

HAWAII

COMMUNITY

DEVELOPMENT

AUTHORITY

1992



ANNUAL REPORT



Table of Contents

2

Letter to the Governor

3

About the Hawaii Community
Development Authority

4

The Flame Burns Bright In Kakaako

8

A Glimmering Hope In Hawaii's
Serious Housing Crisis

14

Kakaako's Improvement District Program

18

HCDA and Kakaako's Red Letter Dates

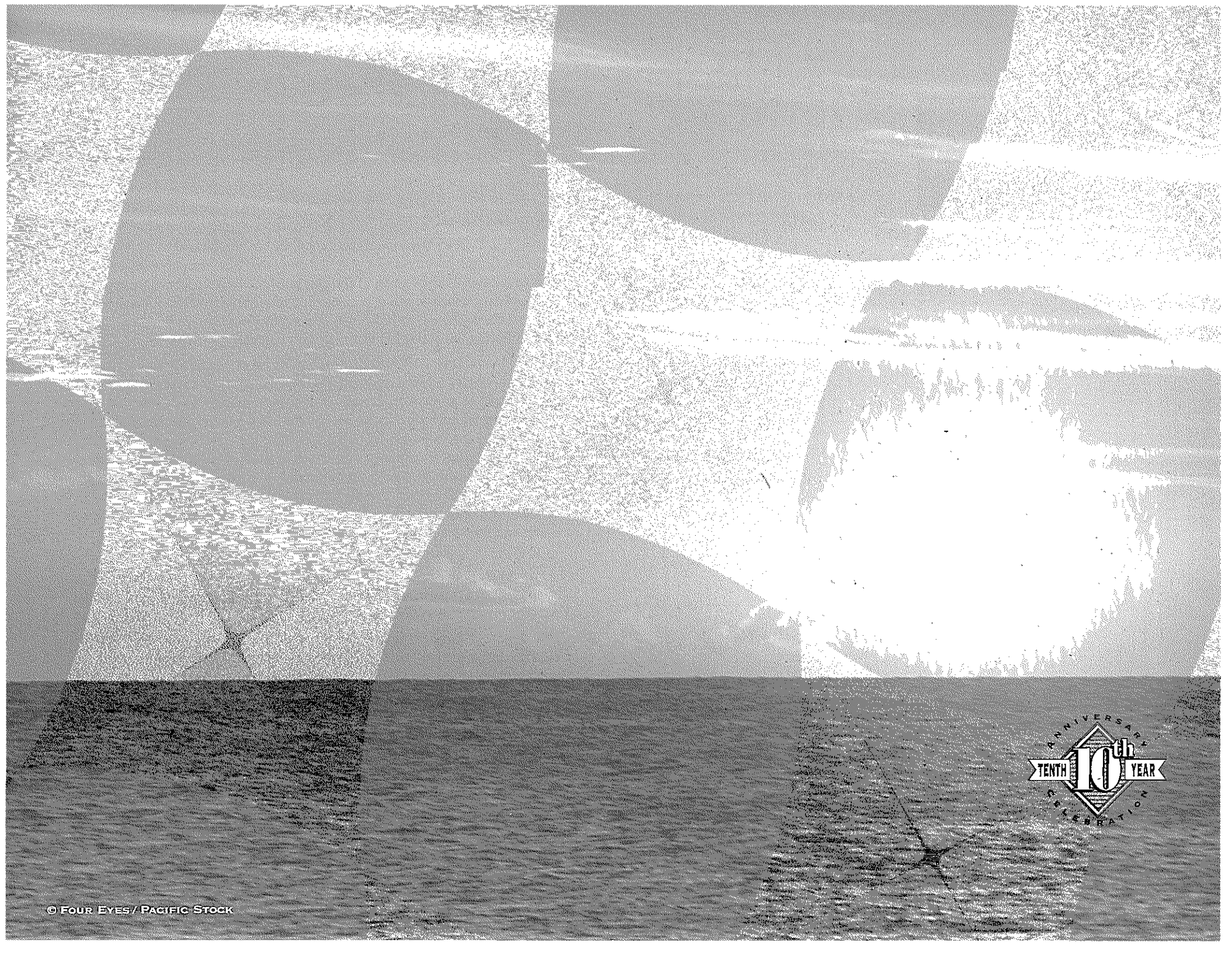
20

Financial Information

22

Rediscovering the Pleasures of the Waterfront







THE HONORABLE JOHN WAIHEE

Letter to the Governor

GOVERNOR, STATE OF HAWAII

STATE CAPITOL

HONOLULU, HAWAII 96813

Dear Governor Waihee,

With this annual publication, we are very pleased to report that the Kakaako District is well on its way in becoming the "new" neighborhood which the people of Hawaii can be a part of and take pride in. As we celebrate the tenth anniversary of the adoption and implementation of the Kakaako Plan, it is very evident that the public and social benefits of our ambitious Plan are being realized and are improving the quality of life for Hawaii's residents.

As you will read in the following pages, the new private developments which are being approved and constructed are not the only factors shaping Kakaako's future. A progressive District-wide program to improve and enhance Kakaako's aging infrastructure system has continued for 5 years. The remarkable results of the completed improvements are being enjoyed by the visitors, merchants and residents, and they have primed Kakaako to facilitate revitalization in the years to come. The numerous affordable rental housing units being built by the State for families and our senior citizens, and the Kakaako waterfront's renaissance (including the development of the beautiful Kakaako Waterfront Park) are making Kakaako more accessible and desirable to the people of Hawaii.

If the Hawaii Community Development Authority has been successful in bringing these public benefits forward, it has been with the continued participation and cooperation of many, many individuals and groups in government and the private sector. Their contributions are greatly appreciated.

We have a lot more to accomplish in Kakaako. And if the first 10 years are any indication, the Kakaako District's future as a community where Hawaii's people can live, work and play is close at hand.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gary Caulfield".

Gary Caulfield
Chairman

THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

About the Hawaii Community Development Authority

(HCDA) WAS CREATED BY THE 1976 STATE

LEGISLATURE TO BRING ABOUT THE TIMELY PLANNING,

REGULATION AND DEVELOPMENT OF AREAS IN THE

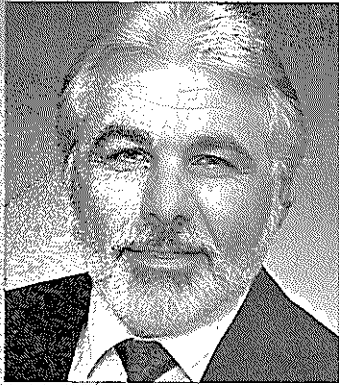
STATE OF HAWAII WHICH ARE RUN-DOWN, UNDERUSED

AND IN DANGER OF BECOMING FURTHER DETERIORATED.

The 670-acre, strategically located Kakaako District was designated as the Authority's first "community development district." (The Kakaako District is bounded by Piikoi, King, Punchbowl Streets and Ala Moana Boulevard, including the areas makai of Ala Moana Boulevard and the waterfront area from Kewalo Basin to Pier 4 in Honolulu Harbor.) As a public corporation, HCDA works to bring together private enterprise and government to make redevelopment happen. Based on specific directives from lawmakers, the HCDA formulated the comprehensive Kakaako Plan (and later the Makai Plan to cover the District's makai and waterfront areas). Put into effect in February 1982, the Plan's goal is to create a community in Kakaako which is attractive and functional, where the needed housing, work spaces, and public facilities are all accessibly located for Hawaii's people. The HCDA is also making badly needed infrastructure improvements and developing affordable housing, parks and other public facilities in Kakaako.

The HCDA is attached to the Department of Business, Economic Development & Tourism for administrative purposes. The HCDA is governed by a board of directors comprised of 11 members. Four members are ex-officio, voting State department heads; four are appointed at-large by the Governor; and three are appointed by the Governor from names submitted by the Council of the county in which the community development district is situated. The ex-officio Authority members are the heads of the State Departments of Business, Economic Development & Tourism; Budget and Finance; Accounting and General Services; and Transportation. The Authority is staffed by an agency headed by an Executive Director who reports directly to the Authority. The major offices of the agency are Planning, Engineering, Development, Finance, Relocation, Public Information and Administrative Services.





WHAT WE NOW KNOW AS

The Flame Burns Bright In Kakaako

KAKAAKO WAS AN AREA

by Michael Scarfone, Executive Director

CALLED "KOOKAU KUKUI" IN

THE 1800S. IT TRANSLATES AS "WHERE THE LIGHTS WERE

LIGHTED". INDEED, KAKAAKO'S FLAME, HAVING BEEN

IGNITED, HAS NOT GONE OUT OVER THE YEARS. BUT AS IN

THE STEADY FLICKERING OF A CANDLE'S LIGHT, KAKAAKO'S

HISTORY HAS BEEN ONE OF EVOLUTION AND CHANGE.

If we look back at Kakaako's dynamic past, we see glimpses of major changes in land uses and the development of business and industrial activities which have left an indelible stamp on Hawaii's character.

Kakaako literally means "dull" or "slow moving" in Hawaiian, but its heritage is anything but. From the early settlement of the area by ancient Hawaiians and the integration of seamen and whalers, to the residential nature and later industrialization of the District, Kakaako has undergone major dramatic changes.

This year, we celebrate the 10th year anniversary since the Kakaako Plan took effect because it has truly unfolded as a decade of change for the District. It has most definitely not been a "dull" or "slow" ten years, but a time where the intricate components and activities necessary to make Kakaako a neighborhood for all people of Hawaii

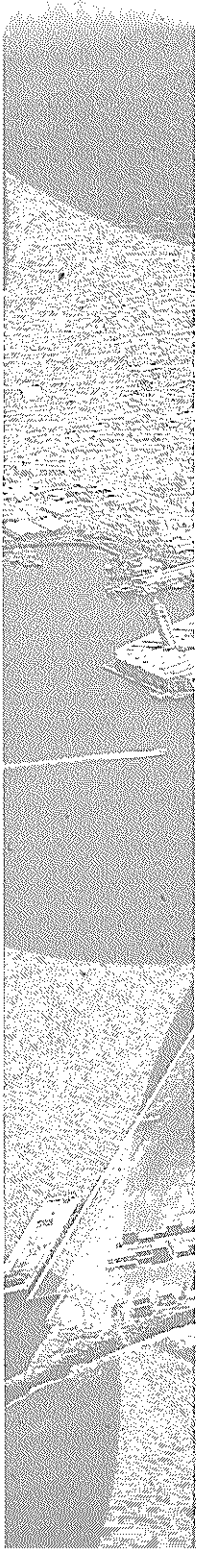
have all begun to come together. After years of use and weathering, Kakaako's roadway and utility systems are being upgraded and improved on a massive scale to be able to meet current and future demands. Even in times of financial belt tightening, affordable rental housing and public facilities, such as our large and magnificent Kakaako Waterfront Park, are being built to satisfy the needs of the Island's population. And as private landowners—who hold deed to the majority of land in Kakaako—find that the revitalized District is making development of their properties more feasible, that in turn is spurring the development of more market and affordable housing units and commercial and industrial business spaces. Over the past decade, nine major "planned development" projects and hundreds of renovations and smaller scale projects have been approved by the HCDA and constructed. In total, new planned development projects have a market value



of well over \$1.5 billion. These projects will bring on line about 3,800 new housing units and approximately 2 million square feet of commercial and light industrial space in Kakaako. These changes are definitely making Kakaako the place to live, work and play.

Private sector and government cooperation is what the HCDA strives for and it was very evident and instrumental in obtaining a high degree of public benefit when you look at the Symphony Park/King Street Place project approved by the HCDA in 1992. A venture of developer Jack Myers and Daichi Midtown Partners, this project is being built on two sites located between King Street and Kapiolani Blvd. near Ward Avenue. It will feature market priced and affordable residential condominiums, and commercial and industrial space. Three hundred and





one market residential units are being built in Symphony Park at the corner of Kapiolani and Ward Avenue. It includes a 40,000 square foot public park and will substantially upgrade the immediate Neal Blaisdell Center area. King Street Place is the affordable housing component and it will include 284 below-market priced units with prices in the \$85,000-\$195,000 neighborhood. Symphony Park/King Street Place is a prime example of what can be accomplished when government and the private sector work together toward a common goal. Working closely with the HCDA and the Roman Catholic Church, the developers of this project were able to greatly exceed the HCDA's 20 percent reserved (affordable) housing requirement. The King Street Place will not only provide the required 75 reserved units for Symphony Park, but additionally it will provide another 107 affordable units banked for the developer's future planned development requirements. On top of that, the developer has agreed to build 91 more affordable units for sale to the HCDA. This is the kind of win-win situation which the HCDA will avidly pursue in the future.

Although in this report we attempt to highlight the accomplishments and directions taken by the HCDA since its inception, and most particularly during the past year, we do so with the realization that our work in Kakaako has just begun. As redevelopment occurs, the lack of parking spaces now and in the future looms as a very tough problem to tackle. To help out during the transition, the HCDA is developing temporary parking lots in the construction areas, and the agency will pursue its plan to establish public parking facilities throughout the District.

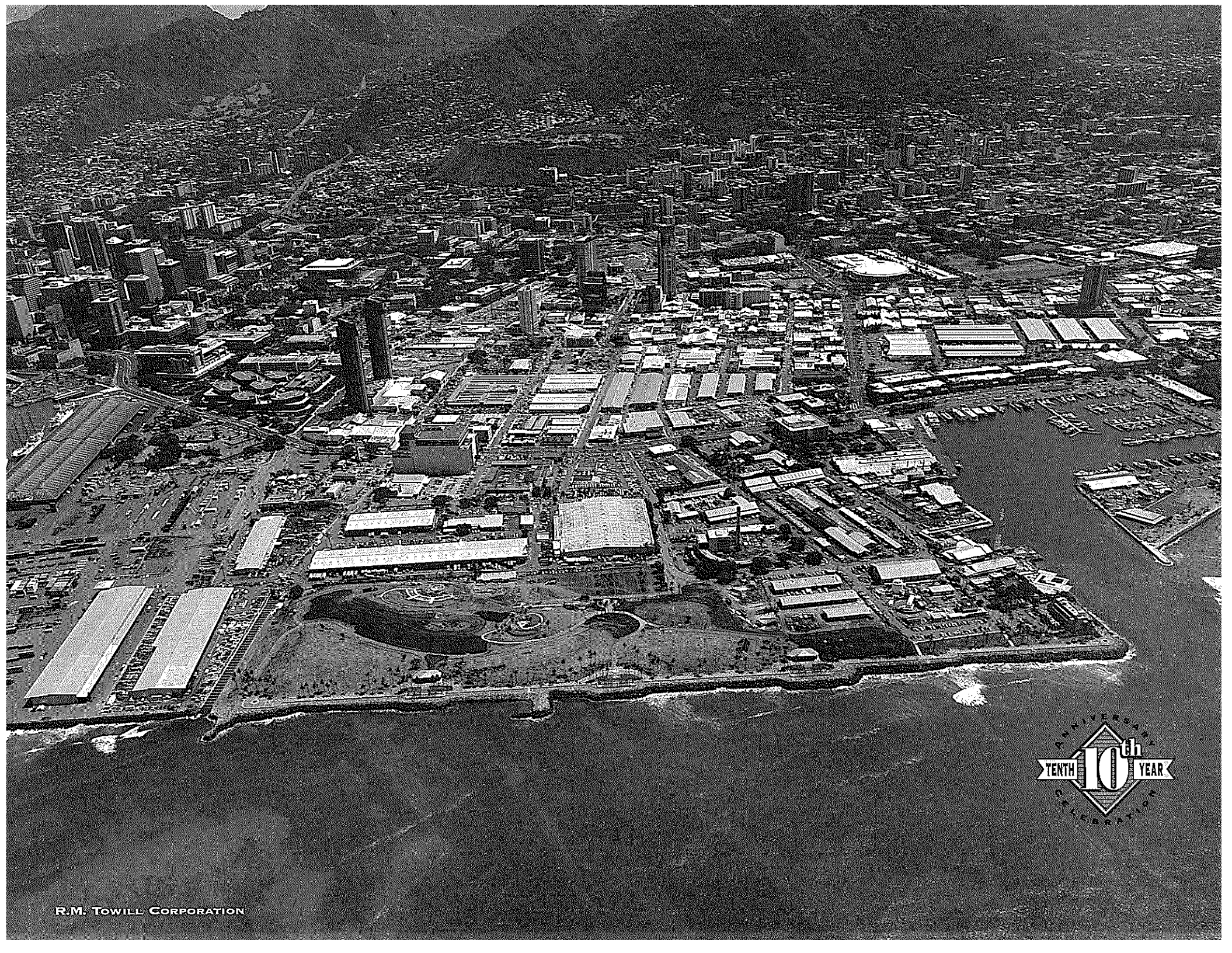
The hard reality is that some business displacement is unavoidable during Kakaako's redevelopment, and the HCDA is doing all it can to make the transition easier and comfortable for the merchants. We have in place a relocation compensation payment program for government project displacees and a loan program for businesses relocated from or into Kakaako.

The Kakaako Plan and Rules have been in place for 10 years now, but because of the changing economy and

social conditions, the HCDA must be flexible enough to adjust the Plan to make sure that all needs and goals are met in Kakaako. In 1992 as in past years, the Authority worked to reevaluate the Kakaako Plan and Rules for possible changes, and the public's input and concerns are being solicited and considered as this review continues.

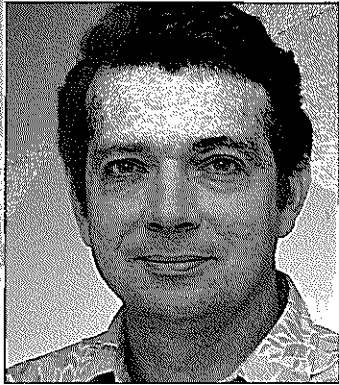
As we moved into the second decade of the implementation of the plan for Kakaako, we will keep in sight the importance of ensuring that the revitalized District must meet the needs and desires of Hawaii's people, first and foremost. For those who fear redevelopment and change, we can only assure them that Kakaako will be a new, improved community which retains what is valuable and relevant from the past. For those who have awaited the revitalization for many years, we assure you that the HCDA will continue to work to facilitate the transition, while minimizes the inconveniences for all.

We want to see that the "lights" of Kakaako shine bright and long into the future.



R.M. TOWILL CORPORATION





THE OPPORTUNITY

A Glimmering Hope In Hawaii's Serious Housing Crisis

TO PURCHASE OR RENT

by Harold Edward, Director of Development

DECENT AND COMFORTABLE

LIVING ACCOMMODATIONS IS A BASIC HUMAN RIGHT THAT

EVERY INDIVIDUAL AND FAMILY SHOULD HAVE.

UNFORTUNATELY, HERE IN HAWAII AS IN MANY PLACES

AROUND THE WORLD, THIS RIGHT IS OFTEN COMPROMISED.

The need for affordable housing statewide cannot be taken lightly or ignored. By the year 2000, about 85,000 housing units (including 64,000 affordable units) will have to be built to meet the projected formation of new families in Hawaii. Over the years the urgent need for affordable housing within urban Honolulu has become a problem for Hawaii's residents as the rise in the cost of building housing and in land values has exacerbated the shortage of affordable housing here. While Hawaii's housing crisis is underscored by a fairly constant one percent vacancy rate over the last few years, there has been an increase in the number of homeless people (from a reported 1,600 people in 1983 to 8,000 in 1990), and the average number of families on waiting lists for federal low-rent housing has doubled (from 2,700 families in 1982 to 7,000 families in 1991).

These sobering facts make it imperative for government to maximize the use of limited developable

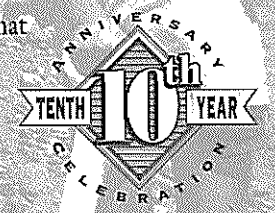
State-owned lands within the urban core for housing. That was very much the intention of the 1976 State Legislature which created the HCDA. It directed the Authority to develop in Kakaako—which is strategically situated near government, economic and cultural activities—housing for all of Hawaii's people.

In these days of tightened government spending, it is no great revelation that there are not enough funds or government owned lands to do as much as there is a need for. Therefore, it has taken and will continue to require much creativity and perseverance by agencies like the HCDA and the State Housing Finance and Development Corporation (HFDC) to insure that affordable housing is built. It is also very clear that to have a major impact on this housing crisis, many government agencies and the private sector have to work together as a team.

If I've sounded gloomy thus far in stating the problem, take heart. This is certainly a happy story.



Since the Kakaako Plan was put in place a decade ago, we at the HCDA have worked to see that the greatest number of affordable housing units is built. Every avenue is being explored and taken, if it can be feasibly done. One of the important vehicles used in the delivery of affordable has been the “reserved” (or affordable) housing component of the Kakaako Plan. Our Plan requires that developers of major residential projects must set aside 20 percent of their total units for sale as affordable housing. At the discretion of the Authority, developers may be allowed to pay cash-in-lieu of providing the affordable housing or they may be allowed to provide the appropriate units elsewhere in Kakaako. Although the Authority would prefer to see the reserved units provided in the development, it has allowed some developers these options only when it means that a greater number of affordable units can be created for Hawaii’s residents.



Nine of the major Planned Development projects approved by the HCDA to date will produce a total of 782 affordable housing units and in a few circumstances, they have contributed approximately \$11 million in cash-in-lieu of providing the reserved units. Some people have been critical of some of the private developments built in Kakaako, but the fact is that the cash-in-lieu payments from these projects have already been used to build the HCDA's affordable rental units.

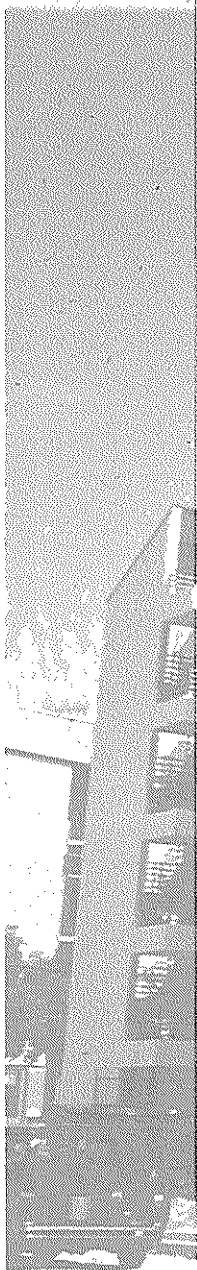
The affordable housing being constructed in Kakaako illustrates the need for, and the success that can be attained through, the co-operation and alliance of government agencies and the private sector in meeting our housing crisis. The HCDA and the HFDC have in the works approximately 1,361 affordable rental housing units for Oahu's families and the elderly. Many of these units have been built or are currently under construction.

The *KAMAKEE VISTA* mixed-use affordable family rental project has been completed at Queen and Kamakee Streets. It provides 225 one- and two-bedroom units and over 41,000

square feet of commercial space, including the Muriel Pre-School. Under the HFDC rental assistance program, 60 percent of the units at Kamakee Vista are rented at \$520 and \$745 per month for one- and two-bedroom units, respectively. The remaining units are rented for about 10 percent below market rents.

In 1992, the HCDA dedicated and opened the *POHULANI* (translated as "Heavenly Calm") senior affordable rental housing complex, which provides affordable and attractive living space for our valued senior citizens. Located on land bounded by Keawe, Queen and Coral Streets, the Pohulani contains 262 studio and one-bedroom units. Using the HFDC's rental assistance program, tenants selected in a lottery now rent studios starting at \$325 per month and one-bedrooms starting at \$445 per month. Each unit is furnished with a refrigerator, oven/range, ceiling fan, carpeting and drapes. This development offers the elderly such amenities as a recreation deck, a lap pool and barbeque area, a jogging path and garden plots for tenants to cultivate their own gardens. The building also contains an emergency call system for each apartment and a fully-secured entrance.

Based on the very high number of applications received for government-built affordable elderly housing, the need for "taking care" of our seniors is particularly clear. During 1992, the HCDA was at work constructing the *NA LEI HULU KUPUNA* affordable elderly housing project on Coral, Cooke and Halekauwila Streets. Seventy-five fully-furnished studio apartments are being built in this low-rise apartment complex. This complex exemplifies the good that can be done when government and the private sector work together. It was made possible through the alliance of the HCDA, HFDC, the City and County of Honolulu and the Bank of Hawaii. We were able to take advantage of important State and Federal tax credit programs to build this project, an opportunity we will surely explore in future housing developments. Because the chore of traveling from place to place can be a burden for senior citizens, Na Lei Hulu Kupuna is conveniently located near downtown Honolulu, major medical facilities, the Ala Moana Shopping Center and Beach Park, public bus lines and other recreational and cultural activities. Each 350-square-foot studio is furnished with a bed, dresser, dining table and chair, air-conditioning, television, range,





microwave oven, refrigerator, carpet, drapes and emergency call system. Utilities are included and the units are available at State subsidized rents as low as \$325 per month.

We also began construction in April, 1992 on HCDA's *KAUHALE KAKA'AKO* affordable family housing development on land located between Ilaniwai and Halekauwila Streets. This project will be completed in August 1993 and it will provide a total of 268 attractive and affordable rental one- and two-bedroom units in a central and convenient location. Approximately 11,000 square feet of commercial/ industrial space is also included. All of the partly furnished units in the Kauhale Kaka'ako include a range/oven, refrigerator and ceiling fan, and tenants will be able to use the active recreation deck with basketball court, exercise and BBQ area, children's playground and meeting room. An adjoining parking structure will contain 268 tenant parking spaces and 500 stalls for the general public to use on a shared basis. Qualified families will be able to rent Kauhale Kaka'ako's one- and two-bed-room





units starting at about \$560 and \$800 per month, respectively, using HFDC rental subsidies.

As planned, the HCDA's *HALE KEWALO* affordable rental housing project will be an extremely valuable development for the people of Hawaii. In these days of scarcity of developable urban land to meet public needs, the Hale Kewalo offers a chance to compatibly satisfy some of the demands of higher and lower education, affordable housing and recreation and open space. As envisioned, the twin-tower Hale Kewalo would be built on the former Pensacola Street campus of the Kapiolani Community College. It will provide 530 urgently needed affordable rental housing units, while also providing educational space for the the Department of Education's (DOE) McKinley High School and the University of Hawaii. One residential tower would contain apartments for rent to the general public and the other would be reserved for UH affordable faculty housing. The units would include: 78 studios with subsidized rents at \$425 per month, 200 one-bedroom units with subsidized rents at \$575 per month and 252 two-bedroom units with subsidized rents at \$825 per month.

Plans also call for one-and-a-half acres of open/recreational space along Kapiolani Boulevard, which would eventually be incorporated into the McKinley High School athletic complex. The 43,000 square-foot Building 857 (used temporarily to house the State Library during recent renovations) will be transferred to the DOE for use by McKinley High School, along with 50 parking stalls for the school's faculty. Hale Kewalo would also include about 20,000 square feet of space for the UH Employment Training Office and a five-story, 690-stall parking garage. The HFDC will provide the interim and long-term financing for Hale Kewalo, along with rental assistance payments and CIP funds. In 1991, the State Legislature appropriated \$3.5 million to the HCDA to proceed with the planning and design of the Hale Kewalo and at the 1992 session, the HFDC received an appropriation of \$28 million to proceed with construction of the project. After receiving the initial appropriation, the HCDA started discussions with the DOE and the UH to determine the feasibility of joint usage of the site for affordable rental housing and educational purposes. The results of those discussions led to the creation of the Hale Kewalo. The HCDA

will proceed with the Hale Kewalo as it will meet so many vital needs and benefit many parties and the people of Hawaii.

While the above projects cannot solve the housing crisis which faces Hawaii's residents, they are important beginnings. Realistically, the lack of affordable housing on Oahu will continue to be a major concern for all of us in the years ahead. Kakaako's affordable housing projects are clearly not enough, but as the agencies of government and the private sector work toward this common goal, the experience gained in finding creative financing methods and land acquisition deals should help us to provide the greatest number of affordable units possible in the Kakaako District.



TENTH 10th YEAR



AFTER FIVE YEARS OF PARTICIPATION IN THE

Kakaako's Improvement District Program

HCDA'S AMBITIOUS AND MASSIVE

by Cleighton Goo, Chief Engineer

IMPROVEMENT DISTRICT PROGRAM,

I STILL WAKE UP EACH MORNING AND TRY TO REMIND MYSELF

TO CONSIDER THE "HUMAN ELEMENT". IT IS AN IMPORTANT

TASK FOR ME BECAUSE IN PLANNING AND EXECUTING THE

REVAMPING AND UPGRADING OF KAKAAKO'S AGING SYSTEM

OF ROADWAYS AND UTILITY SYSTEMS, WE'RE DEALING WITH

A PROJECT OF LARGE SCALE AND COUNTLESS IMPLICATIONS.

To plan improvements and charge assessments, we must deal with the cost to government, to the utility companies and to landowners (who oftentimes "pass on" the cost to tenants, lessees and residents). In making improvements, we are tearing up streets, pouring tons of concrete, laying miles of pipes and installing large drain boxes that tall people could easily walk through. Dust and noise brought on by construction are inevitable and traffic detours and driver/pedestrian inconveniences come with the territory.

But what makes the task particularly arduous is that Kakaako is a living, thriving business and residential community. In going through our improvements we must keep utmost in mind that there are people living there, merchants and entrepreneurs who are trying their best to turn a profit and not let the construction ills get the upper hand. As such, it has always been our intention, and we will continue to work, to make the improvements as quickly as possible so that we can all begin to enjoy the immeasurable benefits of a revitalized

and enhanced infrastructure system. Let me say from the outset, that we could not possibly accomplish our mission in Kakaako without the support and cooperation of the landowners, businesses and tenants. Their actions and goodwill in the midst of the construction zone have been exemplary and their patience have been tested.

If you've passed through Kakaako since 1986, you have witnessed the scale and extent of improvements being undertaken. Since it was created, one of the HCDA's task has been the systematic improvement of Kakaako's network of streets and utilities, some of which are obsolete, deteriorating and crying out for repair and upgrading. Some of the District's utility systems were installed 60-70 years ago. Some streets are narrow and become lakes of water in times of heavy rain. Some roadways require pedestrian walkways and are littered with a hodgepodge of illegally parked cars. And the bottom line is that the infrastructure in some areas just cannot support future development.



The Improvement District Program is being used to reconstruct and/or widen streets with new curbs, gutters and pavement. Drainage, sewer and water systems are being repaired and expanded. We are also expanding telephone, electric and cable television systems and moving them underground to heighten the Kakaako environment. State government, the public utility companies and landowners who receive special benefits from the improvements share the cost of each improvement district. The HCDA arranges the sale of assessment area bonds to provide financing for property owners who are being assessed for improvements. This allows landowners to pay their assessments in installments over a period of up to 20 years, along with interest.

We started construction on our \$35.4 million Improvement District 1 Project in 1986, and about two years later the area generally bounded by Punchbowl, King, Cooke, Queen, South and Auahi Streets



and Ala Moana Boulevard has been vastly improved in function and appearance. The HCDA's ID-2 Project, generally bounded by Keawe, Auahi, Coral, Pohukaina, Cooke and Ilalo Streets to the ocean, employed a similarly ambitious improvement agenda and was successfully completed in late 1990.

With the completion of the first two ID projects, roadways are now safer and more readily facilitate traffic and pedestrian flow. Sidewalks, curbs, signage and fire hydrants enhance roadways which in the past were devoid of such necessities. Under normal rainfall conditions, improved streets no longer are under by lakes of water which made daily activities a hardship.

The ongoing Improvement District 3 Project involves roadway and utility system improvements on the following streets: Cooke Street (from Pohukaina to King Streets), Kapiolani Boulevard (from King to Dreier Streets), Halekauwila Street (from South to Koula Streets), Keawe and Coral Streets (from Auahi to Queen Streets), Victoria Street (from King to Young Streets) and Curtis Street. Construction activities on ID-3 are similar in nature to the first two improvement districts and again our contractors, engineers and relocation services staff are working to insure that

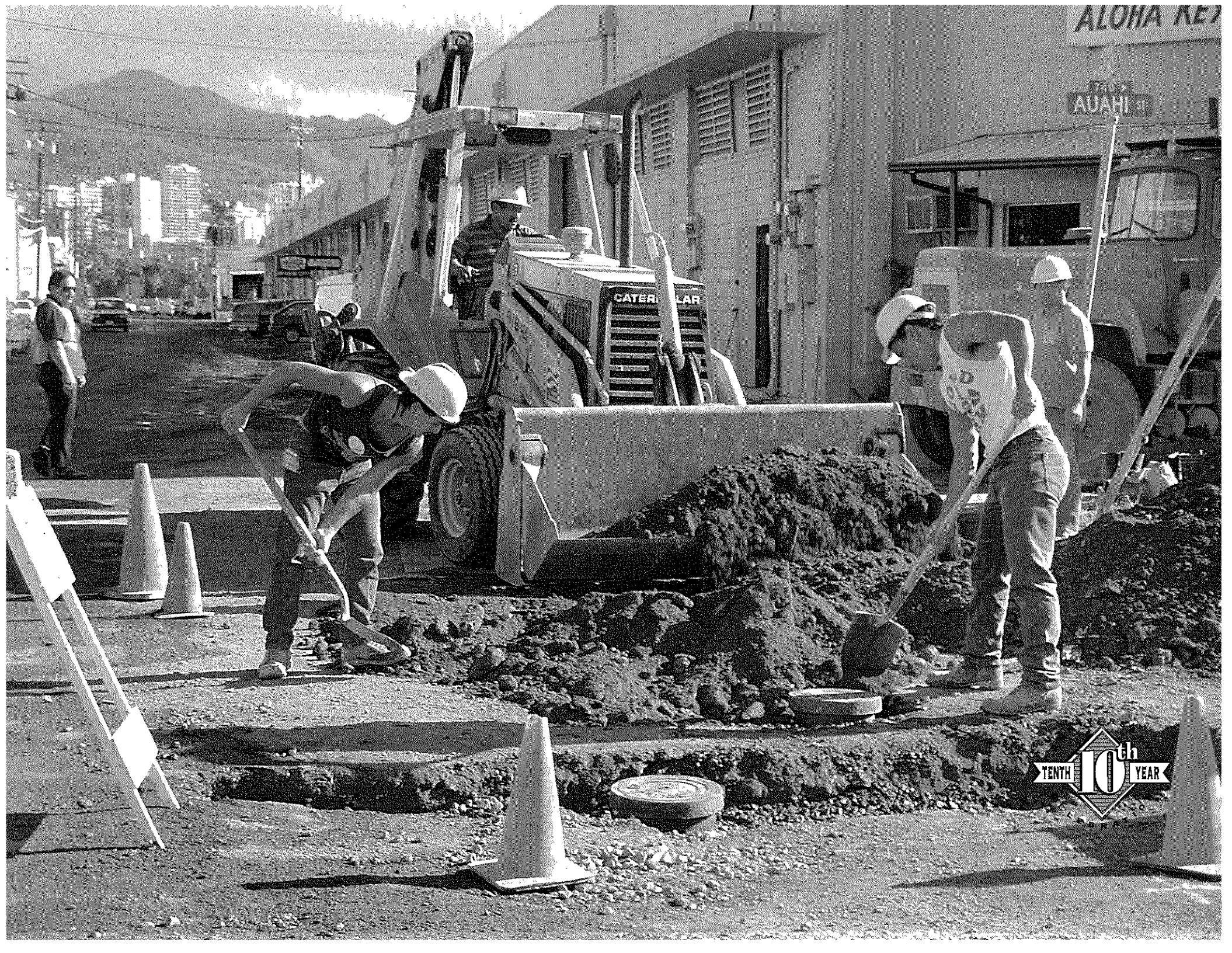
the construction work is carried out expeditiously, safely and with the least amount of inconvenience to the merchants, residents and the general public. To ease the impacts of the loss of on-street parking spaces due to the construction, the HCDA operates a temporary parking lot at the former Pohukaina School site. The lot's 315 parking stalls are offered on a first-come, first-served basis, with employees of businesses most impacted by the ID-3 construction given first priority into the lot.

When the ID-3 construction is completed in early 1993, the three improvement district project undertaken to date represent a cost of about \$113 million. At that time one third (about 150 acres) of infrastructure improvements within the mauka area of the District will be completed.

In 1992, the HCDA was involved in the engineering design for two future improvement district projects. One project would upgrade the roadways and utilities in the waterfront area now being redeveloped. Construction on this project could start by late 1994. The infrastructure system improvements along Queen Street (from Cooke to Pensacola Streets), Kamakee Street (from Kapiolani to Ala Moana Boulevards) and Waimanu Street (from Pensacola to Piikoi Streets)

is also under design, with construction start planned for the middle of 1994.

Infrastructure improvements to the entire Kakaako District will take many years and the continued financial support of the State Legislature. The continued support and tolerance of Kakaako's "human element"—the landowners, businesses, lessees and residents—need to continue for us to be successful. And be assured, that as an agency initiating future IDs we will reciprocate by being concerned not only for the timely completion of construction, but also to insure that the discomforts and welfare of this vital element of Kakaako are recognized and taken care of.



ALOHA KEA

7305 AUUHI

CATERPILLAR

DANGER

TENTH 10th YEAR

HAWAII

Kakaako's Red Letter Dates

COMMUNITY

1976 State Legislature creates the Hawaii Community Development Authority

DEVELOPMENT

1979 HCDA starts publication of *Malama Kaka'ako* (later renamed *Kaka'ako Connection*) newsletter to inform public of HCDA and Kakaako's redevelopment activities.

ASSOCIATION

1979 HCDA holds the first of a series of public informational meeting and hearings to inform the public about Kakaako Plan formulation and to get public feedback and participation.

1982 Governor George Ariyoshi signs Kakaako Plan and Rules into law calling it "a comprehensive, yet flexible document which will permit, and encourage, timely redevelopment of the area..."

1982 State Legislature expands Kakaako District's boundary to include portions of the area makai of Ala Moana Boulevard

1986 Construction on Improvement District 1 begins

1986 Marketing of 59 reserved (affordable) housing units in Royal Capitol Plaza begins

1987 State Legislature expands Kakaako District's boundary to include Honolulu waterfront area from Kewalo Basin to Aloha Tower

1987 A wide range of development possibilities and designs for the Honolulu Waterfront were explored at a "charette", where teams of volunteer architects, planners and landscape architects participated

1988 Construction work on Improvement District 2 starts. Off-hour and night construction employed to speed up project.

1988 HCDA holds a "Thanks for Sticking With Us" Thanksgiving luncheon for businesses in the Improvement District 1 area.

1989 HCDA opens temporary parking lot to help businesses in the ID-2 construction area.

1990 Kewalo Basin Park, first in a series of future parks for Kakaako, completed and open to public. Construction on first phase of Kakaako Waterfront Park also began that year.

1990 First of the annual Honolulu Waterfront Triathlon held along the waterfront area.

1990 Third Improvement District project started.

1991 Kamakee Vista affordable family housing complex completed and occupied.

1991 Construction on Na Lei Hulu Kupuna elderly housing project started.

1992 State lawmakers appropriate funds for construction of Hale Kewalo affordable rental housing project on former Kapiolani Community College site.

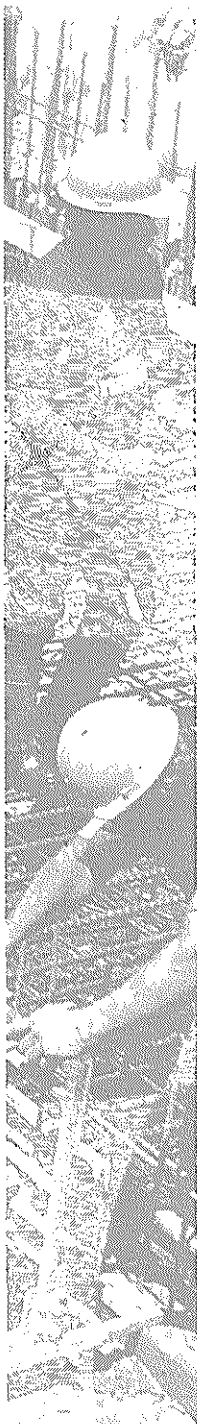
1992 Ground broken for Kauhale Kaka'ako affordable rental housing project.

1992 HCDA receives American Society of Landscape Architects (ASLA) Malama Aina Award for its "distinctive efforts in promoting the preservation and enhancement of the Hawaiian landscape".

1992 HCDA opens another temporary parking lot on Waimanu Street to help area's businesses.

1992 Pohulani elderly housing project dedicated and occupied.

1992 Grand opening of Kakaako Waterfront Park held.





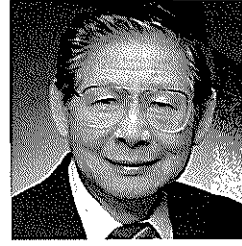
Chairman
Gary L. Caulfield
Senior Vice President
First Hawaiian Bank



Vice Chairman
R. Brian Tsujimura
Attorney and
Real Estate Developer



Secretary
Stanley K. Kawaguchi
Vice President
Parsons Brinckerhoff
Quade & Douglas, Inc.



Richard B. F. Choy
President
Paradise Optical Company



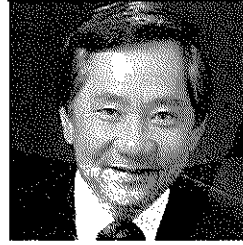
Edward Y. Hirata
Director, State Dept.
of Transportation
(served until 12/91)



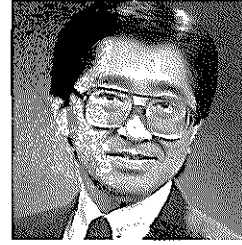
Rex D. Johnson
Director, State Dept.
of Transportation
(served from 12/91)



Russel S. Nagata
Comptroller,
Dept. of Accounting
and General Services



Yukio Takemoto
Director, State Dept.
of Budget & Finance



Kenneth K. Takenaka
Attorney
(served until June 1992)



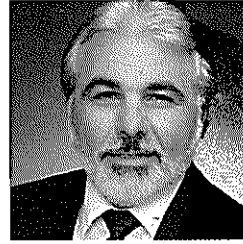
Susan Todani
Management Consultant
KPMG Peat Marwick



Murray E. Towill
Director, State Dept.
of Business, Economic
Development & Tourism



Gregg T. Yamanaka
President
Mary Charles & Associates
(served until June 1992)



Michael N. Scarfone
Executive Director
Hawaii Community
Development Authority

Authority Members
(July 1, 1991- June 30, 1992)



Financial Information

Hawaii Community Development Association
Statement of Appropriations, Expenditures, Encumbrances and Balances (For Fiscal Year Ended June 30, 1992)

	Prior Year Available Funds 7/1/91	Appropriations	Transfers	Expenditures
Operating Funds				
Act 296, SLH 1991	—	\$ 259,689	\$ 15,942	\$ 275,582
Project Funds				
Kakaako Community Development District				
Act 264, SLH 1982	\$ 22,816	—	—	—
Act 301, SLH 1983	19,118	—	—	—
Act 300, SLH 1985	84,469	—	—	—
Act 216, SLH 1987	740,427	—	—	479,162
Act 316, SLH 1989	12,435,306	—	—	7,942,737
Act 299, SLH 1990	23,066,366	—	—	19,924,892
Act 296, SLH 1991	—	18,665,000	—	3,896,671
Delegations	2,277,239	—	1,190,500	474,807
Improvement District				
Bond Funds	4,766,917	—	—	275,979
Revolving Fund	13,009,693	4,845,288 ^{1/}	—	5,413,116
	\$56,422,351	\$23,769,977	\$1,206,442	\$38,682,946

^{1/}Variance, dedication fees, assessment fees, etc., collected.

Hawaii Community Development Association
Statement of Expenditures (For the Fiscal Years Ending June 30, 1991 and June 30, 1992)

	June 30, 1992	
	Operating Funds	Project Funds
Personal Services	\$253,291	\$ 1,456,259
Other Current Expenses	22,291	36,907,583
Equipment	—	43,522
Total Expenditures	\$275,582	\$38,407,364

Encumbrances	Allotment	Appropriations	Funds	Lapsed
—	—	—	—	\$49
\$ 22,816	—	—	—	—
19,118	—	—	—	—
84,469	—	—	—	—
261,265	—	—	—	—
4,492,564	—	—	—	5
3,141,474	—	—	—	—
4,880,405	\$ 964,824	\$8,923,100	—	—
2,992,932	—	—	—	—
3,627,928	863,010	—	—	—
977,186	—	—	\$11,464,679	—
\$20,500,157	\$1,827,834	\$8,923,100	\$11,464,679	\$54

June 30, 1991

Total Expenditure

Total Expenditures

\$ 1,709,550

\$ 1,135,413

36,929,874

18,562,348

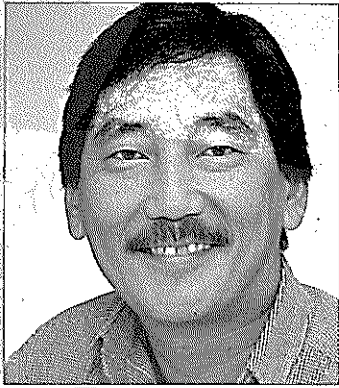
43,522

56,459

\$38,682,946

\$19,754,220





IF THERE'S ONE THING

Rediscovering the Pleasures of the Waterfront

by Eric Masutomi, Director of Planning

THAT HAWAII'S KNOWN FOR,

IT'S OUR BEACHES AND

SPECTACULAR SHORELINES. BEING TOTALLY SURROUNDED

BY WATER, HAWAII'S PEOPLE HAVE ALWAYS ENJOYED

A SPECIAL RELATIONSHIP WITH THE SEA.

I'm no exception. Like so many others growing up in Honolulu, the ocean was my playground. I still hold fond memories of long summer days spent scrambling for waves along the Ala Moana shoreline, from the reefs of the Ala Wai Yacht Harbor to the breaks off of the Kakaako Peninsula. These latter Kakaako surf spots took on ignominious names such as Flies and Incinerators, reflective of the municipal landfill they fronted. I vividly recall that often, despite fine wave conditions, my companions and I would opt to avoid these spots in deference to the noxious uses surrounding the area and the inherent difficulties in accessing the sites. Now, at long last, these valuable, yet neglected Kakaako Waterfront lands are being reclaimed and transformed into a magnificent new public place, one which is certain to serve as a source of enjoyment and civic pride for generations to come. Given my early experiences, it is especially gratifying today to be a part of the agency responsible for this significant undertaking.

Our efforts in the redevelopment of the Kakaako Waterfront have been guided by the Honolulu Waterfront Master Plan, the State's long-

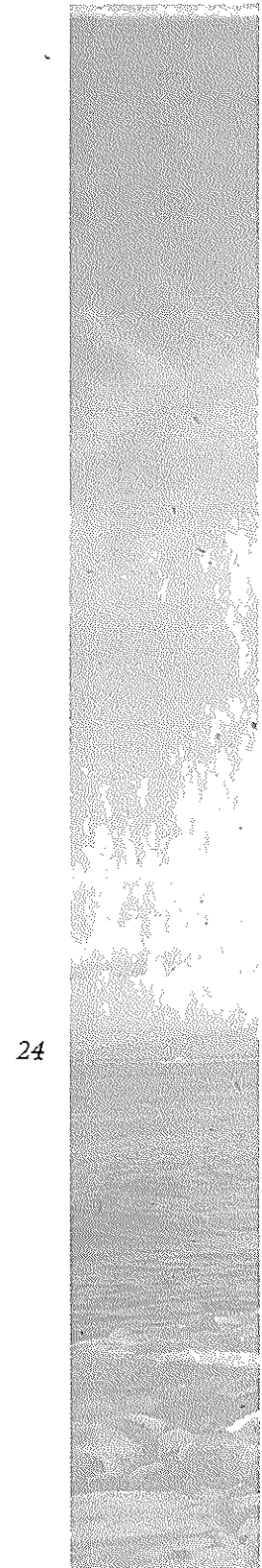
range blueprint for the revitalization of the six-mile stretch of urban coastline from Ala Moana Beach Park to the Honolulu International Airport. The lands in the Kakaako Community Development District makai of Ala Moana Boulevard (termed the "Makai Area"—the area from Kewalo Basin to Pier 4 at Honolulu Harbor) have been identified as the centerpiece of the State's waterfront revitalization program. Under the Master Plan, the area is to be transformed into a dynamic new "gathering place" in urban Honolulu, accommodating a variety of new recreational, cultural and commercial activities.

Since the completion of the Waterfront Master Plan in February 1989, the HCDA has moved swiftly and aggressively toward turning the plan's vision into reality. The framework for action was quickly laid with the adoption of our Makai Area Plan in late 1989. By the succeeding year, the HCDA had already completed construction of its first waterfront redevelopment project, the four-acre Kewalo Basin Park, as well as the design work for the first phase development of the larger Kakaako Waterfront Park.



Our Makai Area Plan implements the Waterfront Master Plan's concept of establishing a "lei of green" along the Honolulu Waterfront: a system of great parks linked by a series of linear landscaped parkways. When fully developed, HCDA's Makai Area will feature over 87 acres of new public park lands and 7.5 million square feet of commercial office and retail space. It will include a scenic waterfront promenade and passive recreation areas which will extend from Ala Moana Beach Park to a protected beach at Fort Armstrong. A new state-of-the-art amphitheater is proposed which would feature concerts, shows, and special events in a location that is attractive and easy to get to. Other planned park features for the Kakaako's Makai Area include: a performing arts center and museum complex and a major new park entrance between Cooke and Ohe Streets. In addition, a 16-acre privately-developed urban park in the Fort Armstrong and Pier 1 area will augment the delights of the Kakaako Waterfront Park. This privately-developed park will showcase entertainment.





commercial, recreational, cultural and educational activities which people can enjoy both day and night.

In planning for the Makai Area, we have not forgotten the importance of the maritime industry to the Islands. Our Plan provides for a mixture of maritime and commercial activities in certain distinct zone. The “waterfront commercial” zone, for example, encourages significant commercial redevelopment to occur along the Ewa edge of Kewalo Basin. These activities would be carefully integrated with existing fishing and maritime services now located there. Another zone, called “waterfront service”, ensures that areas necessary to support essential marine activities and facilities within Kewalo Basin and Honolulu Harbor are preserved.

As indicated earlier, the Kewalo Basin Park was the first major project in our waterfront “reawakening” effort. Completed in 1990, the triangular peninsula at the rear of Kewalo Basin has now been completely transformed into an attractive passive park. Those who have discovered the Park keep returning to enjoy the scenic pedestrian promenade and observation areas which offer breathtaking views of Ala Moana Beach, Magic Island, and Diamond Head.

Meanwhile, by the third quarter of 1992, the finishing touches were being put on the first phase of the Kakaako Waterfront Park. You would really have to take a helicopter ride to fully experience the panoramic views and the magnificent landscape of the first phase’s 30 acres of passive recreational park space. Unlike many of Hawaii’s parks, the Kakaako Waterfront Park consists of contoured, rolling landscaped mounds. At the Park’s shoreline, a breathtaking pedestrian promenade with comfort stations and picnic areas will contribute to the public’s enjoyment of the spectacular views. The 20-foot-wide promenade runs the entire length of the park, linking five oceanfront observation areas.

In constructing the \$23.6 million first phase we have had to be innovative as well as practical. What we’re doing is building a park on a what was once a massive landfill mound on the seaward reach of the Kakaako Peninsula. To safely convert the area for park use, we’ve installed over 23,000 square yards of a polyvinyl membrane on five acres of the park site. This membrane, in conjunction with a passive collecting and venting system, will collect and vent methane gas that may be generated by the decomposition of remaining organic materials. We’ve covered the entire Park

with layers of imported fill, top soil, landscaping and hardscapes.

And, of course, we have not forgotten that the Kakaako Waterfront has been a favored spot for surfers, fishermen and water enthusiasts. To make it easier for the public to get to the ocean, the HCDA has created two protected water access points, one at Point Panic at the Diamond Head end of the Park and one near the center of the Park.

While the “Grand Opening” for the first phase of the Kakaako Waterfront Park will be held in November 1992, our work in transforming the entire Peninsula into a premier gathering place for Hawaii’s people continues. Design and permitting work is proceeding for the proposed 17-acre beach park located makai of Fort Armstrong. At Kewalo Basin, the stage is being set for further improvements to complete its connection with Ala Moana Beach Park.

Significant progress is along being made in our efforts to incorporate cultural and educational facilities in the Makai Area. In 1992, the HCDA agreed to lease the Kewalo Incinerator Building and site to the Children’s Museum of Arts, Culture,





KAKAAKO WATERFRONT PARK

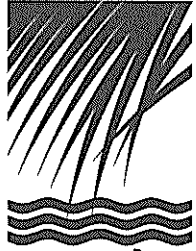


Science and Technology for the establishment of a permanent facility in the Kakaako Waterfront Park. Under the agreement reached by the HCDA and the Children's Museum, the HCDA will undertake the clean-up of hazardous material, selected building demolition and necessary structural repairs up to a total cost of \$2 million (appropriated by the State Legislature for restoration of the structure). The Children's Museum will perform the additional structural work, tenant improvements and exhibits and landscaping work. The HCDA also granted the Historic Hawaii Foundation an option to lease the historic Kakaako Pump Station on Ala Moana Boulevard for the creation of a Heritage Education Center. The Foundation plans to restore the landmark bluestone buildings to provide interpretive exhibits, multi-media presentations, docent-led programs and educational resource materials on the archaeological and architectural history of the Islands.

While much has been accomplished, much more remains to be done. We are, nonetheless, certain that our work to date already has created a strong allure for Hawaii's people to "come back" and rediscover their waterfront.



HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



KAKA'ŌKO
Where Honolulu Greets The Sea.

Hawaii Community Development Authority
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Honolulu, Hawaii 96813

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