

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

Wednesday, October 5, 2016

**GENERAL BUSINESS**

**I. CALL TO ORDER/ROLL CALL**

A general 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 Chair Whalen at 9:03 AM October 5, 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  
Jason Okuhama  
Mary Pat Waterhouse  
Amy Luersen  
Shirley Swinney  
Steven Scott  
John Whalen

Members Absent: Michael Golojuch  
David Rodriguez  
George Atta  
William Oh  
Derek Kimura  
Kalani Capelouto  
Donna Camvel

Others Present: Aedward Los Banos, Interim Executive Director & ASO  
Mike Wong, Deputy Attorney General  
Lori Sunakoda, Deputy Attorney General  
Diane Taira, Deputy Attorney General  
Deepak Neupane, Kakaako Planning Director  
Tessa Malama, Director of Planning and Development - Kalaehoa  
Lindsey Doi, Asset Manager  
Garett Kamemoto, Communications and Community Outreach Officer  
Tommilyn Soares, Secretary  
Laura Savo, Court Reporter

## II. REPORT OF THE EXECUTIVE DIRECTOR

Interim Executive Director, Aedward Los Banos introduced Mr. Kanekoa Schultz of Kakoo Oiwi to provide an update regarding HCDA's Heeia Parcel.

Mr. Schultz highlighted the following items for the board:

- The expansion to Kakoo Oiwi includes about 8,000 feet of new roadway and approximately 12 acres of agricultural production with a focus on taro and breadfruit. They are looking to expand 20 more acres of loi which would double the capacity of wetland taro being grown on Oahu, becoming a major agriculture producer of raw taro in the State of Hawaii. They are hopeful that it could happen in the next two years.
- Part of the expansion area is set for families to help manage part of the land. There are seven families, currently, that come out and help take care, support and manage the land. Mr. Schultz has encouraged more families to participate in helping to support and maintain the land.
- The National Estuarine Research Reserve (NERR) Draft Environmental Impact Statement (EIS) will be presented, Thursday, October 6, 2016, 6:00 PM at He'eia State Park. The NERR will allow Kakoo Oiwi an opportunity to demonstrate how traditional Ahupuaa management better enhances estuarine and reef systems.

Member Luersen mentioned she recently went out to Kakoo Oiwi and the new road (recently constructed) has helped the auwai drain its water properly, which allows the loi to function more like a traditional loi and helps to manage the wetland. She also noted there are about 100 breadfruit trees that have been planted and will produce fruit within three – five years. Kakoo Oiwi, as a way to manage weed control, has planted lemongrass and has also started to supply some restaurants with lemongrass.

Mr. Los Banos mentioned that the electrical utilities are being provided by HECO as a result of a recent agreement to replace a utility pole.

Chair Whalen asked if there was a possibility to request funding for infrastructure items that He'eia needs (like a sewer line) in advance of adopting a plan and rules. Mr. Los Banos stated, historically staff has not been successful but could try again, through a budget request for an upcoming legislative session.

Mr. Los Banos stated NERR's EIS will start to allow federal funding and that the EIS also covers the Heeia fishpond out to Coconut Island in the Kaneohe Bay area. Staff, Susan Tamura, will be attending the community meeting to hear about the NERR's plan and also the community's comments. Member Luersen will also be attending the meeting.

Member Swinney asked in reference to the NERR Draft EIS, does that put the Environmental Assessment for Heeia on hold or any environmental report that the authority was interested in obtaining for the Heeia parcel. Mr. Los Banos and Mr. Schultz commented that the NERR Draft EIS was geared more toward the University of Hawaii's

research facility located on Coconut Island but the NERR Draft EIS covers a broader/general scope. To address the more specific projects that Kakoo Oihi anticipates like a poi mill, a separate report to address those details may be required, however, staff won't know what type of report is required until the final NERR EIS has been approved.

Mr. Los Banos stated for Member Swinney, HCDA's current staff tries to coordinate as much as possible for Heeia, but HCDA does not have any dedicated staff to assist the Heeia group.

Member Bassett suggested, the committee the Authority formed for Heeia should at some point meet to gather information and discuss the activities being planned for the Heeia parcel and to see how the NERR EIS can affect the current plans and also the bigger goal that the Authority has for Heeia.

Member Fang asked if there is a civil plan, for the Heeia parcel, in place that includes the sewer and HECO connection. Mr. Schultz and Member Luersen commented that as HCDA develops the master plan for Heeia, the intent was that the infrastructure plan would be included.

Vice Chair Scott asked what are the marketing plans for the poi production and how will it be branded, as Mr. Schultz mentioned Kakoo Oihi may potentially become a larger poi producer in the State. Mr. Schultz, stated Kakoo Oihi's goal is to keep the price of raw taro high and that they are looking at alternative markets and other products that would be grown out of taro and ulu, like hypoallergenic starch and gluten free type products.

Mr. Schultz provided current revenues that Kako'o Oihi generates for Member Fang and stated, it's a very small margin however with the expansion and production of a few more acres, an increase in revenue is anticipated.

There were no further discussion, questions, or comments from board members and the public.

Mr. Los Banos continued with the Interim Executive Director Report for the board members and announced that due to exposed live wires, the Kakaako Waterfront Park will be closed beginning at 6:00 PM until repairs can be made. The decision to close the park is for the safety of the public and will work to reopen the park as soon as possible.

Member Scott asked if closing the parks will help to remove some of the camps that are in the park. Mr. Los Banos stated that staff will be working with the Sheriff to help with the 6:00 PM enforcement and closure to clear the area and part of that enforcement if those camps don't vacate the premises will force staff and Sheriff to take measures to clear those camps out of the park.

#### KALAELOA UPDATE

Mr. Los Banos updated the board with regard to the notice of violation that was given to a haunted house pop-up that started to come up in Kalaeloa on part of the property that Hunt

leases, and stated that issue has been resolved.

There were no further questions, comments or discussion by board members and the public.

**III. BUSINESS MATTERS**

- 1. Information and Discussion: Update, Report and Recommendation by the Authority’s Litigation Task Force Relating to Close Construction, Inc. vs. Hawaii Community Development Authority et al., vs. Mitsunaga & Associate, Inc. vs. DTRIC Insurance Company Ltd.: Civil No 14-1-0599-03

Chair Whalen noted the Authority’s litigation task force will update the board in executive session and asked if there are any public comment.

There were no public comments.

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

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Pursuant to Section 92-5 (a) (4), Hawaii Revised Statutes, the Authority convened in Executive Session at 9:47 a.m.

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Chair Whalen reconvened the meeting at 10:22 a.m. and stated he would like to take one item out of order as it is an emergency issue.

**IV. ADJOURNMENT**

Chairperson Whalen adjourned the regular meeting at 10:22 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.