

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

Wednesday, February 1, 2017

**KAKAAKO BUSINESS**

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

A general business meeting of the Kakaako 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 9:30 AM February 1, 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. Wei Fang
2. Mary Pat Waterhouse
3. Beau Bassett
4. Laurel Johnsten
5. Jason Okuhama
6. Steven Scott
7. John Whalen

**Members Absent:** David Rodrigues  
William Oh  
Kathy Sokugawa

**Others Present:** Jesse Souki, Executive Director  
Lori Sunakoda, Deputy Attorney General  
Deepak Neupane, Kakaako Planning Director  
Lindsey Doi, Asset Manager  
Aedward Los Banos, ASO  
Garett Kamemoto, Communications and Community Outreach Officer  
Laura Savo, Court Reporter

**II. APPROVAL OF MINUTES**

1. Kakaako Special Meeting of November 3, 2016

Meeting minutes were approved as presented.

2. Kakaako Regular Meeting of December 7, 2016

Meeting minutes were approved as presented.

### III. ACTION ITEMS

3. Decision Making: Shall the Authority Authorize the Executive Director to Execute a Contract for the Refuse Collection Services for a Three (3) Year Term Plus Two (2) One (1) Year Extensions Using Funds from the Hawaii Community Development Authority Revolving Funds, Leasing and Management Subaccount?

Ms. Lindsey Doi presented the staff report provided in the board packet and noted this contract is a standard maintenance contract for the servicing of five dumpsters at Kewalo Basin Harbor and Kakaako Waterfront Park.

Member Scott asked if one dumpster was sufficient for Kakaako Waterfront Park. Ms. Doi stated that the dumpster size was increased from 3 cubic yards to 6 cubic yards for this contract and should be sufficient.

Member Waterhouse asked who uses the dumpsters. Ms. Doi replied that the Kakaako Waterfront Park dumpster is used by HCDA's Janitorial crew to dispose park related trash. She explained other tenants, such as the Family Assessment Center and Children's Discovery Center, have their own dumpster service. Ms. Doi stated that the usage of the dumpsters at Kewalo Basin Harbor is much higher, as the tenants, boaters, and park users utilize the dumpsters.

Member Fang asked if the current contract is much different from the previous contract. Ms. Doi stated that aside from the increased dumpster size at Kakaako Waterfront Park, the two contracts are basically the same. Ms. Doi stated that the contract is currently out to bid, however she can provide an update on the winning vendor once the bids close.

There was no further discussion by board members or public comment.

Chair Whalen entertained a motion to Authorize the Executive Director to Execute a Contract for the Refuse Collection Services for a Three (3) Year Term Plus Two (2) One (1) Year Extensions Using Funds from the Hawaii Community Development Authority Revolving Funds, Leasing and Management Subaccount.

Member Scott made the motion.

Member Waterhouse seconded the motion.

Ms. Doi conducted the roll call vote. All members unanimously approved with seven votes and two excused.

4. Decision Making: Shall the Authority Set for Hearing “Victoria Ward, Limited’s Exceptions and/or Motion for Reconsideration of Findings of Fact, Conclusions of Law, and Decision and Order Filed on January 13, 2017,” which Victoria Ward Limited Hand-Delivered to HDCA on January 23, 2017?

ED Souki noted a copy of the motion was provided to board members and the public. ED Souki noted that the question before the board today is whether the board should entertain the motion, and it is not on the substance of the motion.

Chair Whalen asked for the party to make a presentation and for public testimony.

Emi Kaimulua noted Howard Hughes Corporation (HHC) didn’t ask for a re-hearing of the case due to numerous legal reasons. Ms. Kaimulua noted that the hearings process revealed that everyone wants the same thing: the delivery of the central plaza. She stated that HHC has committed to delivering the central plaza but wants enough time to do it right. Ms. Kaimulua noted that holding another public hearing on legal issues will only delay the process and the delivery of the central plaza. She noted that there have already been four public hearings and feels the board already has all the necessary information to move forward with this project.

Chair Whalen called for public comment.

#### PUBLIC TESTIMONY

1. Kai Hoohuli, Hawaii Regional Council of Carpenters – Strongly supports Aalii along with his fellow members because it will provide jobs and places for the “gap group” to live.
2. Richard Balicoco, Hawaii Regional Council of Carpenters – Strongly supports Aalii because HHC has been honest and transparent about their abilities and timelines and another hearing would further delay the delivery of the central plaza.
3. Todd Apo, HHC – Thanked the board for reviewing this project and reiterated that HHC only wants the appropriate time for the project as laid out in the master plan. Mr. Apo noted that the central plaza that was envisioned in the master plan cannot be delivered within the two-year timeline due to known cultural findings and other issues. HHC anticipates four years of planning and work, which will include stakeholder and community involvement.

Member Waterhouse noted she appreciates HHC for prioritizing the central plaza and doing what they can to make it happen. She asked why this wasn’t done earlier, when the master plan was laid out.

Mr. Apo stated HHC has a different view of what timelines were required in the master plan. He stated that building the central plaza alongside Block I,

which will be HHC's next application, makes sense from a planning standpoint. He says a large component of the central plaza is the businesses that will come with Block I development. Mr. Apo also noted there will be construction impacts if the central plaza is built before Block I.

Member Scott asked whether the cultural elements would impact the cultural plaza and if they know what's there. Mr. Apo noted that HHC hasn't done all of the work to know what is there, but they know there are cultural findings. He stated they will work with SHPD and the OIBC to work through the cultural findings, and it could impact the layout of the cultural plaza. Member Scott noted two buildings on both sides of the cultural plaza would have more impact than the plaza itself. Mr. Apo answered in the affirmative and stated they would need to undergo a similar investigation period. Member Scott asked whether all these plans were subject to change depending on what the cultural findings are. Mr. Apo stated the plans are subject to adjustments.

Chair Whalen asked about Mr. Apo's prior employment with Aulani and Koolina and development and marketing of those sites. Mr. Apo noted that Koolina sat vacant for awhile after the site work was done, but he emphasized the importance of balance with the market and a mix of businesses.

PUBLIC TESTIMONY -CONTINUED-

4. John Kobylanski, Kakaako United – Says he's wearing red because he's proud of living in Kakaako and feels the rules and regulations need to guide the development of Kakaako. Mr. Kobylanski asked whether HCDA is allowing people to break rules with no penalties. He stated he wants to keep the community strong by ensuring everyone abides by the rules.
5. Sharon Moriwaki, Kakaako United – Disappointed with HHC and how they are not working collaboratively with community or following the 2005 Mauka Area Rules. Ms. Moriwaki noted HHC promised to give back to the community, but appears to be paying its lawyers more. She stated the HCDA January 4, 2017 Decision and Order was reasonable. Ms. Moriwaki stated HHC had 8 years to design the central plaza and promised to make it part of the first phase of development, however HHC is now developing Phase II.
6. Galen Fox, Kakaako United – Recommends denial of the project to renegotiate the terms, unless HHC wants to honor all the rules and adhere to the HCD A D&O.
7. Race Randle, HHC – Reiterated the point Mr. Apo made earlier, which was that the central plaza remains a key component. HHC just needs the time necessary to complete the necessary approvals and cultural issues that will come up with the development of the cultural plaza. Mr. Randle noted that it is HHC's goal to deliver the central plaza as

soon as possible, and he understands it will be a large component of the new community in Kakaako.

Member Scott asked about the timing and when the additional two years starts. Mr. Randle noted HHC provided a timeline to board members in their packets, which outlines the approval process, data recovery process, and construction process.

Member Bassett asked where it is in the packet. Member Fang stated it could be found on page 6. Mr. Randle clarified that the duration of the four years would be from January, ending in December 2020.

Member Waterhouse asked about square footage discrepancies in the master plan and wanted those issues addressed. Ms. Kaimuloa explained the Ward Neighborhood Commons consists of three items, which add up to the 150,000 square feet. Ms. Kaimuloa noted the master plan was approved as a conceptual plan, with no metes and bounds because it is dependent on the surrounding buildings. Ms. Kaimuloa noted HHC is in full compliance with the Decision and Order's required 150,000 square feet of open space. Member Waterhouse asked where all that common area is going to be, as it should be continuous. Ms. Kaimuloa stated that the central plaza project will come back before the board for a development permit soon. Member Waterhouse noted the burials caused a loss of land and the open space should not be spread out throughout the project. Mr. Randle emphasized HHC's commitment to delivering the central plaza and the 150,000 square feet within the D&O.

There was no further discussion by board members or public comment.

Chair Whalen entertained a motion to enter executive session pursuant to Hawaii Revised Statutes Section 92-5 (a) (4). Member Johnston made the motion and Member Waterhouse seconded the motion. Chair Whalen conducted a voice vote and all members unanimously approved entering into executive session.

Chair Whalen recessed the regular meeting at 10:36 a.m.

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Pursuant to Section 92-5 (a) (4), Hawaii Revised Statutes, the Authority convened in Executive Session at 10:36 a.m.  
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Chair Whalen reconvened the meeting at 11:25 a.m.

Ms. Kaimulua asked to make a statement before the board makes a motion. Ms. Kaimulua stated that per Member Waterhouse's questions, HHC is willing to do an informational session on the Central Plaza if that would be helpful.

Member Johnston made a motion that the board deny the reconsideration. Member Scott seconded the motion.

Chair Whalen stated that he will be voting in favor of the motion offered and noted a final decision was made by the board on the matter of the A'ali'i project and the Findings of Fact, Conclusions of Law and Decision and Order was filed and served on the parties on January 13, 2017. According to findings of fact 34, at the December 7, 2016 hearing, Victoria Ward, Limited acknowledged that it received and reviewed a copy of the HCDA's proposed Findings of Fact, Conclusions of Law and Decision and Order. Consequently, the procedural rule that allows the applicant to submit exceptions has passed. Chair Whalen also noted if the applicant has questions about the applicability of the rules or Findings of Fact, Conclusion of Law and Decision and Order it may consider in the future seeking declaratory ruling from the board as provided in the Hawaii Administrative Rules Chapter 15-219, as those sections provide a process and criteria for considering such a request.

There were no further comments or discussion.

ED Souki conducted the roll call vote. Motion passed with seven votes.

#### **IV. EXECUTIVE DIRECTOR REPORT**

5. Monthly and Status report on the following:
  - a. Approved permit applications that did not require HRS§ 206E-5.6 public hearings.
  - b. HCDA Park Update.

ED Souki asked if any of the board members has questions on the report provided under tab 5 of the board packet.

Member Fang stated to understand a little more about the challenges community members may be going through she asked why the subordination request was denied. ED Souki stated he didn't have the specific information but believes that the request was denied because the way it was filed, it did not need to use the subordination provision.

Member Scott asked what the timeline for the Governor to sign the park rule amendments was. ED Souki stated the park rule amendments are being revised for proper formatting and will be sent to the Governor for signature.

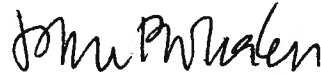
Member Johnston noted for HCDA staff that as she's worked in the Governor's office before if there is an urgency to get the rules signed staff would need to contact the Governor's office and communicate the urgency.

There was no further discussion or public comments.

**V. ADJOURNMENT**

Chairperson Whalen adjourned the regular meeting at 11:34 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "John Whalen".

John Whalen,  
Chair

Note: The transcript of this meeting contains a verbatim record and should be consulted if additional detail is desired.