

STATE OF HAWAII
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
GENERAL MEETING
Honolulu, Hawaii, 96813

December 5, 2018

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

HCDA Board Members:

SUBJECT: Shall the Authority Authorize the Executive Director to Grant Easements to Facilitate Utilities and Other Services for HCDA Projects Previously Approved by the Authority?

SUMMARY:

As a redevelopment agency, the need for an easement may arise in the normal course of business to realize development. To enhance the efficiency of project administration, staff requests delegation from the Board of its authority to grant easements over HCDA property to the Executive Director. Staff recommends that this delegation be limited to easements necessary to realize an action previously approved by the board.

AUTHORITY:

Hawaii Revised Statutes § 206E-4 broadly establishes the Authority's powers regarding real property, granting the HCDA the ability to acquire, sell, convey, and assign any interest held. An easement is an assignment of an interest in real estate. Not previously delegated by the Authority, this power remains with the Board.

BACKGROUND:

At its October 3, 2018 board meeting, the board questioned why board action was necessary to grant an easement in favor of the Board of Water Supply to service a fire hydrant. The fire hydrant itself was a required off-site improvement for Aeo. Staff responded that the Authority has not been delegated by the board and has otherwise been historically brought to the board for authorization. In response, the board expressed an interest to make similar easements "administrative" to move more efficiently and directed staff to develop a proposal for delegation.

As a redevelopment agency, easements have historically been brought for board approval for:

1. Undeveloped and underdeveloped parcels owned by the HCDA, where new development has required an easement for a new connection. Examples include the Entrepreneur's Sandbox and the Aloha Solar project.
2. A new service connection on a street or right of way owned by the HCDA as a result of an improvement district project. An example would be the fire hydrant that was required with the development of Aeo.
3. Access purposes relative to the development of a parcel, where only a portion of the lot is being developed at a time. An example would be an access easement in favor of the City over Kewalo Basin fast lands to access Kewalo Basin Park upon conveyance.

ANALYSIS:

The delegation of the authority to issue easements from the Board to the Executive Director would generate efficiencies in the completion of projects. Based on historic and anticipated easement actions staff further notes that all actions are a necessary step to facilitate a broader action approved by the board. It was also noted that the actions either result in a public benefit or direct benefit to HCDA.

Staff proposes that the Board delegate to the Executive Director the authority to execute all necessary easements where the easement is necessary to realize an action previously approved by the Board.

For clarity, the HCDA has also received requests that may not be in the best interest of the HCDA. For example, in Heeia, HECO has requested an easement for the relocation of certain infrastructure from the public right-of-way onto HCDA property. Under the Staff proposal, the Executive Director would not grant this type of easement as this is not something subject to a previous board approval. Such easements would still require board action.

Further, related to the community development plan, a board recommendation was made to grant an easement to keep its Heeia property in conservation and agricultural use. This type of easement is extremely restrictive. Staff is not seeking approval to grant this type of easement either given its significance and adverse impact to HCDA property. This type of easement is a policy decision best retained by the Board.

RECOMMENDATION:

HCDA staff recommends that the Board authorize the Executive Director to grant easements to facilitate utilities and other services for HCDA projects previously approved by the Authority.

Respectfully submitted,



Lindsey Doi
Asset Manager

APPROVED FOR SUBMITTAL:



Aedward Los Banos, Executive Director