

STATE OF HAWAII
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
KAKAAKO BUSINESS MEETING

Wednesday, June 10, 2019

MINUTES

I. CALL TO ORDER/ROLL CALL

A regular business meeting of the Kakaako Members, Hawaii Community Development Authority (“Authority” or “Board”), a body corporate and a public instrumentality of the State of Hawaii, was called to order by, John Whalen Chair of the Authority at 10:56 AM, June 10, 2019 at Authority’s principal offices at 547 Queen Street in Honolulu, Hawaii, 96813.

Members Present: Kevin Sakoda
Phillip Hasha
Jason Okuhama
Wei Fang
Lynn Araki-Regan
Robert Yu
Kathy Sokugawa (DPP-non voting)
Chason Ishii
John Whalen, Chair

HCDA Staff Present: Aedward Los Banos, Executive Director
Garett Kamemoto, Interim Kakaako Planning and Development Director
Lindsey Doi, Asset Manager
Francine Murray, HCDA Program Specialist
Alison Miyasaki, Administrative Services Officer
Kuulei Moses, HCDA Secretary

Legal Counsel: Lori Sunakoda, Deputy Attorney General

II. APPROVAL OF MINUTES

1. Regular Meeting Minutes of March 6, 2019

The minutes for the June 10, 2019 meeting were approved as presented.

III. ACTION ITEMS

2. Shall the Authority Accept the Determination of Findings of No Significant Impact for the Final Environmental Assessment Prepared for the State's Proposed Transpacific Broadband Cable Landing Project?

Mr. Garrett Kamemoto referred to the report provided in the board packet and stated that an Environmental Assessment (EA) has been prepared for the Proposed Transpacific Broadband Cable Landing Site Project. This project is an initiative of the Department of Business, Economic Development and Tourism (DBEDT) in conjunction with the Research Corporation of the University of Hawaii (RCUH) to fulfill the state's need for additional broadband capacity.

The approving agency, HCDA is being asked to accept a determination of Finding of No Significant Impact (FONSI) for this project.

Member Hasha asked, procedurally, why is the board being asked to approve/accept a determination of a FONSI vs. the Executive Director signing off on this?

Deputy Attorney General Lori Sunakoda advised Member Hasha that the board is the accepting authority and therefore, would weigh in and make a determination, Pursuant to HRS Chapter 343.

Member Fang asked if UH, School of Medicine was provided an opportunity to provide comments on this project as they may be affected during construction.

Mr. Kamemoto responded that the surrounding businesses and organizations have been notified and provided very little comments, if any.

There were no further comments and no public testimony.

MOTION:

Member Araki-Regan motioned for the board to accept the determination of no significant impact for the final environmental assessment prepared for the state's proposed transpacific broadband cable landing project.

Member Hasha seconded.

Mr. Kamemoto conducted the roll call vote. Motion passed with 8 in favor.

Shall the Authority Authorize the Executive Director to Execute a Contract for a Three-Year Term Plus Two One Year Options to Extend to furnish Janitorial, Trash Collection, and Maintenance Services for Kolowalu Park and Kewalo Basin Harbor with Waikiki Health and Expend Up to \$517,940.00 from the Hawaii Community Development Revolving Fund, Leasing and Management Subaccount.?

Ms. Lindsey Doi, Asset Manager referred to the report provided in the packet. An invitation for bids to furnish janitorial, trash collection, and maintenance services for Kolowalu Park and Kewalo Basin Harbor was solicited on June 17, 2019. The HCDA recommends executing a contract with Waikiki Health for \$517,940.00 for a maximum five-year period.

The Authority authorized the land transfer of various HCDA park parcels to the City and County of Honolulu that includes the Kakaako Waterfront Park, Gateway Park and Kewalo Basin Park. Maintenance services for these parks are currently performed under a contract with Waikiki Health, however this contract must be substantially reduced following the transfer.

Waikiki Health, under this solicitation would provide complete janitorial services, cleaning, inspections and repairs to the comfort station, emptying and maintain the trash cans within Kolowalu Park and Kewalo Basin Harbor – Diamond Head Parking lot and other general maintenance work as needed.

Member Sokugawa asked if the expiration of the current contract ends on July 31, 2019 and also stated that with several extensions of the park transfer, how does the board know if July 31, 2019 is the final date of the park transfer?

Mr. Los Banos responded that the Authority approved a contract in January 2017 (for five-years) that include park parcels set to be transferred to the City and rather than downscaling that contract, Ms. Doi rebid the solicitation for Kolowalu Park and Kewalo Basin Harbor – Diamond Head Parking lot only. With this solicitation, Ms. Doi will have a seamless contract transition in preparation for the final park transfer to the City.

Deputy Attorney General Sunakoda provided an update regarding the Kakaako park transfer and noted that the conveyance documents and property description's that are being processed is on track to transfer the parks on July 31, 2019. She noted that they are hopeful that no further extensions will be needed, however, if for any reason something comes up, HCDA has retained a title company to assist and help expedite the process.

There were no further comments and no public testimony

MOTION:

Member Fang motioned for the board to authorize the Executive Director to execute a contract for a three-year term plus two one-year options to extend to furnish janitorial, trash collection, and maintenance services for Kolowalu Park and Kewalo Basin Harbor with Waikiki Health and expend up to \$517,940.00 from the Hawaii Community Development Revolving Fund, Leasing and Management Subaccount.?

Member Okuhama seconded.

Ms. Lindsey Doi conducted the roll call vote. Motion passed with 8 in favor.

Shall the Authority Authorize the Executive Director to Execute a Contract for Three Years Plus Two One-Year Options to Extend to Furnish Refuse Collection Services for Kewalo Basin Harbor and 59 Ahui Street with Honolulu Disposal Service, Inc. and Expend Up to \$245,292.00 From the Hawaii Community Development Authority Revolving Funds, Leasing and Management Subaccount?

Ms. Lindsey Doi presented the report provided in the board packet and stated that this is another contract that is being scaled back based on the park set to be transferred to the City. Honolulu Disposal Service submitted the lowest responsible bid and staff recommends executing a contract with Honolulu Disposal Service for \$245,292.00 for a maximum five-year period.

Member Fang stated that she was surprised to read the larger dumpster requires disposal of 6 times per week.

There were no further comments and no public testimony.

MOTION:

Member Araki-Regan motioned for the board to authorize the Executive Director to execute a contract for three years plus two one-year options to extend to furnish refuse collection services for Kewalo Basin Harbor and 59 Ahui Street with Honolulu Disposal Service, Inc. and expend up to \$245,292.00 From the Hawaii Community Development Authority Revolving Funds, Leasing and Management Subaccount?

Member Ishii seconded.

Ms. Doi conducted the roll call vote. Motion passed with 8 in favor.

Shall the Authority Appoint Members to a Permitted Interaction Group to Provide Recommendations on the Study to Transfer Control of the Kakaako Community Development District to the City and County of Honolulu?

Chair Whalen noted written testimony submitted by Senator Sharon Moriwaki and Speaker Scott Saiki

Public Testimony

Senator Sharon Moriwaki stated that she and Speaker Scott Saiki are concerned about the transfer of the Kakaako Community Development District to the City without meeting the goals that HCDA was tasked with- building a complete community with commercial retail, amenities, affordable housing and improving infrastructure. Until that is completed Senator Moriwaki and Speaker Saiki understands that the study request is premature, however feels the study is a great start and requests a comprehensive study that includes the steps of a successful transition, with the completion of infrastructure improvements, and all road maintenance. Also, if HCDA is to transfer Kakaako to the City, the idea from legislators is that HCDA would take on the Stadium District or other areas and that the City should be reimbursing the State for its infrastructure improvements so that the development of the Stadium can take place. They would also like to see a comprehensive study to list what should be done, what has been done and what has yet to

be done that includes costs to help with a smooth transition. Member Moriwaki also mentioned a discussion with Mr. Los Banos and noted that some sections may be transferred to the Hawaii Housing and Finance Development Corporation.

Mr. Ron Iwami, Friends of Kewalo's stated that the Friends of Kewalo's would like to participate in the Permitted Interaction Group. He noted that the Kakaako Community groups helped to pass the law in 2006 prohibiting the sale of public land and residential development in Kakaako Makai and stated that whoever governs the Kakaako District ensures that law remains intact.

Chair Whalen reminded the public and board members that a Permitted Interaction Group (P.I.G.) appoints up to four members of the board and that group may invite groups in for meetings to share their comments and present their points of view so that the P.I.G can provide recommendations for the board to vote.

Wayne Takamine, Chair of the Kakaako Makai Planning and Advisory Council acknowledged Mr. Iwami's testimony and noted the law that prohibits the sale of public land and residential development in Kakaako Makai is specific to HCDA and asked how that would remain and apply to the City and County of Honolulu. He expressed his concerns on the plans, rules and laws that are currently in place and how that would transfer and remain intact if the transfer takes place.

Brian Wick, newly elected to the Kakaako Neighborhood Board, expressed his and their interest in participating in the P.I.G.

Michelle Matson, founders Kakaako Makai and Community Advisory Council. Concerned that the Masterplan that was worked on is comprised with the transfer of the parks to the City. Ms. Matson acknowledged and referred to Speaker Saiki's testimony and noted that Speaker Saiki played a significant role in changing the statute that improves the functions of the authority and the future of Kakaako in the greater interest of the public. Ms. Matson expressed that the current board has an interest in listening to the community and attending to the public's comments under Chair Whalen's leadership of the board. She expressed her consideration of opposing the transfer of Kakaako to the City at this time as the City has exhibited decisions contrary to the public's interest, however encourages a beneficial study for HCDA that will not undercut the HCDA and damage the public interest.

Chair Whalen called for a motion for the Authority to Appoint Members to a Permitted Interaction Group to Provide Recommendations on the Study to Transfer Control of the Kakaako Community Development District to the City and County of Honolulu?

Member Hasha suggests removing to the City and County of Honolulu.

Member Fang proposed a further amended motion. Shall the Authority appoint members to a permitted interaction group to provide recommendations on conditions for the eventual dissolution of the Kakaako Community Development District consistent with the purpose and intent of Chapter 206E.

Member Hasha seconded.

Ms. Murray conducted the roll call vote. Motion passed with 8 votes.

Chair Whalen appointed Members Hasha, Okuhama, Sakoda and Whalen to the P.I.G.

Shall the Authority Authorize the Executive Director to Expend Up To \$100,000 for the Study to Transfer its Control of the Kakaako Community Development District to the City and County of Honolulu?

Ms. Francine Murray, Interim HCDA Compliance and Community Outreach Officer provided the report in the board packet and noted that the Hawaii State Legislature is requiring that in December 2019 HCDA submit a plan and proposed legislation to transfer the HCDA's control of the Kakaako Community Development District to the City. She noted that the Office of Planning has offered to help HCDA conduct this study.

Ms. Mary Alice Evans, Office of Planning stated that the Office of Planning is more than happy to help assist HCDA complete this study tasked by the Legislature and if the P.I.G. is okay, Office of Planning would like to engage discussion with the community.

Member Sakoda asked how the \$100,000.00 was established?

Mr. Los Banos responded that Office of Planning will be doing a Professional Service contract to procure the services and \$100,000.00 is a starting point; however, per the procurement process the actual cost may be lower.

Chair Whalen called for a motion. Shall the Authority authorize the Executive Director to expend up to \$100,000 for the study to transfer its control of the Kakaako Community Development District to the City and County of Honolulu?

Member Sakoda motioned

Member Hasha seconded.

Ms. Murray conducted the roll call vote. Motion passed with 6 votes.

V. REPORT OF THE EXECUTIVE DIRECTOR

7. Monthly Reports and Other Status Reports

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

Mr. Los Banos provided an update and noted a ground breaking for the Koula project. He also informed board members that Howard Hughes will be providing an informational presentation to the board on the Ward Masterplan at the board August meeting.

There were no questions by board members, and no public testimony.

V. ADJOURNMENT

Chair Whalen adjourned the regular meeting at 12:20 pm.

Approved and Submitted by,

/s/

John Whalen, Chairperson

Date Approved by HCDA Board