

STATE OF HAWAII
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
Kalaeloa Community Development District
Honolulu, HI 96813

July 05, 2017

Chairperson and Members
Hawaii Community Development Authority
State of Hawaii
Honolulu, Hawaii

HCDA Board Members:

SUBJECT: Shall the Authority Establish a Taskforce pursuant to HRS § 92-2.5, to: (a) Review the Matter Involving Stockpiled Material at the Kalaeloa Heritage and Legacy Foundation (KHLF) Site and (b) Make a Recommendation to the Board on a Proposed Course of Action?

SUMMARY:

The Authority is being asked to establish a task force to review the matter of stockpiled material at the Kalaeloa Heritage Park site (Park), currently leased by the Kalaeloa Heritage and Legacy Foundation (KHLF), and recommend a course of action to resolve the matter.

AUTHORITIES:

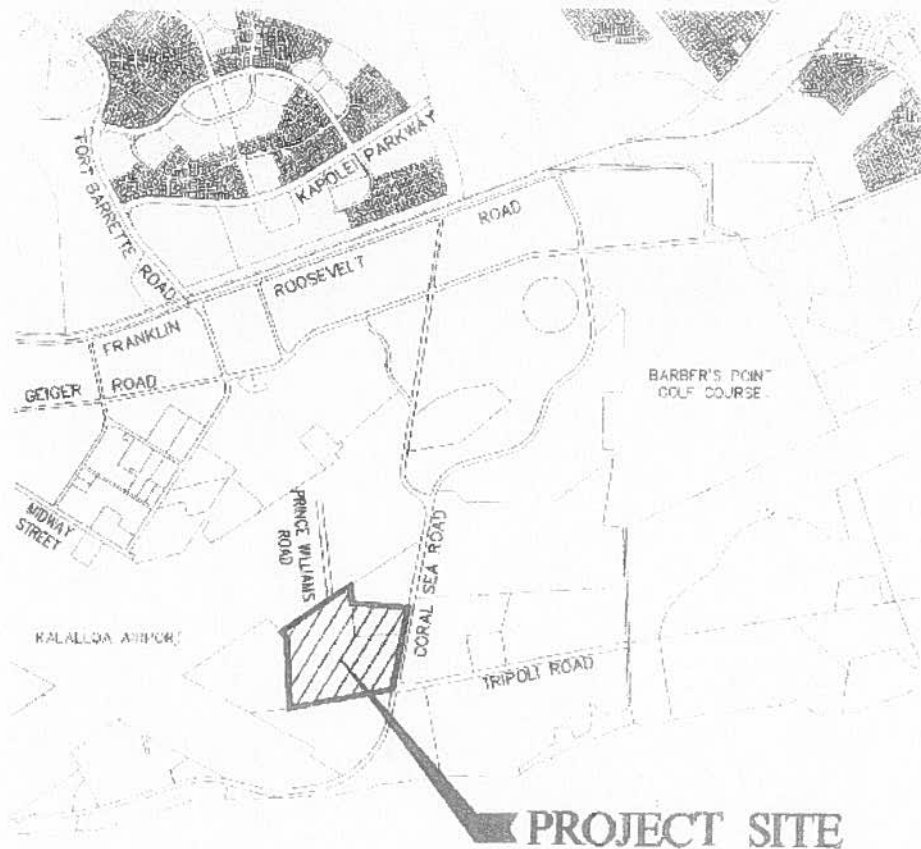
Permitted interactions of a group of board members is governed by Hawaii Revised Statutes (HRS) § 92-2.5(b) which states that two or more members of a board, but less than the number of members which would constitute a quorum may be assigned to:

- (1) Investigate a matter relating to the official business of their board, provided that:
 - (A) The scope of the investigation and the scope of each members authority are defined at a meeting of the board;
 - (B) All resulting findings and recommendations are presented to the board at a meeting of the board; and
 - (C) Deliberation and decision-making on the matter investigated, if any, occurs only at a duly noticed meeting of the board held subsequent to the meeting at which the findings and recommendations of the investigation were presented to the board.

BACKGROUND:

The KHLF, through General Lease No. 15-05, occupies approximately 77 acres of land in the Kalaeloa Community Development District (see Project Site Location Map, below). In August 2012, the KHLF received a donation of excess grading material from a construction site that was brought to the Park. The KHLF intended to use the material to grade portions of the site for a visitor center. Due to

extenuating circumstances, the project did not move forward, and the required stockpiling permit for the material left on site was not obtained from the City and County of Honolulu (City).



LOCATION MAP

SCALE: 1 IN. = 1000 FT.

In September 2013, the City issued a Notice of Violation (NOV) to the HCDA, as landowner, for stockpiling approximately 2,259 cubic yards of material without a permit. HCDA was charged an initial fine of \$750.00 and assessed a daily fine of \$750.00, until corrective action is completed. A timeline of events between the NOV and the issuance of the first stockpiling permit is attached as Attachment A. The stockpiling permit resolves the violation relative to stockpiling without a permit, and based on our understanding halted the further accumulation of fines.

Between the September 23, 2013 NOV and obtaining the stockpiling permit on May 7, 2015, the estimated accumulated fines amount to, \$364,500. The stockpile permit was recently extended thru May 19, 2018.

ANALYSIS:

With the stockpiling permit, the HCDA, as land owner, is no longer in violation for stockpiling. However, to resolve this matter, the HCDA needs to identify a permanent solution for the stockpiled material at the Park. The objective of the task force is to evaluate the circumstances and consider all alternatives available for remediation of the stockpile and recommend a course of action.

RECOMMENDATION:

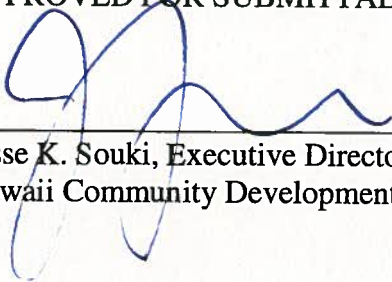
It is recommended that the Authority establish a task force to review the matter of stockpiled material at the Kalaeloa Heritage Park Site and make a recommend a course of action.

Respectfully submitted,



Aedward O. LosBanos
Administrative Services Officer

APPROVED FOR SUBMITTAL:



Jesse K. Souki, Executive Director
Hawaii Community Development Authority

Attachment A – KHLF Notice of Violation Timeline

Kalaeloa Heritage and Legacy Foundation Notice of Violation Timeline

23-Sep-13	Notice of Violation (NOV), No. 2013/NOV-09-085, issued.
25-Oct-13	Kalaeloa Heritage and Legacy Foundation (KHLF) submits stockpiling permit application to City & County of Honolulu, Department of Planning & Permitting (DPP). However, due to the size of property, KHLF was informed that plans must be prepared by a licensed engineer and submitted with the application.
19-Dec-13	Notice of Order No. 2013/NOO-262 issued for failure to timely correct the violation as required by the NOV.
Dec-13	After reviewing various fee proposals for engineering services, KHLF hires Community Planning and Engineering (CPE) to prepare the plans.
Apr-14	CPE completes the plans, inclusive of all agency reviews. However, KHLF is informed by CPE that DPP is requiring a performance bond. KHLF begins to secure the necessary bond.
Sep-14	After attempting to obtain the bonding by several different means, KHLF is informed by its insurance agent that they cannot get the necessary bond. KHLF meets with HCDA, who offers to assist with the bonding issue.
Nov-14	Upon discussing the bonding issue with CPE and various City agencies, HCDA learns that if it is the permit applicant, no bond will be required as HCDA is an entity of the State of Hawaii. HCDA decides to become the permit applicant and has CPE resubmit the application on their behalf.
Dec-14	Plans are resubmitted for final approval. CPE informs HCDA that DPP is now requiring State Historic Preservation Division (SHPD) review.
30-Dec-14	CPE submits plans to SHPD for review and comment.
8-Jan-15	HCDA writes to City Corporation Counsel outlining chronology of events and requests waiver of fine.
2-Feb-15	City Corporation Counsel grants an extension of time until May 31, 2015 however, denies request for waiver of fines.
10-Feb-15	HCDA emails SHPD to inquire on status of review.
18-Feb-15	SHPD replies apologizing for delay and their intent to comment.
19-Mar-15	HCDA emails SHPD to inquire on status of review.
20-Mar-15	SHPD conducts site visit and obtains necessary information for their review. However, HCDA is informed staff member who will be completing the review is on jury duty and will complete it upon her return.
24-Mar-15	HCDA conducts site visit with KHLF to inspect existing condition of stockpile. Observed vegetation growing over stockpiled material and bio sock placed around perimeter of site.
6-Apr-15	HCDA receives copy of letter from SHPD to DPP outlining conditions and concluding, "...the violation resulted in no historic properties affected."
13-Apr-15	CPE submits plans to DPP for final approval.
23-Apr-15	CPE informs HCDA that DPP is now requiring a letter stating all conditions outlined by SHPD will be complied with.
5-May-15	HCDA sends letter to DPP stating all conditions outlined by SHPD will be complied with.
7-May-15	Stockpiling permit number GP2015-05-0218 issued.
13-May-15	CPE delivers stockpiling permit to HCDA for signature. CPE then hand delivers signed permit to DPP.
20-May-15	NOV file closed.