

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

Wednesday, January 4, 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 11:19 AM, January 4, 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. Scott Kami
3. Jason Okuhama
4. David Rodriguez
5. Beau Bassett
6. John Whalen
7. Steven Scott
8. William Oh
9. Mary Pat Waterhouse

Members Absent: 10. Kathy Sokugawa

Others Present:

Jesse Souki, Executive Director
Aedward Los Banos, Administrative Services Offices
Michael Wong, Deputy Attorney General
Deepak Neupane, Planning Director
Lindsey Doi Leaverton, Asset Manager
Garett Kamemoto, Communications & Community Outreach Officer
Tommilyn Soares, Secretary
Laura Savo, Court Reporter

II. APPROVAL OF MINUTES

1. Kakaako Regular Meeting of October 5, 2016.

Meeting minutes were approved as presented.

2. Kakaako Regular Meeting of November 3, 2016.

Meeting minutes were deferred to the next meeting.

III. ACTION ITEMS

3. Shall the Authority Authorize the Executive Director to Execute a Contract for Janitorial, Trash Collection, and Maintenance Services for Kakaako Waterfront, Gateway, Kolowalu and Kewalo Basin Parks For a Maximum Five (5) Year Period Using Funds From the Hawaii Community Development Authority Revolving Funds, Public Facility Dedication Subaccount?

Ms. Lindsey Doi presented the report that was provided in the board packet.

Member Waterhouse stated she wasn't clear about the \$50,000 allowance that's included. Ms. Doi explained that the current vendor is coupled with the job trainings program (in conjunction with Next Step Shelter) that include the services the subject item is being solicited for, therefore; the \$50,000 is included in the cost as that part of the program won't be included when the current contract expires.

Member Basset asked if the jobs training program is no longer going to exist and if the expenses currently being paid for the janitorial services will be terminated. Ms. Doi responded that the jobs training program won't exist through HCDA as it was a special program that started in 2009 in partnership with DHS. The current solicitation for janitorial services is a priority for HCDA to help keep the parks clean for the public.

Member Rodriguez asked how the current item related with Howard Hughes as he recalls having to maintain the park. Ms Doi explained he may be referring to the right of entry or a revocable permit to provide supplemental park maintenance which is separate from the services provided through the jobs training program.

There were no questions from board members or public testimony.

MOTION:

Member Waterhouse motioned for the board to authorize the Executive Director to execute a contract for janitorial, trash collection and maintenance services for Kakaako Waterfront, Gateway, Kolowalu and Kewalo Basin Park for a maximum five year period using funds from the Hawaii Community Development Authority Revolving Fund, Public Facility Dedication Subaccount?

Member Scott second. Ms. Doi conducted the roll call vote. Motion passed with nine votes.

4. Shall the Authority Determine that Pursuant to Hawaii Revised Statute §206E-13, Consultation by the Hawaii Housing Finance and Development Corporation (HHFDC) for Demolition of the Building Located at 620 Coral Street for Conversion to Open Space as Required by Planned Development Permit No. PD 4-89 (Pohulani) has been Completed?

Mr. Deepak Neupane presented the report provided in the board packet.

ED Souki noted that because HHFDC is a state agency, consultation is required under 206E-13 and staff wanted to memorialize the consultation for its records hence the current board action.

Member Waterhouse asked what was the reason for the delay. Mr. Neupane explained that he believes it was the preparation of the demolition plans that included historic and archaeological preservation and working with SHPD who has a big backlog.

Member Scott asked when will it be demolished? Mr. Neupane responded, December 2018 per Belt Collins (consultant) schedule.

There was no further questions or comments from board members or public testimony.

MOTION:

Member Basset motioned for the board to determine that pursuant to HRS 206E-13, consultation by HHFDC for demolition of the building located at 620 Coral Street for conversion to open space is required by planned development permit no. PD 4-89 "Pohulani" has been completed.

Member Waterhouse second. Mr. Neupane conducted a roll call vote. Motioned passed with nine votes.

IV. REPORT OF THE EXECUTIVE DIRECTOR

5. Application for a Technical Assistance Grant from Smart Growth America Relating to Small-Scale Manufacturing and Place-Based Economic Development in the Kakaako Community Development District.

Mr. Deepak Neupane briefly presented the staff report provided in the board packet and noted that the goal is how to encourage industrial uses in Kakaako and sustain and maintain industrial use within Kakaako and there was an opportunity to bring people working with the Smart Growth America to coordinate some seminars and locally anyone interested can take advantage of that. The application deadline is January 5, 2017 so staff has put together a package and will submit it.

Member Kami asked if there were any matching funds required by the applicant. Mr. Neupane responded there is no requirement, the only cost required is staff time.

There was no further discussion or public testimony.

6. Reserved Housing Task Force Update on the Kakaako Reserved Housing Rules Proposed Amendments.

Mr. Deepak Neupane presented the updates to the proposed amendments provided in the board packet.

Chair Whalen stated that one of the board's objectives in the revised rules is to achieve some consistency with other housing rules, particularly the City and County of Honolulu's affordable housing rules and with the State's HHFDC rules. Chair Whalen asked Mr. Neupane if there were any recent updates on the status of the City's affordable housing rule. Mr. Neupane he didn't hear of any updates except that they are still working on them and will bring the rules to the City Council for adoption in the future. Mr. Neupane noted that HHFDC provided comments and will likely incorporate them in the rules, he also noted that HHFDC is pleased with the maximum AMI at 140 percent.

Member Oh asked Mr. Neupane to confirm that HHFDC was happy with the qualifying AMI at 140 percent. Mr. Neupane confirmed they are and that is because that's the maximum qualifying income that HHFDC uses. Member Oh asked when staff received that feedback from HHFDC. Mr. Neupane noted staff received it a week ago.

Member Waterhouse asked if "weighted rules" will be defined. Mr. Neupane confirmed that it will be so it's clearly defined.

Mr. Neupane confirmed there is a Public Hearing scheduled March 28, 2017.

Chair Whalen called for Public Testimony.

PUBLIC TESTIMONY:

Mr. Stanford Carr of Stanford Carr Development thanked the Reserved Housing Task Force for their work in reaching out to the landowners and development community to discuss the proposed changes to the policies. Mr. Carr stated that although there have been efforts of great intentions there should be further discussions on the process and understanding how the formulas are applied to future reserved housing projects as well as workforce housing projects.

Mr. Dave Arakawa, Executive Director of the Land Use Research Foundation of Hawaii also thanked the Reserved Housing Task Force and HCDA staff for its

work on the proposed rule amendments and also listed their support and concerns on the proposed amendments.

Member Bassett noted that Mr. Arakawa mentioned six of its LURF members have undertaken reserved housing projects and asked Mr. Arakawa who those members are. Mr. Arakawa replied, Stanford Carr, Alexander and Baldwin, Howard Hughes, Kamehameha Schools Bishop Estate, Castle and Cooke and also HHFDC who is a subscriber to LURF.

Member Kami asked if the board will or would like to see another draft of the rules after today's meeting before the public hearing. Mr. Neupane stated he can present the draft rules to the board if that's the board's desire. Member Scott stated that the task force doesn't know of any specific changes as they've heard comments but doesn't think the working group has made any changes. Mr. Neupane stated he will meet with the task force if any changes have been made and can also make a presentation at the board's February meeting to highlight any changes made.

There were no further comments.

7. Monthly and Status reports on the following:

- a. Approved permit applications that did not require HRS §206E-5.6 public hearings.
- b. HCDA Kakaako Parks.

ED Souki deferred to the report provided in the packet and noted that staff is available if there are any questions.

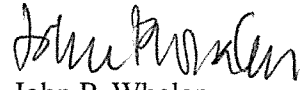
Member Bassett noted on page 2, item (b)1, regarding the subordinations that were approved and asked if staff is authorized to make these decisions. Ms. Doi replied and confirmed yes, the ED report is the new format and will be included in the report going forward. Based on the board action a few months ago the board authorized staff to make certain decisions regarding reserved housing. Member Bassett noted there were 5 approved and was inquiring to see if there were any denied, he also recommended in future reports that staff note how many were approved and/or denied and also if that can also be noted for any buybacks.

There were no further comments or public testimony.

V. **ADJOURNMENT**

Chair Whalen adjourned the meeting at 12:46 p.m.

Respectfully Submitted,



John P. Whalen,
Chair