

## Report of the Executive Director

### *Kalaeloa Report*

April 5, 2017

The Hawaii Community Development Authority (HCDA) has established four groups to address and advise the HCDA with respect to various concerns and issues within the Kalaeloa Community Development District (District). The four advisory teams are: the Kalaeloa Community Network (KCN), Kalaeloa Public Safety Group (KPS), Kalaeloa Advisory Team (KAT), and the Kalaeloa Archaeological and Cultural Hui (KACH). The following is a summary of these groups' efforts and other HCDA projects/initiatives over the past several months.

**Kalaeloa Community Network:** The HCDA established the KCN in November 2006. Their mission is to share ideas, network, address concerns about the District's infrastructure, pool resources, and capitalize on opportunities to foster pride in Kalaeloa. Kalaeloa landowners, tenants, businesses and elected officials attend monthly KCN meetings.

The KCN met on March 9, 2017 and the following items were discussed:

- The HCDA shared the status of the Kalaeloa Energy Corridor Project and noted that construction is expected to begin this summer. Staff also noted that the HCDA has requested an additional \$3 million dollar legislative appropriation that would be used to complete the electrical corridor to the Kapolei Airport. The Kapolei Chamber of Commerce attendee encouraged the KCN members to submit legislative testimony in favor of the appropriation request that is a part of the Governor's Budget House Bill 100. The HCDA staff provided information and testimony details for the Hawaii legislative website.

HCDA announced that as a follow-up to the *2016 Kalaeloa Landowners Summit* and the report produced by Sandia National Laboratories titled *Kalaeloa Energy System Redevelopment Options Including Advanced Microgrid*, the HCDA is hosting a briefing to garner industry feedback on the Sandia report, gauge industry interest, and discuss the next steps to produce reliable power in Kalaeloa. The industry briefing will be held on Tuesday, April 11, 2017.

Staff also reported the status of Aloha Solar Energy Fund II's (ASEF II) mitigation requirements for Parcel 13073-E; and the Authority's March 1, 2017 approval which permits HCDA's Executive Director to enter

into lease negotiations with the company for a 5 megawatt photovoltaic (PV) project on the parcel.

- The Family Tree Clinic staff announced they are happy with their location in the Kalaeloa Professional Center. The location helps them provide services for the Kapolei Juvenile Court, Kalaeloa Youth Challenge and the Koa Program which focuses on trouble youth.
- The Kumuhonua Transitional Living Center, which provides housing for single adults and couples over the age of 18 who are homeless or are at-risk for becoming homeless, announced that their program has begun to incorporate the new State of Hawaii *Housing First* program. Staff will start to transition clients into housing within six months instead of the traditional two year time period. Staff confirmed that currently there is a waitlist to enter the shelter.
- The United States Coast Guard (USCG) staff introduced their new facilities chief to the KCN. Staff reported that their new “bird bath” facility to wash aircraft has been completed.

USCG staff also reported concerns of illegal dumping along Tripoli and Coral Sea Roads. The USCG will send pictures of the dump sites to the HCDA staff, which will be forwarded the Base Realignment and Closure (BRAC) team in San Diego since the parcel remains under their jurisdiction.

- Paradise Helicopters staff reported that their tour business has been consistent, and that a lot of customers are from the Aulani Resort. Staff also shared that they are still working out lease terms with the Kalaeloa Airport.
- Senator Mike Gabbard’s staff reported that as chairperson of the Agriculture and Environment Committee, Senator Gabbard is focusing on legislation that will provide loan funding for farmers, promoting industrial hemp production, preventing invasive species, and strengthening pesticides regulations. Senator Gabbard’s next listen-story is scheduled for Saturday, May 6, 2017, 9:00 am – 10:00 am, at the Kapolei High School teacher’s lounge.
- The Barbers Point Riding Stables (Stables) representative attended the KCN for the first time and shared there are about 40 horses currently

housed in the historical marine airfield airplane revetments in Kalaeloa. The Stables are currently on an annual lease with the U.S. Navy (Navy) and would like to secure a long-term agreement for their facility.

- The Barbers Point Bowling Center announced they began “glow-bowling” from 10 p.m. to 12 midnight on Friday, Saturday and Sundays. The staff reports that the new feature has been a success with their clients; and at times they remain open past the scheduled closing hour.
- Hunt Companies (Hunt) reported that they are entering into a lease agreement with Street Grindz, who organizes the *Eat The Streets Hawaii* events in Kaka’ako. Street Grindz is mobilizing equipment on a vacant parcel on Roosevelt Avenue near the Wakea Garden Apartments.

Hunt also continues to pursue their application with the Public Utilities Commission to become Kalaeloa’s water and wastewater provider. Hunt anticipates executing an operations and maintenance contract with the Navy by late summer.

The KCN has been meeting monthly since its inception in 2006. The attendees determined that holding the meetings on a bimonthly (every other month) basis may be appropriate. Therefore, the next KCN meeting will be held on Thursday, May 11, 2017, ~~at~~ 9:30 am to 11:00 am, at the Department of Hawaiian Home Lands (DHHL) Hale Pono conference room.

**Kalaeloa Public Safety Group:** Public health and safety are major concerns for the various stakeholders within the District. In order to provide a forum to address these concerns, the HCDA established the KPS in May 2006. The KPS is a unique one-stop shop of federal, State and City agencies that meet monthly to collaborate and address public safety issues.

The KPS met on March 16, 2017 and the following items were discussed:

- The HCDA relayed information about the ASEF II project. The Department of Transportation (DOT) representative noted their concerns about projects that are constructed within 20,000 feet of the airport runway, including possible impact from tall and/or reflective objects. The DOT noted that FAA Form Number 74-60-1 should be submitted; and the HCDA responded that they will follow up with the ASEF II.
- The HCDA also announced that the Honolulu Fire Department (HFD) began their chain saw training exercises on HCDA Parcel 13073-C, which is located southeast of the airport runway.

- The DHHL reported that illegal dumping is occurring on their Kalaeloa land holdings. However, it is difficult to apprehend the perpetrators and it is also costly to hire a security firm to conduct patrols. Therefore, the DHHL response has been to hire contractors to remove the debris.
- The DOT noted that work on Hangar 110 continues and they have entered Phase IV (of V) of the refurbishment plans. They also began Phase I to build a new t-hangar that will have eight bays. The hangar will be powered by solar panels because the Navy is not accepting new customers for electrical power. The DOT's Phase II for another new hangar with 10 bays is not expected to have any electrical power.
- The HFD remarked that they support HCDA's efforts to bring new power into Kalaeloa. The HFD reported that the District's electrical surges have caused power surges, transformer fires and triggered false alarms.
- The Hawaii Army National Guard (HIARNG) requested clarification regarding jurisdiction for emergency response when fire alarms are triggered after hours. The HIARNG noted that their 3<sup>rd</sup> party alarm company has been calling staff because they are not sure if they should call the HFD or the Federal Fire Department. The HFD and the Navy Facilities meeting attendees volunteered to follow up on the HIARNG's inquiry.

The HIARNG also noted that they have project plans totaling about \$65 million for their Kalaeloa facility and have major concerns about the electrical, water and wastewater issues that challenge the District.

The next KPS meeting will be held on Thursday, April 20, 2017, at the DHHL's Hale Pono conference room.

#### **Kalaeloa Assessments FY2016-2017:**

Staff contacted the University of Hawaii, Honolulu Community College (HCC) regarding their overdue payment for the Kalaeloa Assessments FY 2016-1027. To date, the HCC is the only non-federal land user that has not paid the yearly assessment.

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Kalaeloa Assessments Status FY2017 - ANNUAL BUDGET \$200,000

Landowner	Number of Acres July 1, 2016	Proportionate Share-to-Date	Assessment FY 2016-17	PAYMENT STATUS	AMOUNT
City Board of Water Supply	20.029	1.63%	\$ 3,268.66	PAID IN FULL SEPT 2016	\$ 3,268.66
Eagle River Investors	10.000	1%	\$ 1,631.96	PAID IN FULL JUNE 2016	\$ 1,631.96
Hunt Companies	539.752	44%	\$ 88,085.46	PAID IN FULL FEBRUARY 2017	\$ 88,085.46
RP Kalaeloa Land Owner LLC	77.926	6.36%	\$ 12,717.22	PAID IN FULL JULY 2016	\$ 12,717.22
State Department of Hawaiian Home Lands	545.285	44.49%	\$ 88,988.42	PAID IN FULL AUGUST 24, 2016	\$ 88,988.42
State Hawaii Homeless Programs Office	13.549	1.11%	\$ 2,211.14	PAID IN FULL JULY 2016	\$ 2,211.14
State Department of Education	14.458	1.18%	\$ 2,359.49	PAID IN FULL JULY 2016	\$ 2,359.49
University of Hawaii - HCC	4.520	0.37%	\$ 737.65		
TOTAL	1,225.519	100%	\$ 200,000.00	TOTAL AS OF FEBRUARY 15, 2017	\$ 199,262.35

#### Administrative Matters:

- On March 2, 2017, staff met with Hunt's consultant from R.M Towill regarding Hunt's application to subdivide their land parcels in the northwest side of the District. Hunt requested, and received, a letter from the HCDA that explains future road plans to the City and County of Honolulu's Department of Planning and Permitting. The road plans are in accordance with the multi-agency Memorandum of Understanding, dated July 25, 2016.
- On March 8, 2017, HCDA Executive Director Jesse Souki and staff received a briefing from Hunt regarding the status of the water and wastewater conveyance, proposed projects and new tenants, subdivision plans update and Hunt's Strategic Implementation Plan revisions. Hunt plans to update the HCDA on a quarterly basis.
- On March 10, 2017, staff met with SunStrong LLC, a renewable energy company that would like to lease HCDA-owned land in Kalaeloa to develop a PV project. In June 2016, Governor David Ige signed off on House Bill 801 which resulted in Act 116. SunStrong LLC will receive up to \$50 million in special purpose revenue bonds to develop renewable energy projects in Hawaii.