

KALAELOA ADVISORY TEAMS JOINT MEETING

Meeting Recap

January 28, 2016

OUR COMMUNITY’S VISION: Kalaeloa is a “Wahi Ho`okela,” a center for excellence within the Ewa District. Kalaeloa is a center where Hawaii’s people can come together to share knowledge, develop expertise and advance themselves while remaining respectful of past and place.

MEETING GOAL: To provides updates and receive feedback on Kalaeloa projects.

BACKGROUND: The Hawaii Community Development Authority (HCDA) relies on four advisory groups to address and advise the HCDA with respect to various concerns and issues within the Kalaeloa Community Development District (District). The teams are the Kalaeloa Advisory Team, the Kalaeloa Community Network, the Kalaeloa Heritage and Legacy Foundation and the Kalaeloa Public Safety Group.

DESCRIPTION: On January 28, 2016, a joint meeting of the four advisory teams was held to provide a briefing on the district’s redevelopment projects, to garner feedback on the projects and to build relationships between the advisory teams. HCDA’s Kalaeloa staff provided updates on the district’s development projects and a question and answer (Q&A) session was held after each project description. The meeting structure was informal in order to encourage attendees to freely offer additional information, raise concerns and make suggestions.

PARTICIPANTS: Cetra Group for Hunt Companies, Inc., City and County of Honolulu (CCH) Department of Parks and Recreation, Federal Bureau of Investigation (FBI), Gentry Homes, Ltd., Haseko Hawaii, Hawaii Army National Guard Youth Challenge Academy, HCDA, Hawaii Wing Civil Air Patrol, Honolulu Fire Department, Hunt Companies, Inc., Kalaeloa Heritage and Legacy Foundation, Kroc Center Hawaii, Kumuhonua Transitional Living Center, Nanakuli Maili Neighborhood Board #36, Naval Air Museum Barbers Point, Navy Facilities Hawaii, Onelauena Transitional Shelter, Senator Mike Gabbard’s staff, State of Hawaii Department of Hawaiian Home Lands, Steadfast at Hale Ulu Pono Transitional Shelter and the United States Coast Guard Air Station Barbers Point.

RECAP:

A. INFRASTRUCTURE:

1. Kalaeloa Energy Corridor Project (Enterprise Avenue): This electrical project is a Hawaiian Electric Company, Inc. (HECO)-standard 12-kv underground line extension project beginning at the intersection of Kapolei Parkway and Fort Barrette Road and ending at the Midway Street, which fronts the Kalaeloa Airport. In 2014, the Hawaii State Legislature (Legislature) appropriated \$7 million for the project.
 - a. The design and environmental assessment have been completed. However, the initial construction bids received in Fall 2015 were significantly higher than expected, therefore HCDA has requested an additional \$6 million from the 2016 Legislature to complete the project to Midway.
 - b. HCDA also divided the project scope into separate phases to utilize the 2014 Legislative appropriation. It is expected that Phase I will be from Kapolei Parkway to approximately Langley Street. Public notice announcing the Phase I construction bidding process will begin February 8, 2016.
 - c. The bid opening process will be conducted on March 10, 2016.
 - d. The Section 106 process for the project crossing the historic Oahu Railway and Land tracks is being conducted.
 - e. HCDA will provide draft testimony in support for the additional funding and send it out to its stakeholders as requested.

Q&A:

- What other utilities will the new corridor accommodate? Answer: In addition to electrical lines, it will also include communications and cable.
- The FBI has only two entrance points to their secure facility. Will construction impact their access? Answer: A construction schedule will be created and distributed to the community.
- Will landowners need to “tie-in” from their land parcels to the new electrical corridor? Answer: Yes.

- Do the new electrical lines need to be underground?
Answer: Yes, the Kalaeloa administrative rules require utility lines to be underground. However, interim projects may be allowed to be constructed above ground.

2. Roosevelt Avenue (west) Memorandum of Understanding (MOU):

The HCDA members voted unanimously in favor of the MOU at its November 2015 meeting. In summary, HCDA agreed to accept conveyance of the West Perimeter Road (mauka) and the west side of Roosevelt Avenue between West Perimeter Road and Enterprise Avenue from the Department of Transportation (DOT). The MOU includes an agreement that the CCH will revise the typical roadway standard of 108 foot right-of-way to an 80 foot right-of-way for Kalaeloa's redevelopment purposes. The 108 right-of-way will remain as a requirement of title for landowners.

- a. The document has been submitted to HCDA and DOT from CCH Corporation Counsel for final execution.
- b. This MOU allows landowners to proceed with the CCH subdivision process and moves the district closer to redevelopment in the west Kalaeloa region.

Q&A:

- Will there be any impact to the newly-refurbished Wakea Garden Apartments, the Chinese banyan trees or the electrical substation? Answer: Not at this time.
- Will there be a new east-west electrical corridor along Roosevelt Avenue? Answer: In addition to the new Enterprise Avenue energy corridor, the surrounding developments at Wakea Street, Kualakai Parkway extension and the Kamokila Boulevard extension will provide opportunities for electrical tie-ins to the District.

3. James Campbell Remnant Parcels Memorandum of Agreement (MOA). The HCDA members at its December 2015 meeting voted unanimously in favor of the MOA. In summary, HCDA will accept the conveyance of James Campbell remnant parcels of land just

north of Roosevelt Avenue. The final agreement is currently under State of Hawaii's attorney general review. HCDA anticipates execution before summer of 2016.

4. Kalaeloa East Energy Corridor Project. This project would replace the Navy's substandard electrical lines with HECO-standard equipment. The project's 12-kv line extension is an interim overhead project that would begin at Roosevelt Avenue, traverse the eastern perimeter of the Barbers Point Golf Course and end at the intersection of Tripoli Street and Coral Sea Road. In 2012, the Legislature appropriated \$3.5 million for the project. The project's design and environmental studies have been completed.

However, the Navy has indicated that they are required to charge the HCDA fair market value to work within the Navy's easement. The Navy projected the charge at \$1 million per acre and approximately eight acres are needed. In addition, the Navy is requesting additional environmental studies which is expected to cost another \$1 million. The HCDA does not have an additional \$9 million for the Navy's requests, therefore the project is on hold. In order to avoid these types of issues in the future, the HCDA has shifted its focus to securing special legislation at the congressional level.

B. SPECIAL LEGISLATION:

The Barbers Point Naval Air Station closed almost 17 years ago in 1999. However, Navy-retained assets include the utility systems, easements and multiple land parcels/resources. Because the Navy does not have a mission in Kalaeloa, it has resulted in minimal Navy funding for utility maintenance and zero funding for upgrading the system to local standards. Despite all of HCDA and Kalaeloa stakeholder efforts, meaningful development has been stifled by the Navy's continued presence.

The 2006 Kalaeloa Master Plan estimated utility upgrades would cost \$220 million. In 2016, it is estimated that this cost could rise to half a billion dollars.

In order for the State of Hawaii, through the HCDA, to achieve the community's vision for Kalaeloa to be a "Wahi Ho'okela," a center for excellence, the HCDA must gain possession of the utilities and other Navy owned assets in order to promote and leverage public-private partnerships to upgrade the utility systems in the district.

In 2015, the HCDA began briefing Hawaii's congressional delegation staff about the substandard conditions in Kalaeloa and its constant impact on the community, residents, businesses and redevelopment efforts. HCDA is requesting that the congressional delegation pass special legislation to allow the Secretary of the Navy to convey all remaining Navy owned assets in Kalaeloa to HCDA as the local reuse authority.

HCDA's next steps are to coordinate and facilitate discussions about utility conditions in Kalaeloa, gain support for special legislation and host an "all-hands" meeting with the congressional delegation.

C. DEVELOPMENT:

5. Hunt is in the process of acquiring the Kalaeloa Water Company from Pural Water Specialty, Inc.
6. HCDA has received information regarding potential alternative power generation within the District and the possibilities for establishing micro-grid technology.

NOTE: The Kalaeloa Advisory teams will resume their normal meeting schedule in February 2016.