

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

Wednesday, October 7, 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 10:52 a.m. October 7, 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
Beau Bassett
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)

Others Present: Aedward Los Banos, Acting Executive Director
Diane Taira, 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 August 12, 2015

No questions or corrections to the minutes of August 12, 2015 were made and the minutes were approved as presented.

III. KAKAAKO MATTERS*

1. Decision Making: Shall the Authority Approve a Finding of No Significant Impact for the Final Environmental Assessment for the Proposed Kupu Green Job Training Center Renovation at the Net Shed in the Kakaako Makai Area on Portions of Tax Map Key Parcels: 2-1-58: 127 & 131, in accordance with Chapter 343, Hawaii Revised Statutes?

Aedward Los Banos, Acting Executive Director presented the report provided in the board packet. PBR Hawaii completed the Environmental Assessment for the Net Shed located in the Kewalo Basin Park and the staff recommends issuing a finding of no significant impact.

Discussion among board members and staff confirmed the Net Shed site is included in the 2011 Kakaako Makai Conceptual Master Plan and clarified the idea for the site was intended for community use. Mr. Los Banos also stated the nonprofit organization KUPU currently retains a month to month lease at the Net Shed site.

Jon Leong of KUPU made a presentation and provided the authority background information on the nonprofit organization. Mr. Leong stated it's applying to get a finding of no significant impact environmentally but is interested in any opportunity to partner with HCDA to create a significant impact in the community.

Discussion with Chair Whalen, Member Basset and staff confirmed the authority's decision with the finding of no significant impact is to address the information gathered in the Environmental Assessment. Chair Whalen noted that the Master Plan should be adopted by the Authority prior to the consideration or award of lease to any party.

PUBLIC TESTIMONY

Paul Jackson offered public comment; an at-risk youth and former KUPU participant with the CommunityU program Mr. Jackson stated his support for the nonprofit.

Tom Iwami & Ron Iwami representing Friends of Kewalo stated their support of the KUPU renovation. Ron Iwami noted the authority's concern about KUPU's mission and whether it belongs in the park and confirmed his belief that is compliant. KUPU assists the community by helping disadvantaged youth as well keeping the area accessible for the surfers by assisting to clear out the homeless and drug problem in the area. KUPU has also, in the past, partnered with Friends of Kewalo on several projects to improve and enhance the park.

Michelle Matson President of Oahu Islands Parks Conservancy and founding member of the Kaka'ako Makai Community Planning Advisory Council recommends consolidating this development within the Howard Hughes plan for

the Kewalo Basin peninsula at the harbormaster site as a way of KUPU's training center continuing without encroaching on the planned and zoned public park waterfront open space. Ms. Matson also stated the need for comprehensive planning and decisions based on the compatibility of the uses and public needs within the public lands of Kakaako Makai to benefit the community at large.

There were no other comments from the Authority members or the public.

Vice Chair Steven Scott made a motion to convene in executive session; Member Basset seconded and the motion passed unanimously.

Chair Whalen recessed the meeting at 12:10 p.m.

Pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, the Authority convened in Executive Session at 12:10 pm

The regular meeting was reconvened at 12:32 p.m.

Chair Whalen called for a motion for the Authority to approve a finding of no significant impact for the final environmental assessment for the proposed KUPU Green Job Training Center renovation at Net Shed in Kaka'ako Makai area on portion of tax map key parcels 2-1-58, parcels 127 and 131, in accordance with Chapter 343, Hawaii Revised Statutes.

Vice Chair Scott offered a motion to approve the finding of no significant impact with the caveat that this is not an approval for any development to go forward until the final master plan for the Kewalo Basin and Kakaako Makai is finished and that the authority make a decision first on Lots 1, 2 and 3 before anything with the KUPU Net Shed moves forward.

Member Waterhouse seconded Vice Chair Scott's motion. Mr. Los Banos conducted the roll call and the motion passed unanimously with eight for the vote and one excused.

2. Decision Making: Shall the Authority Authorize the Executive Director to Enter into a two (2) year contract plus one (1) year option for Grounds Maintenance Services for Kolowalu Park with Nohonani Landscape LLC and to Expend Up to \$48,537.00 From the Hawaii Community Development Revolving Funds, Leasing and Management Subaccount?

Mr. Los Banos corrected the agenda item and stated the action for the authority would be to award a contract to the lowest responsible qualified bidder for the grounds maintenance at Kolowalu Park for a maximum of a 3 year term not to exceed \$257,047.00. Mr. Los Banos reported on the information provided in the board packet and stated the scope of the contract would be for general

maintenance of the irrigation system, janitorial work, and mowing the lawn and trimming the trees. Staff received three bids and is seeking approval to move forward and proceed with the award of the contract to the lowest responsive and responsible bidder.

Member Bassett asked for the status on the conveyance of Kolowalu Park to the City and County. Mr. Deepak Neupane explained HCDA does not have the authority to transfer land to county agencies without going through the legislature. There is also an issue with a portion of Kolowalu Park and the overhang into the park from a private development.

There were no other questions or comments from the Authority or members of the Public.

Chair Whalen asked if there was a motion for the Authority to authorize the executive director to award the most responsive and responsible, qualified bidder a contract for ground maintenance services for Kolowalu Park for a 24-month period with one additional 12-month option to extend. The total amount for the maximum three-year period shall not exceed \$257,047 from the Hawaii Community Development Revolving Funds, Leasing and Management Subaccount.

Member McLaughlin offered the motion which was seconded by Member Okuhama. Mr. Los Banos conducted the roll call vote and the motion passed unanimously with eight votes for the motion and one excused.

3. Information and Discussion re: The Cove, Kevin Wong – Spike and Serve presentation for a volleyball facility in the Kaka’ako Community Development District.

Mr. Los Banos introduced Kevin Wong of Spike and Serve who made a presentation to authority on his vision of a Volleyball facility located in Kakaako Makai to draw people to the area and help activate it.

Chair Whalen recommended the facility should be created as a multiple use/adaptive use. Vice Chair Scott asked if HCDA oversees land that would be conducive to something like Kevin Wong’s volleyball facility. Mr. Los Banos responded he would need more specific information but HCDA has the Look Lab site, zoned as park use, that is currently vacant. It includes a 30-foot ceiling that could be resurfaced as a gym. HCDA would have to look and see about creating a possible Right of Entry basis.

There were no other questions or comments from the Authority or members of the Public.

4. Shall the Authority Exercise Its Option to Buy-Back the Pacifica Honolulu Condominium Reserved Housing Unit 1912?

Mr. Los Banos reported on the information provided in the packet. Similar to last month's meeting, the owners of Pacifica Unit 1912, for personal reasons, would like to sell their unit within the buyback period. Staff recommends the Authority exercise the buyback option.

There were no discussion from the board members on this agenda item or comments from the public.

Chair Whalen asked for a motion for the Authority to exercise its option to buy back Pacifica Honolulu Unit # 1912?

Member Basset made a motion, seconded by Member Okuhama. Mr. Los Banos conducted the roll call vote and the motion passed unanimously with nine for the motion.

5. Information and Discussion re: Draft Declaration of Restrictive Covenant for the 1025 Waimanu Street Parcel (Artspace) to be encumbered as Affordable Housing in Perpetuity.

Mr. Deepak Neupane presented the report provided in the packet. At the June 24, 2015 special meeting the Authority was presented with approving the 1025 Waimanu Street Parcel (Artspace) to be encumbered as affordable housing in perpetuity provided the City not impose financial commitment on HCDA or if the developer is willing to provide a financial guarantee to the HCDA in the amount of the total Fund. The agenda item has been brought back to the board as the City has included its MOU covenant language for the authority's information.

Mr. Greg Handberg, Senior Vice President of Artspace and Ola Ka 'Ilima Lofts, LLC – developer stated since the last meeting held in June, 2015 Artspace received commitment from the city administration to release up to \$4.4 million of affordable housing funds to fund an affordable artist live/work housing project in Kakaako through an RFP process. Artspace has also received a draft covenant agreement that identifies the type of security the city would ask for that would be recorded against the fee interest in the 1025 Waimanu parcel because the perpetuity covenant needs to be satisfied beyond the 65-year ground lease that Artspace is currently negotiating with HCDA.

Discussion between Chair Whalen, Jennifer Lim, Greg Handberg and Kathleen Kelly (City) confirmed that the draft MOU has been brought to the authority for information purposes and not for final approval.

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.