Medium Draft Facility
 - Water Depth of 20 Feet
 - Current Harbor Area = 22 Acres

Kewalo Basin Harbor 2008

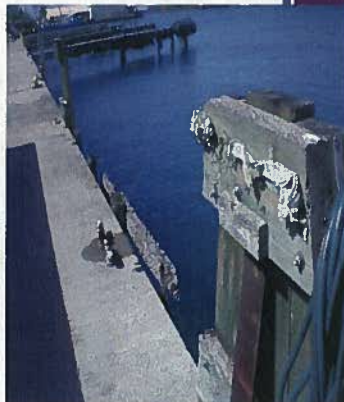


+ 2008 Development Principles

- Confirm HCDA Jurisdiction of Submerged Lands
- Establish & Administer HCDA Redevelopment Plan
 - Finalize Administrative Rules
 - Contract Harbor Management
- Communicate Redevelopment Plan
 - Id w/Users Repair & Maintenance Projects
 - Seed Repair & Improvements w/ Mauka Revolving Funds
- Keep All Harbor Revenues in Kewalo Basin
 - Repay Revolving Fund Seed Money
 - Conduct Additional Improvement Projects
- Work to Transition to Appropriate Management Entity

+ Deferred Maintenance Items
Clearly in Evidence

- Replacement of Slab & Fendering on Aprons, Pilings, Electrical to Slips (220/330) & Street Lighting Along Roadways
- Repair/Replacement of Herringbone, B & C Piers
- Install Waste Holding Tanks
- Walkways Replaced w/Floating System?
- Phased Project - \$2.5 - 4M?



Management & Communication Plan Needed

- Updated Rules Need to Be Codified & Enacted
- Communication Program w/Tenants Needed
- Long Term Management Plan Established



+ Kewalo Basin Harbor Rules Adopted 2009

- Last Update of Rules – 25 Years Ago
- Priority As Commercial Harbor
 - Commercial Fishing, Charter/Tour/Excursion First
 - Leisure Recreation Permit Only if Available
- Immediate Update of Slip Rates
 - Approximately 12% Increase to Account for Past Inflation
 - Annual 3% Increase or CPI (Whichever was Less)
 - Preferred Rate for Commercial Operators
- Two Tier Rate Schedule Established
 - New Slip Rate
 - Once Slip Improved, Rates Increased According to Published Schedule
- Operating & Management Rules Also Updated
- Transfer Premium (at \$0) Established

+ Harbor Agent Selected

- RFP for Service Conducted
 - 3 Year Contract w/2 Option Years Specified
 - March 1, 2009 to February 28, 2014
 - Harbor Management Experience Required
- Only One Responsible Respondent
 - Almar Management Inc.
 - Current Operator of Ko Olina Marina
 - Established West Coast Marina Operator
 - San Diego
 - Oakland
 - Santa Monica
 - Others

+ Kewalo Basin Harbor Stakeholder Group Established

- Representative Advisory Group Sought
 - Commercial Fishing (1)
 - Tour/Excursion Operators (3)
 - Charter Fisherman (1)
 - Long Liners (2)
 - Friends of Kewalo Basin Park Representative (Ron Iwami)
 - Makai Area CPAC Representative (KKFC)
 - DOT Harbors
 - DLNR
 - Pleasure Craft Boater (1)
 - OHA (1)
- Objective – Provide Advice on Harbor Operations, Rules & Development

+ Kewalo Basin Harbor Stakeholder Group Meetings

- Kewalo Basin Harbor Lease Discussion
 - First Appearance on Stakeholder Advisory Group Agenda – August 17, 2011
- Subsequent Stakeholder Meetings Where Lease Discussed
 - November 22, 2011
 - March 28, 2012
 - June 20, 2012
 - October 9, 2012
 - January 16, 2013
 - May 26, 2013
 - August 12, 2013
 - January 23, 2014

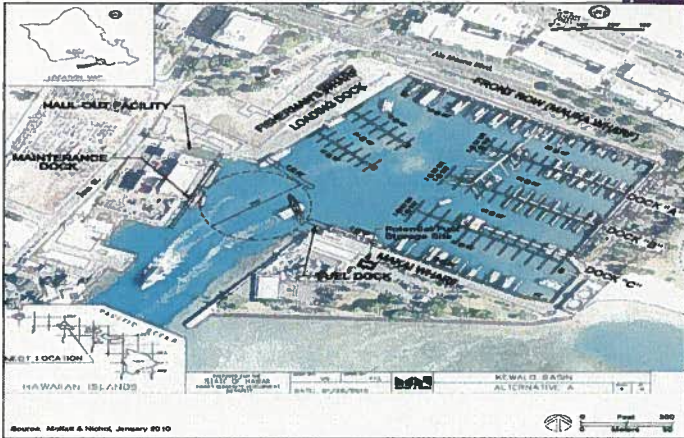
+ Kewalo Basin Harbor Stakeholder Issues Raised

Issue	Comments
■ Lease is too long	■ Business Terms Set By HCDA as 30 year/10 year option
■ What is Plan for Harbor?	■ As Specified by Harbor EIS & Development Plan
■ Will Rates Be Raised?	■ Rates are as stated in Rule
■ Lessee Must Be Qualified!	■ This is a Lease Requirement
■ Will There Be Impact to Park?	■ All Work Confined to Harbor Submerged Lands
■ Harbor Must Be Maintained	■ This is a Lease Requirement
■ No Impact to OHA Lands	■ This is a Lease Requirement

+ Kewalo Basin Harbor Repair Project

- Repair & Development Objectives
 - Ensure Harbor Operational & Commercially Viable into the Future
 - Demolish/Replace Piers in Need of Repair
 - Increase Number of Slips as Appropriate
 - All Repair/Development Confined to Harbor Basin Area
 - No Work in the Channel
 - No Change to Access or Parking for Nearby Recreational Area
- Moffat & Nichol Engaged to Conduct EIS, Harbor Analysis & Permitting
 - Harbor Engineers
 - Planners (Helber Hastert & Fee) Also Engaged

+ Conceptual Buildout Plan



+ Project Buildout at Full Buildout

- Reconstruct Front Row
- Replace Piers A, B and C
- New Berth Alongside Makai Wharf
- 2 Finger Piers and 1 Jetty Pier Extending From Fisherman's Wharf
- New Sewage Pumpout at Makai Wharf
- Upgraded Potable Water & Electrical Utilities
- Fire-Fighting Capabilities at Pier Side
- Surge Abatement Facilities

+ Kewalo Basin Harbor Lease Public Private Partnership (P3)

- 2011- Unsolicited Offer of Partnership Received From Existing Harbor Agent – Almar
- P3 Lease Principles
 - Priority as Commercial Small Boat Harbor Maintained
 - Long Term Lease Given
 - Lessee to Underwrite Conceptual Buildout Plan as Permitted and Operate Harbor (Approximately \$20M Cost)
 - Lessee to Pay HCDA the Better of Base or Percentage Rent
 - Harbor Managed in Accordance w/Existing Harbor Rules & Rate Schedule
 - Qualified Management Staff to be Retained
 - Stakeholder Advisory Group to be Maintained
 - No Subordination of Land or Indemnification Provided
 - Assignment Premium to be Negotiated
 - Only Harbor Submerged Lands Included in Lease

+ Kewalo Basin Harbor Lease Public Private Partnership (P3)

- Why Direct Lease & Not RFP?
 - RFP Required to Secure Goods and Services
 - Does Not Apply w/Real Estate Development
 - Prefer Total Qualifications vs High Bid
 - Consultation/Direction from Authority
- HCDA Staff Due Diligence
 - Consult w/DLNR DOBAR, Ala Wai Harbor Operator
 - Marina Recreation Association Conference (West Coast Trade Group Association)
 - Research Almar as Harbor Operator
 - Explore Interest From 2 Other Harbor Operators for HI Operations
 - Research Harbor Dock Technology (Bellingham Docks)
 - Hear Presentations by other Government Harbor Operators
 - Research Products & Services, Training & Certification Programs
 - Research Other HI Harbor/Marina Operations
 - Tour California Harbor/Marina Operations

+ Kewalo Basin Harbor Lease Public Private Partnership (P3)

- Development Alternatives
 - Previously Stated P3 Development Objectives a Constant
- Other Potential P3 Partners Considered
 - 2 Other Lessees Conducted Due Diligence but Ultimately Withdrew or Not Deemed to be Conforming
- Self Financed Development
 - Relying on Issuance of Reimbursable General Obligation or Revenue Bonds
 - Interest Rate & Debt Coverage Ratio Requirements Daunting
 - Would Still Require Securing Harbor Management Agent
- No Development – Maintain Status Quo
 - Harbor Still in Need of Repair to Develop/Enhance Viability
 - Harbor Agent Would Still Need to be Secured

+ Kewalo Basin Harbor Lease Public Private Partnership (P3)

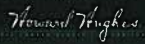
- 2012 – P3 Discussions Tabled for OHA Consultation Regarding Harbor Development Plans
 - Given Conveyance of Adjacent Makai Lands via Public Lands Settlement
 - OHA Trustees Ultimately Took No Position
- Current Situation
 - Harbor Management Contract Expires 2-28-14
 - Some Determination/Action Required
- Two Viable & Motivated Term Sheets Offered
 - Howard Hughes/Victoria Ward Limited SPE
 - KB Marina LLC (Almar Management/Equity Partners)

KEWALO BASIN HARBOR



Lease Presentation
2/5/14

The Howard Hughes Corporation
& Victoria Ward Limited



2/5/2014 Kewalo Basin Harbor

KEWALO BASIN HARBOR

1. The History of Kewalo
2. Improving the Harbor
3. Improving the NOAA Site
4. Why The Howard Hughes Corporation/Victoria Ward Limited?



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KEWALO BASIN HARBOR

1. The History of Kewalo

KUKULUAE'O



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KEWALO BASIN HARBOR

1. The History of Kewalo

KUKULUAE'O



PRE - CONTACT



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KEWALO BASIN HARBOR

1. The History of Kewalo

KUKULUAE'O



1700's - 1800's



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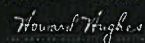
KEWALO BASIN HARBOR

1. The History of Kewalo

KUKULUAE'O



1800's - 1900's



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KEWALO BASIN HARBOR

1. The History of Kewalo

KUKULUAE O



1800's - 1900's

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KEWALO BASIN HARBOR

1. The History of Kewalo

1913 - Victoria Ward sells the Sea Fishery of Kukuluae'o to the Territory of Hawaii for \$1,800

Know all men by these presents, that I, Victoria Ward, widow, Victoria Ward (widow) of the City and County of Honolulu, Territory of Hawaii, in consideration of the sum of Eighteen Hundred Dollars (\$1800.00) to me in hand paid by the Territory of Hawaii, the receipt whereof is hereby acknowledged, do hereby give, grant, bargain, sell, transfer and convey unto the said Territory of Hawaii, its successors and assigns, all of that certain sea fishery known as the Sea Fishery of Kukuluae'o, in the District of Kona, City and County of Honolulu, Territory of Hawaii,

Dead
Exemption
Stamp

1800's - 1900's

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KEWALO BASIN HARBOR

1. The History of Kewalo



1927



1940

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1. The History of Kewalo



1952



1978

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1. The History of Kewalo

Commercial Fishing had its home in Kewalo for decades



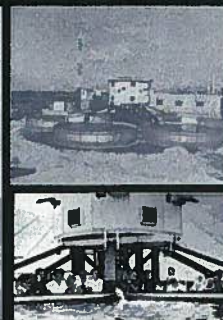
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KEWALO BASIN HARBOR

1. The History of Kewalo

Commercial Fishing & Kewalo Research Facility - at one time the only facility in world where wild-caught tuna could be studied in captivity



Howard Hughes

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KEWALO BASIN HARBOR

1. The History of Kewalo

Some of the best Sport Fishing in the world



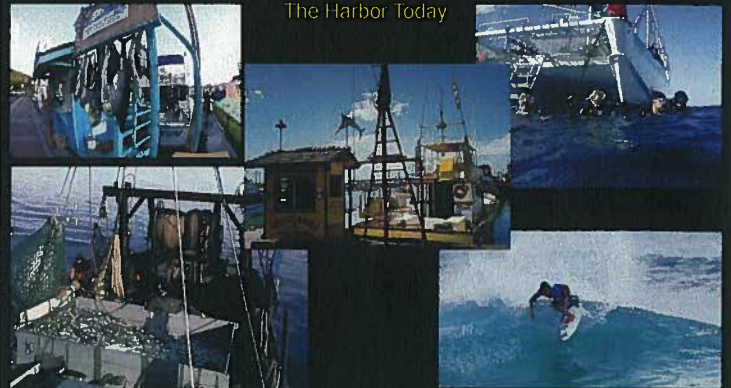
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KEWALO BASIN HARBOR

1. The History of Kewalo

The Harbor Today



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KEWALO BASIN HARBOR

- 1. The History of Kewalo
- 2. Improving the Harbor
- 3. Improving the NOAA Site
- 4. Why The Howard Hughes Corporation/Victoria Ward Limited?



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KEWALO BASIN HARBOR

2. Improving the Harbor



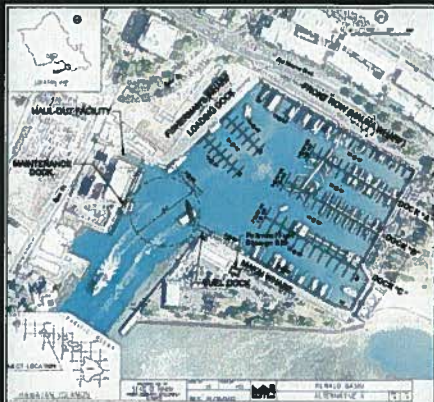
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KEWALO BASIN HARBOR

2. Improving the Harbor

- Kewalo Basin Harbor Improvements
- Repair and update docks
- Add Finger piers
- Add over 100 new slips
- Replace deteriorated slips to improve safety and capacity



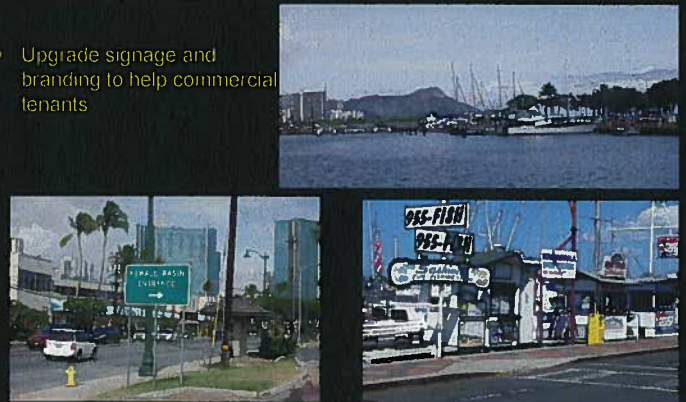
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KEWALO BASIN HARBOR

2. Improving the Harbor

- Upgrade signage and branding to help commercial tenants



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2. Improving the Harbor

- Integrate Harbor marketing and advertising with existing commercial property
- Increase Harbor tenant visibility and sales with pro active strategy



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12/2/2014 Kewalo Basin Harbor

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2. Improving the Harbor

- Maintain easy parking and access for recreational users



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2. Improving the Harbor

- Support community nonprofits to educate youth and care for the park space



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1/7/2014 Kewalo Basin Harbor

KEWALO BASIN HARBOR

- The History of Kewalo
- Improving the Harbor
- Improving the NOAA Site
- Why The Howard Hughes Corporation/Victoria Ward Limited?

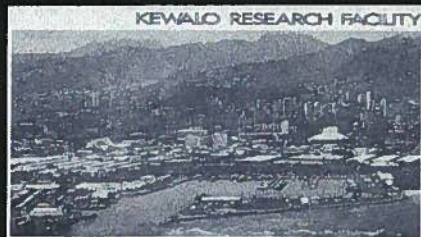
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3. Improving the NOAA Site

- 1958 US Dept. of Commerce builds facility to learn about the behavior of live tunas



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3. Improving the NOAA Site

- Today aging, inefficient and dilapidated buildings surrounded by barbed wire fences. NOAA vacating May 2014



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12/2/2014 Kewalo Basin Harbor

KEWALO BASIN HARBOR

3. Improving the NOAA Site

- Research, Market Study, and consult with Stakeholders to develop a program of uses for the site such as:
 - Gathering places
 - Additional Parking
 - Lifeguard water rescue
 - More activity
 - More convenience
 - Better security



"25 GREAT IDEAS FOR KAKA'AKO MAKAI"

1. **Plan and Design a PLACE FOR KAWAI** - not a copy of a waterfront place from somewhere else!
2. **Create a "LET OF GREEN"** that extends from Waikiki through Ala Moana Beach Park, Kewalo Basin, Kaka'ako Makai Waterfront, Ala Moana Boulevard to Alahe Tower Marketplace and Downtown Honolulu.
3. **CONNECT Kaka'ako Makai and Kaka'ako Makai**. Plan for Makai and Makai land use, circulation, and development in a coordinated and comprehensive way.
4. **THE NUMBER ONE PRIORITY** for Kaka'ako Makai should be **providing PLACES** for groups and families to **gather, socialize, actively recreate and eat** in a pleasant outdoor setting.
5. Start the development process with one or more relatively **small scale, "booby to do" projects** that will benefit a lot of people!
6. Recreational facilities at Kaka'ako Makai could include **special facilities for physically challenged children and adults.**

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KEWALO BASIN HARBOR

3. Improving the NOAA Site

- Ensure a program that includes the community and not just dry dock storage



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KEWALO BASIN HARBOR

- The History of Kewalo
- Improving the Harbor
- Improving the NOAA Site
- Why The Howard Hughes Corporation/Victoria Ward Limited?

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KEWALO BASIN HARBOR

4. Why Us?

- To ensure that the planned improvements are done well and that it remains a working Harbor and community destination, in accordance with the existing rules
- HHIC has the financial capacity to execute the approved improvements without the need for partners or lenders
- Existing, Kaka'ako based, operations and management team fully prepared to manage the Harbor

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KEWALO BASIN HARBOR

4. Why Us?

- Today: 300+ businesses, the majority of which are local small businesses



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KEWALO BASIN HARBOR

4. Why Us?

- In place operations and management



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KEWALO BASIN HARBOR

4. Why Us?

- In place operations and management



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CONSTRUCTION SERVICES

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KEWALO BASIN HARBOR

4. Why Us?

- In place operations and management



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KEWALO BASIN HARBOR

4. Why Us?

- In place operations and management – Transition

- HQDA/HIC**
 - HQDA to provide notice of a current service position
 - Meet with HQDA to outline goals and objectives
 - Establish and execute leader engagement
- ADMINISTRATIVE**
 - Interactions in Hawaii (operations level) create a link
 - Get involved in open house, public photo center
 - Identify future needs for new period measurement issues
 - Determine the new program needs and timeline
 - Identify all required equipment, supplies, and materials and request all necessary HQDA
 - Review existing programs
 - Quarterly activities
- ACCOUNTING**
 - Get involved in work with HQDA accounting system
 - Get involved in system
 - Identify HQDA existing expenses
 - Review existing system
 - Review existing system
- STAFFING**
 - Meet to evaluate existing staffing
 - Prepare Job Descriptions
 - Conduct employee search
 - Secure staffing commitments, HR requirements
- TENANT INFORMATION**
 - Review and abstract all existing tenant agreements
 - Identify existing tenant legal framework
 - Prepare commitments or assignment of all tenants
 - Conduct physical walk through with tenants and outside
- SERVICE CONTRACTS**
 - Review and abstract all existing contracts
 - Evaluate existing tenant contracts and conduct
 - Identify existing service providers
 - Prepare commitments or assignment of all service providers
 - Insurance and liability for Service Providers
 - Prepare bid process and contract negotiation

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KEWALO BASIN HARBOR

4. Why Us?

- In place operations and management – Transition Priorities

- Understanding the history
- Understanding the rules
- Learning from stakeholders
- Sharing expertise



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KEWALO BASIN HARBOR

4. Why Us?

- COMMUNITY GIVING



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KEWALO BASIN HARBOR

4. Why Us?

- COMMUNITY GIVING
- The Ward Village Foundation was established in January 2014 to support local non-profits and programs that align with the company's vision and the foundation's core initiatives:
 - Culture
 - Community
 - Environment
- The foundation will initially distribute \$1 million to worthy non-profits and projects over the next two years, and looks forward to growing with the community and its residents in the years ahead



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KEWALO BASIN HARBOR

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REAL ESTATE SERVICES

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KEWALO BASIN HARBOR

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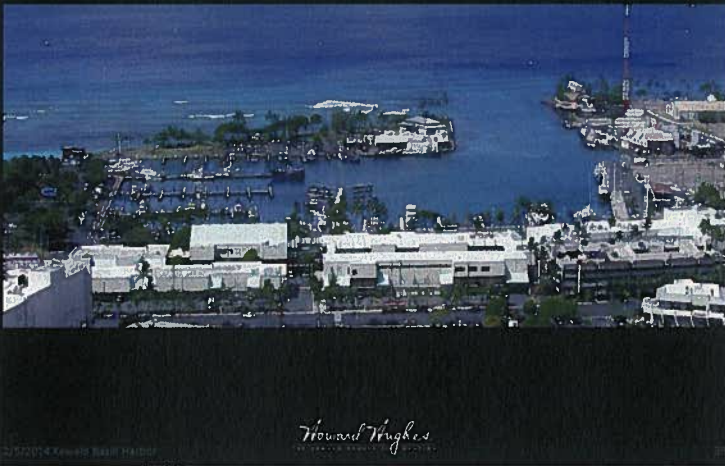
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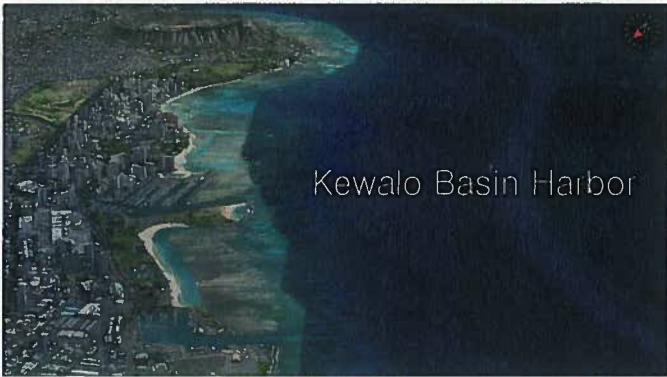
KEWALO BASIN HARBOR

MAHALO



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Introduction

- Almar Principals
- Management Team
- Consultants

Almar Management

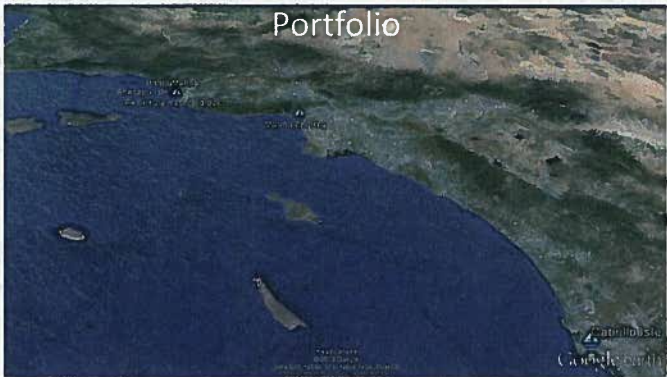
- History
 - Founded in 1974
 - Successful for 40 years
 - Premier Marina Company
 - 17 Marinas/Harbors
 - Proven Performance
- Hawaii Presence
 - 12 Years
 - Ko Olina Marina 2002
 - Kewalo Basin Harbor 2009
 - Iroquois Point 2009

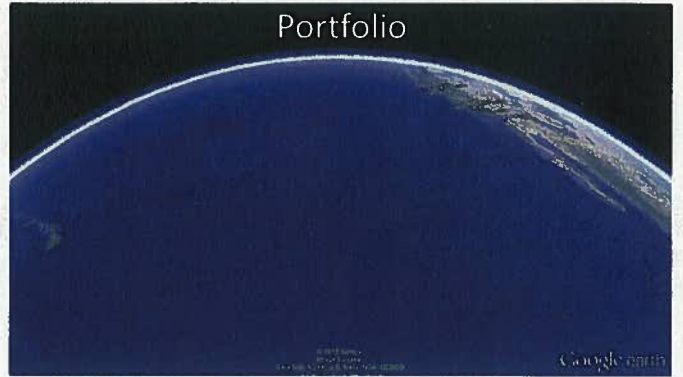
Kewalo Basin Operating Results

	2009 HCDA Budget	2009 Actual	2013 Actual
Revenue	695,475	1,039,828	1,332,611
Expenses	969,928	540,892	692,816
Net Income	(274,453)	498,936	639,796

Harbor Experience

- Design
- Entitlements
- Construction
- Finance
- Operations





Marina Development & Redevelopment

Ventura Isle Marina	350 Slips
Cabrillo Isle Marina	425 Slips
Marina Cabo San Lucas	380 Slips
Ko Olina Marina	340 Slips
Anacapa Isle Marina	385 Slips
Westport Marina	62 Slips
Cabo Riviera Marina	420 Slips
Bullena Isle Marina	504 Slips
Marina del Rey Marina	277 Slips
Boat Central	375 Spaces

Kewalo Basin

Marina
141 to 220
(Avg Slip Size 50.2')
Existing Boaters
New Boaters

Kewalo Basin
Dry Stack
Plans

- 198 Storage Units
- 35 Feet and Smaller (Average Size 29.2')
- Valet Service
- Lounge
- Low Cost Berthing



Construction

- Phase I 48 slips & Wave Walls



Construction

- Phase II 40 slips, Long Dock, Dry Stack



Construction

- Phase III 50 slips

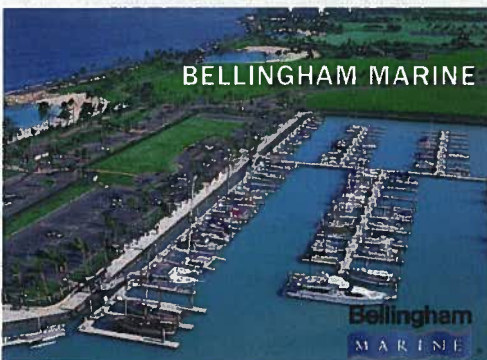


Construction

- Phase IV 62 slips



BELLINGHAM MARINE



Company History
and Introduction

Bellingham
MARINE

BELLINGHAM'S BEGINNINGS. .



- Company originally incorporated in 1928
- Began manufacturing the Unifloat dock system in the 1950's
 - 1st major marina installation was Shilshole Marina in 1958
 - Bellingham Marine replaced this project in 2008; the majority of the docks were resold and remain in use today

BELLINGHAM TODAY...



- Global Company - the world's most comprehensive marina builder
 - Manufacturer and Design/Build contractor
- World's Largest Marina Builder
- Manufactured more than 20 million square feet of floating dock systems worldwide
- Worked in every recreational harbor in the US.

OFFICE LOCATIONS



Domestic Operations:

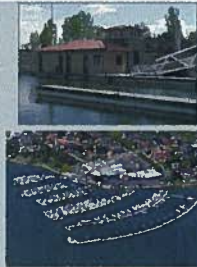
- Corporate Office
Bellingham, WA
- NW Division / BMI Precast Division
Ferndale, WA
- NE Division
York, PA
- SW Division
Dixon, CA
- SE Division
Jacksonville, FL
- Drystack Division
Callehan, FL
- Timber Division
Wilmington, NC

International Operations:

- Bellingham Marine Australia
Queensland, Sydney, Melbourne
- Bellingham Marine New Zealand
Auckland
- Bellingham Marine Europe
Barcelona, Spain
- Bellingham Marine SE Asia
Malaysia
- Bellingham Marine Costa Rica
Quepos
- Bellingham Marine Korea
Seoul
- Bellingham Marine Xiamen
China

MARINA PRODUCT LINE

- Unifloat - Concrete Dock Systems
- Unideck - Metal Frame Dock Systems
- Timber Dock Systems
- Unistack - Drystack Storage Systems
- Wave Attenuators
- Platform & Specialty Floats
- Precast & Prestressed Concrete Products



UNIFLOAT - CONCRETE



DRY STACK STORAGE

For those who want the convenience and lowest maintenance form of boat storage



PRECAST/PRESTRESS PRODUCT LINE

- Noise Wall Barriers
- Dolosse
- Solid and Volded Slabs
- Girders
- Wind Turbine Bases
- Special Projects





KO OLINA
MARINA,
HONOLULU,
HAWAII

2008 IS, Marina of
the Year



MARINA
CABO SAN
LUCAS,
BAJA
CALIFORNIA
SUR, MEXICO



YCCS MARINA,
VIRGIN GORDA,
BVI

2011 Project
Excellence Award
Large project
Category by COMPTON
/ASCI



ST. PAUL
SMALL BOAT
HARBOR, ST.
PAUL, ALASKA

2011 Project
Excellence Award
Large project
Category by
COMPTON/ASCI



YAS MARINA,
ABU DHABI,
UAE

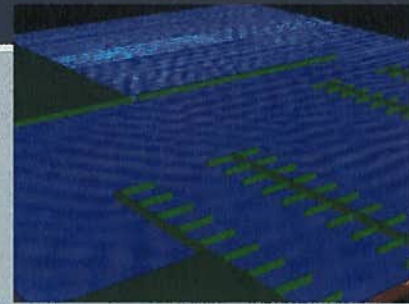
2010 Best Arabian
Marina of the Year



ELLIOTT BAY
MARINA,
SEATTLE, WA

KEWALO BASIN INVOLVEMENT

- **CHALLENGING SITE EXPERIENCE**
- **ENGINEERING STUDY & DOCUMENTATION REVIEW**
- **PROVIDE DESIGN AND CONSTRUCTABILITY ASSISTANCE EXCLUSIVELY FOR ALMAR**



KEWALO BASIN DESIGN CRITERIA

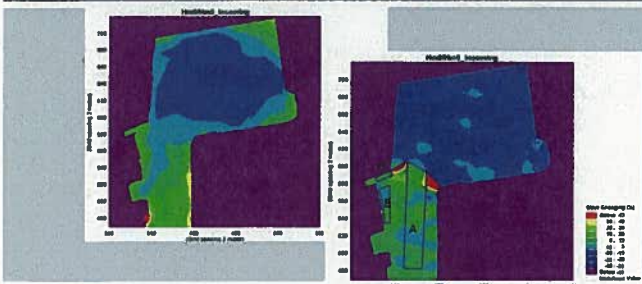
- 105 MPH 3 Second Gust
- Challenging Soils Conditions
- Deep Water
- Challenging Wave Environment
- Wave Attenuation
- Corrosion Protection



KEWALO BASIN HISTORICAL CLIMATE

- Global Analysis of Hindcast Points
- Analysis of Long Period Waves Meshed Into Existing Basin
- Alternatives Modeling & Wave Transmission Analysis
- Concepts include Rock Fill Absorbers, Solid Walls, or Staggered Walls

KEWALO BASIN WAVE CLIMATE



DOCK SYSTEM DESIGN

- Robust & Strong
- Proven Durability with Long Service Life
- Safety & Stability
- No hinge points
- Concrete bottoms for maximum protection & torsional resistance
- Consistent freeboard
- Low maintenance
- Visual inspection of connection system
- No utility chafing
- Fire Resistant
- High Profile Appearance





Lease Terms

- Terms
 - 40 years (30 plus 10 year option)
 - Non-Subordinated Agreement (Net, Net, Net)
 - Two Leases:
 - Water Side (marina)
 - Land Side (fast lands)
- Rental Structure
 - Minimum Rental
 - 75% of Percentage Rent Average
 - Percentage of Gross rents Lease
 - Marina 10% to 18.75%
 - Dry Stack Storage 10%



Economics

- Project Costs – \$24.9 Million
 - Marina \$19.8 Million
 - Dry Stack \$5.1 Million
- Equity and Finance
 - Equity Investment \$7 Million
 - Loan \$17.9 Million
- HCDA Annual Income
 - 5 Years \$238,660
 - 10 Years \$581,040
 - 15 Years \$673,585



Management

- Market Knowledge
- Environmental
 - Clean Marina Program
 - Water Quality
- Boater Relations
- Industry Leadership



Proposal Summary

- Experience, Knowledge & Reputation
- Vision – Marina Strategy
- Public Benefits & Community Outreach
- Tenant Relations
- Hawaii Presence & Performance
- Environmental Operations and Management
- Long Term Commitments
- Industry Partnerships
- Exclusively Marinas/Harbors

