

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

Wednesday, April 05, 2017

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 9:12 a.m., April 5, 2017, 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:

1. John Whalen
2. Steven Scott
3. Beau Bassett
4. Wei Fang
5. Mike Golojuch, Sr.
6. Laurel Johnston
7. Jason Okuhama
8. Shirley Swinney
9. Mary Pat Waterhouse
10. David Rodriguez
11. William Oh
12. Kathy Sokugawa, DPP (non-voting)

Members Absent:

1. Donna Camvel
2. Amy Luersen

Others Present:

Jesse Souki, Executive Director
Aedward Los Banos, Administrative Services Officer
Mike Wong, Deputy Attorney General
Garrett Kamemoto, Communications and Community Outreach Officer
Francine Murray, Communications and Community Assistant
Lindsey Doi, Asset Manager
Deepak Neupane, Kakaako Planning Director
Ku’ulei Moses, Secretary
Laura Savo, Court Reporter

II. APPROVAL OF MINUTES

1. General Meeting of January 4, 2017

Member Waterhouse noted that under section V. it should read “adjourned”, not “reconvened”. With that correction, the meeting minutes were approved.

2. General Meeting of March 1, 2017

The same correction as above under section V. was noted.

Member Johnston asked that the spelling of her name be corrected at the beginning of the minutes. There should be a “T” in Johnston. With those two corrections, the minutes were approved.

III. ACTION ITEMS

3. Shall the Authority Adopt Positions on Legislation that May Affect the Hawaii Community Development Authority for the 2017 Legislative Session? (Exhibit A)

Mr. Garrett Kamemoto, HCDA Coordinator for the 2017 Legislative Session called Mr. Aedward Los Banos, Administrative Services Officer to explain House Bill 100, the State budget bill.

Mr. Los Banos provided the budget process from October 2016. HCDA’s budget request included staff positions and CIP projects. In December, the Governor completed his review of the budget and one CIP project made it through, along with funding for staff positions. Mr. Los Banos explained the cuts that were made and why.

Member Waterhouse asked if there is still time to request funding.

Mr. Los Banos explained the bill will go to conference but there will be an opportunity to possibly correct it this year, otherwise, there will be an opportunity in the offseason to get it reinstated in the next legislative session.

ED Souki made it clear that HCDA is pursuing both options.

Member Johnston asked if fringe was included in the estimate.

Mr. Los Banos confirmed, yes.

Member Wei Fang asked Mr. Los Banos what he saw as opportunities for growing the revolving fund over the next few years.

Mr. Los Banos explained that there are a few outstanding development agreements that add 2.4 million dollars.

ED Souki added that HCDA was locked into a lot of long term \$1 a year leases on property that potentially could have raised revenue, and also lost a lot of income with the

land transfer to OHA.

Member Bassett asked if these staff positions would have to come from the leasing and management fund.

Mr. Los Banos confirmed, yes.

ED Souki added that HCDA would like to start programing funds in the restricted accounts for improvements in the district.

Member Waterhouse commented that as long as there's a nexus.

ED Souki agreed and clarified that HCDA would come back to the Board.

Member Fang asked when HCDA foresaw a starting point if the TOD staff positions continued to go through.

Mr. Kamemoto explained that there would be an effective date in the bill and suspected it would be July 1, 2017.

ED Souki asked what fiscal year this position is funded for.

Mr. Kamemoto said Fiscal Year 2018/2019.

ED Souki confirmed that July would be when the positions would be available and stated HCDA would need to begin investigating infrastructure needs.

Chair Whalen asked if there was a public infrastructure fund, and if so, could that be applied to something TOD related within the district.

Mr. Los Banos explained that the leasing and management is the most flexible money HCDA has right now, because it is derived by rents, it wouldn't necessarily be restricted to Kakaako.

Member Johnston suggested that the board think about alternatives as the general revenue picture is not looking good.

Chair Whalen agreed.

ED Souki noted that staff spends more than 50 percent of the time on park issued, and that time should be spent on economic development and assent management and looking at these resources for generating revenue.

Chair Whalen noted that David Rodriguez joined the meeting (9:34am).

There was no further discussion or public comment.

MOTION:

Chair Whalen called for a motion concerning the legislation before the board.

Member Waterhouse proposed that the board continue their position from the last

meeting on the legislative actions. Member Golojuch seconded.

Mr. Garrett Kamemoto conducted the roll call vote. Motion passed with eight votes and one abstention.

IV. REPORT OF THE EXECUTIVE DIRECTOR

4. Information: Monthly Financial Report for February 2017.

Mr. Aedward Los Banos presented the financial report located under tab 4 of the board packet.

Member William Oh joined the meeting (9:38am).

Mr. Los Banos said okay.

There was no further discussion or public comments.

Member Kathy Sokugawa arrived (9:41am).

5. Information: Kalaeloa Activities

ED Souki told the board that Ms. Tesha Malama was excused and could not make it, so he would present.

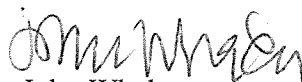
ED Souki summarized the report under tab #5 and thanked Senator Gabbard's office for helping to bring those involved in the Enterprise Energy Project together to keep it moving forward.

There were no other comments and no public testimony.

V. ADJOURNMENT

Chair Whalen adjourned the meeting at 9:45 a.m.

Respectfully submitted,


John Whalen,
Chair