

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

Wednesday, September 7, 2016

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 10:56 AM September 7, 2016 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: Beau Bassett
Wei Fang
Scott Kami
William Oh
Jason Okuhama
David Rodriguez
Mary Pat Waterhouse
John Whalen

Members Absent: George Atta
Steven Scott

Others Present: Aedward Los Banos, Interim Executive Director & ASO
Michael Wong, Deputy Attorney General
Lori Sunakoda, Deputy Attorney General
Deepak Neupane, Planning Director
Lindsey Doi Leaverton, Asset Manager
Garett Kamemoto, Communications & Community Outreach Officer
Tommilyn Soares, Secretary
Laura Savo, Court Reporter

II. APPROVAL OF MINUTES

1. Kakaako Special Meeting of July 6, 2016

Member Bassett noted a correction to the first paragraph of page 8 (re: roadway parcel appraisal) and stated the amount should be \$50,000 not \$150,000.

Member Kami asked to confirm that the \$3 Million grant was awarded to HCDA, solely. Interim Executive Director Aedward Los Banos stated that the grant included the High Technology Development Corporation (HTDC) as a co-applicant. Member Kami recommended the minutes reflect that HTDC was a co-applicant to the \$3 Million award.

Hearing no further corrections, the meeting minutes were approved with the corrections.

2. Kakaako Special Meeting of July 13, 2016

Approval of minutes were deferred to the next meeting

3. Kakaako Regular Meeting of August 3, 2016

Approval of minutes were deferred to the next meeting.

III. INTERIM EXECUTIVE DIRECTOR (ED) REPORT

Interim Executive Director, Aedward Los Banos deferred to the report provided during the general meeting.

IV. KAKAAKO MATTERS

4. Decision Making: Shall the Authority Approve the Draft Term Sheet between the HCDA and Developer, Forest City, for the 690 Pohukaina Development, and Authorize the Interim Executive Director to Proceed with Negotiating a Development Agreement?

Deputy Attorney General, Mike Wong, stated for Chair Whalen, the board and members in the audience that the term sheet for this agenda item is regarding land transaction and would fall under the exemptions that would take the board into an executive session discussion.

Chair Whalen briefly described the 690 Pohukaina item has been on HCDA's agenda for many years and is a project that has gone through some transformation. The current proposal is to reserve the major portion of the site at 690 Pohukaina for a future public elementary school.

Chair Whalen asked for public comment. There were no comments from the public or board members.

Member Waterhouse motioned for the board to convene in executive session pursuant to Hawaii Revised Statutes Section 92-5 (a) (4). Member Bassett seconded the motion. Chair Whalen conducted a voice vote and all members unanimously entering into executive session.

Pursuant to Section 92-5 (a) (4), Hawaii Revised Statutes, the Authority convened in Executive Session at 11:11 a.m.

Chair Whalen reconvened the meeting at 12:15 p.m.

Member Waterhouse made a motion to defer the matter due to legal reasons.

Member Fang seconded the motion.

Interim Executive Director, Aedward Los Banos conducted the roll call vote. Motion passed with eight votes and one excused.

5. Information and Discussion: Kakaako Community Development District Reserved Housing Rules Proposed Draft Amendments.

Mr. Deepak Neupane, Kakaako Planning and Development Director, presented the materials provided in the board packet and summarized the proposed draft amendments for the Reserved Housing Rules.

Mr. Neupane confirmed the formula used in his presentation to determine the average reserved housing unit sale price is just an example. The average reserved housing unit price is established based on the average median income (AMI).

Discussion between Chair Whalen and Mr. Neupane confirmed the City and County of Honolulu completed a Housing Study and with the City's current Ala Moana TOD project the City calculated a cost of \$45.00 per square foot (cash-in-lieu) and has applied that number to the floor area of reserved housing unit.

Mr. Neupane outlined the process of amending a rule for board members and noted that staff will address any suggestions board members may have, schedule a presentation to the Small Business Regulatory Review Board, who will then, make its recommendations to the Governor. After the Governor's approval, the HCDA statute requires two separate public hearings. Staff may need to bring adjustments back to the board between the two public hearings, then bring the final amendments for adoption to the board with the Governor having final approval.

PUBLIC COMMENT

Chair Whalen stated there were two written testimonies received by Mr. Henry Chang and Ms. Linda Shatz.

Catherine Graham of FACE Hawaii and the Housing Now Coalition thanked the board and staff for their efforts with the reserved housing regulations and stated that both organizations she is representing supports the amendments that have been proposed.

Mr. Dennis Oshiro, Executive Director of Hawaii Home Ownership Center stated

his support of the amendments to preserve affordable units.

There was no further discussion or questions from the board or public comment.

6. Information and Discussion: Update on the Status of the Development Agreement of a Civic/Mixed-Use Commercial Project at TMK: (1) 2-1-015-052 (“Lot C”)

Member Waterhouse motioned for the board to convene in executive session pursuant to Hawaii Revised Statutes Section 92-5 (a) (4). Member Okuhama seconded the motion. All members unanimously approved entering into executive session.

Pursuant to Section 92-5 (a) (4), Hawaii Revised Statutes, the Authority convened in Executive Session at 1:27 p.m.

Chair Whalen reconvened the meeting at 2:44 p.m.

V. ADJOURNMENT

Chair Whalen adjourned the meeting at 2:44 p.m.