

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

Wednesday, October 7, 2015

GENERAL BUSINESS

I. CALL TO ORDER/ROLL CALL

A regular business meeting of the 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 John Whalen, Chair of the Authority, at 9:08 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
John Whalen
Mary Pat Waterhouse
Jade Butay
Jason Okuhama
Steven Scott
Shirley Swinney
Amy Luersen
Tracy Ban

Members Absent: Mike Golojuch, Sr.
D. Kalani Capelouto
Donna Camvel
George Atta

Others Present: Aedward Los Banos, Acting Executive Director
Diane Taira, Deputy Attorney General
Lindsey Doi, Compliance Assurance & Community Outreach
Officer
Deepak Neupane, Kakaako Planning Director
Tommilyn Soares, Secretary
Laura Savo, Court Reporter

II. APPROVAL OF MINUTES

1. Kakaako, Kalaeloa and Heeia Regular Meeting of July 8, 2015

Chair Whalen asked if there were corrections to the minutes of July 8, 2015. No comments or corrections were stated and the minutes were approved as presented.

III. REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director, Aedward Los Banos presented the report contained in the board packet and announced that Executive Director Tony Ching is scheduled to return from medical leave on Monday, October 12, 2015. Mr. Los Banos highlighted the HCDA Summary Financial Report for August, 2015.

Kakaako Projects:

Homeless Efforts. The next City enforcement will take place, October 8th and 9th, 2015 and will clear Ohe and Olumehani streets. HCDA will close Makai Gateway Park for the week and Kewalo Basin Park will be closed Thursday and Friday for maintenance. Staff is working with the Governor's Homeless coordinator as a concerted effort.

Mr. Los Banos addressed questions raised by Member Waterhouse and Member Scott regarding the displacement of those affected by the Homeless enforcement and the concerns with a few of those families now camping in Kewalo Basin Park. Mr. Los Banos explained it's a coordinated effort and that staff is working with the Governor's homeless coordinator.

Innovation Block/Sandbox Project: The recent headline in the Star Advertiser regarding the innovation block was due to the consultant posting the Environmental Assessment on the OAQC website. Mr. Los Banos highlighted previous/past actions the HCDA authority had taken as it relates to the Innovation Block going back to January 2014. Chair Whalen pointed out and made clear the Innovation Block/Sandbox Project is a phased project and there would be a request for proposals for the future phases and an exclusive negotiation agreement would not be established.

Kalaeloa Projects:

Mr. Los Banos reported a few highlights from the Kalaeloa Strategic Plan and Workshop held in Kalaeloa on September 17, 2015.

- Department of Transportation presented its plans for expanded hangar facilities for the Kalaeloa Airport. DOT will make a presentation to the Kalaeloa Authority at its November meeting.

Kalaeloa Enterprise Corridor Project: In 2008, HCDA received \$7 million in state CIP for infrastructure upgrades. The agency received six bids that range from 8.1 to 24.9 million, higher than what HCDA was initially appropriated. The construction costs have increased therefore; a request to the legislature will be submitted to help move the project along.

Department of Health Notice of Violation: Mr. Los Banos provided an update to the board on the stockpile.

Heeia Projects:

Staff will be coordinating a future meeting that will be held in Heeia, as requested.

Mr. Los Banos highlighted the Heeia parcel currently leased by Kakoo Oiwi as being a floodplain. With the recent heavy rains, as Kakoo Oiwi maintains the lo'i and wetlands, the parcel was able to act as a catch basin to contain the excess water from the heavy rains

within the four hundred acre parcel. Over a two day period it captured and contained approximately 330,000 gallons of water before naturally seeping into the ground and avoiding any type of flooding in the area. Kakoo OIwi held community workdays to restore the crops as the heavy rains saturated the parcel. They added sheep to the property and currently own four sheep to help clear the grass.

Member Luersen recommended the board consider looking at the underlying state zoning for the Heeia meadowlands (as it is still urban). Going forward, if the board wants to ensure the Heeia land be protected from development it should look at reclassifying the land before the Land Use Commission as a state agricultural district, and as the landowners, the board would have the ability to propose that. Chair Whalen commented, perhaps, if funding for the EIS is provided the board could make that concurrent with the EIS.

PUBLIC TESTIMONY

Dexter Okada – Kakaako Business Owner, offered comments pertaining to the Innovation Block and pointed out the previous failed Lot C, Cancer center business plan.

There were no further comments or questions from the members or the public.

IV. AUTHORITY BUSINESS

1. Decision Making: Shall the Authority Submit Legislative Budget Requests for:
Capital Improvement Projects:
 - a. Kalaeloa Enterprise Energy Corridor Extension - Kalaeloa, O'ahu
 - b. Kakaako Makai Parking Structure – Kakaako, Oahu
 - c. Heeia Environmental Impact Statement – Heeia oahu

General Fund:

- a. Hawaii Community Development District.

Mr. Los Banos summarized the requests that will be submitted to DBEDT for the Governor's final review and approval for HCDA's CIP 2016 budget request to the Legislature. For the Kalaeloa Enterprise Corridor Extension, HCDA is seeking an additional \$6 million to extend the project to reach the Kalaeloa Airport. The original request was for \$9 million and the legislature, at the time, appropriated \$7 million. Since then costs have increased to \$13 million due to increased HECO and construction cost from 2008 to the current 2015.

With members asking several questions on the various budget items, Chair Whalen suggested appointing a task force to research and report back to the board, as an ongoing process, on the legislative CIP and operating budget requests.

Mr. Los Banos completed the report and summarized the remaining budget requests for the Kakaako Makai Parking Structure, the Heeia Environmental Impact Statement and the General Fund request.

No public comment from members or the public were received.

Chair Whalen entertained a motion to approve the budget request as it stands. Member Waterhouse made a motion and Member Bassett seconded. Motion passed unanimously.

2. Appointment Task Force re: Hawaii Community Development Authority Legislative Budget FY 2016 – 2017.

Chair Whalen noted the task force will be tasked with reviewing and monitoring the Legislative budget request for Fiscal Year 2016 – 2017.

No comments or questions from members or the public were received.

Chair Whalen appointed Members Mary Pat Waterhouse, Tracy Ban and Shirley Swinney to the task force. Member Beau Bassett volunteered to participate as the fourth member of the task force.

3. Information and Discussion re: (a) Close Construction, Inc. v. Hawaii Community Development Authority, et al., Civil No. 14-1-0599-03; and (b) DTRIC Insurance Company Ltd. V. Hawaii Community Development Authority, et al., Civil NO. 14-1-1585-07.

Chair Whalen stated this agenda item is up for information and discussion.

There were no public comments offered.

Member Swinney made a motion to enter executive session. Member Waterhouse made a second to the motion. All members unanimously approved entering into executive session.

Chair Whalen recessed the meeting at 10:38 a.m.

Pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, the Authority convened in Executive Session at 10:38 am

The regular meeting was reconvened at 10:50 a.m.

V. ADJOURNMENT

1. Chairperson Whalen adjourned the regular meeting at 10:50 a.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.