

STATE OF HAWAII  
HAWAII COMMUNITY DEVELOPMENT AUTHORITY  
**KALAELOA**  
Honolulu, Hawaii, 96813

October 2, 2019

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

HCDA Board Members:

**SUBJECT:** Information and Discussion - Hunt Companies Hawaii Overview of Anticipated Projects within the Kalaeloa Community Development District.

**SUMMARY:**

The purpose of the Hunt Companies Hawaii (Hunt) presentation is to ensure the Hawaii Community Development Authority is kept informed about the planning, development and construction activities that are anticipated over the next five to ten years. The presentation provides an update on Hunts *master planning* activities and includes:

- Subdivision of its Kalaeloa west parcels
- Redevelopment of the Kalaeloa Professional Center
- Redevelopment of the former Barbers Point Furniture Complex
- Improvements to the Kalaeloa water and waste water systems
- Potential pursuit of lease-to-fee conversions from the Navy; and
- Addressing infrastructure challenges

The Hunt Informational Briefing is attached as Exhibit A.

**BACKGROUND:**

During the 1999 Barbers Point Naval Air Station Base Realignment and Closure (BRAC) process the United States Navy (Navy) retained approximately 1200 acres in Kalaeloa. In the early 2000's the Navy entered into a public-private partnership with Hunt that includes approximately 548 acres of land in Kalaeloa. The Kalaeloa property was leased to Hunt with the option to convert to fee simple at any time. The public-private partnership was formalized in the Ford Island Master Development Agreement (FIMDA).

A summary of the Hunt Ford Island Master Development Agreement was provided by Hunt and is attached as Exhibit B.

**ANALYSIS:**

Hunt currently does not have any projects before the Authority for consideration or approval. The purpose of the presentation is to provide context for some of the development actions currently being pursued by Hunt including the subdivision that is driving the draft environmental assessment (EA) that is referenced. The individual actions being pursued by Hunt would best fit within the HCDA's regulatory structure under Hawaii Administrative Rules § 15-215-82 Master Plan, as context to the wide-scale infrastructure improvements that are being considered.

Respectfully submitted,



Tasha H. Malama, Kalaeloa Director of Planning  
and Development  
Hawaii Community Development Authority

APPROVED FOR SUBMITTAL:



Aedward Los Banos, Executive Director  
Hawaii Community Development Authority

**Attachments**

- Exhibit A – 2019 Kalaeloa Hunt Informational Briefing
- Exhibit B – Hunt Ford Island Master Development Agreement

**Exhibit A**

# **HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY (HCDA) MEETING**

**KALAELOA**

**HUNT INFORMATIONAL BRIEFING**

**OCTOBER 2, 2019**

**PAUL KAY**

*EXECUTIVE VICE PRESIDENT, DEVELOPMENT  
HUNT COMPANIES HAWAII DIVISION*



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# KALAELOA- REGIONAL CONTEXT



Ko Olina Resort  
The Resort Group  
Disney  
Four Seasons  
China Oceanwide

Kapolei West  
China Oceanwide

Kapolei Commons  
MK Group

Kahiwelo  
D.R. Horton

U.H. West O'ahu  
UH Tokai University

Kapolei Lofts  
Forest City

Mehana  
D.R. Horton

UHWO  
Development Opportunity

Mass Transit  
HART

DHHL Communities  
DHHL

Ka Makana Ali'i  
DHHL  
DeBartolo Group

Gentry Communities  
Gentry Hawaii

Hoakalei  
Haseko Hawaii

Campbell Industrial Park  
Various  
Island Energy

Kapolei Business Park  
Walton St./Avalon

Malakole Industrial Park  
Various

# 1. HUNT ACTIVITY TO DATE IN KALAELOA

## BRINGING AFFORDABLE HOUSING TO KALAELOA

Hunt renovated former military housing, brought to market 520+ homes in 2005, and an additional 100 affordable units at Wakea Garden Apartments in 2015.

### Orion Housing, Orion Park and Makai Housing

Renovated former housing on the former Barbers Point Naval Air Station.



Source: Pacific Business News



BEFORE

### Wakea Garden Apartments

Renovated former Bachelor Officer Quarters into 100 1-bedroom affordable apartments.

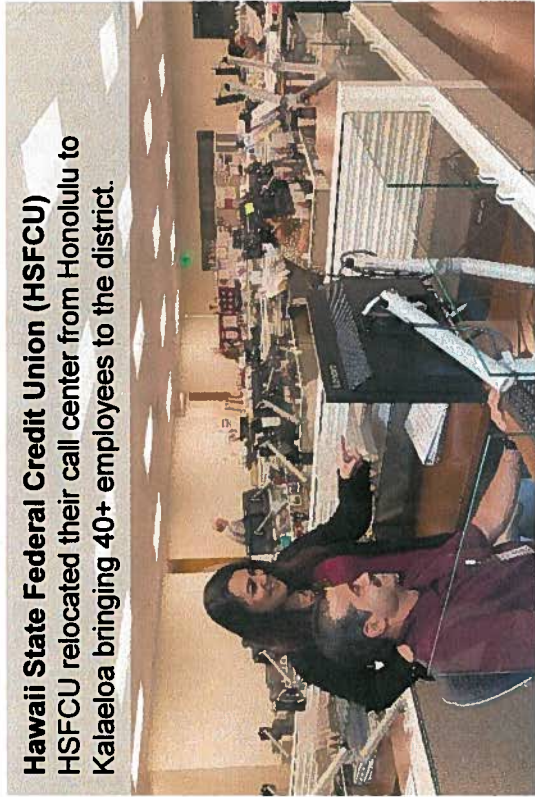


AFTER

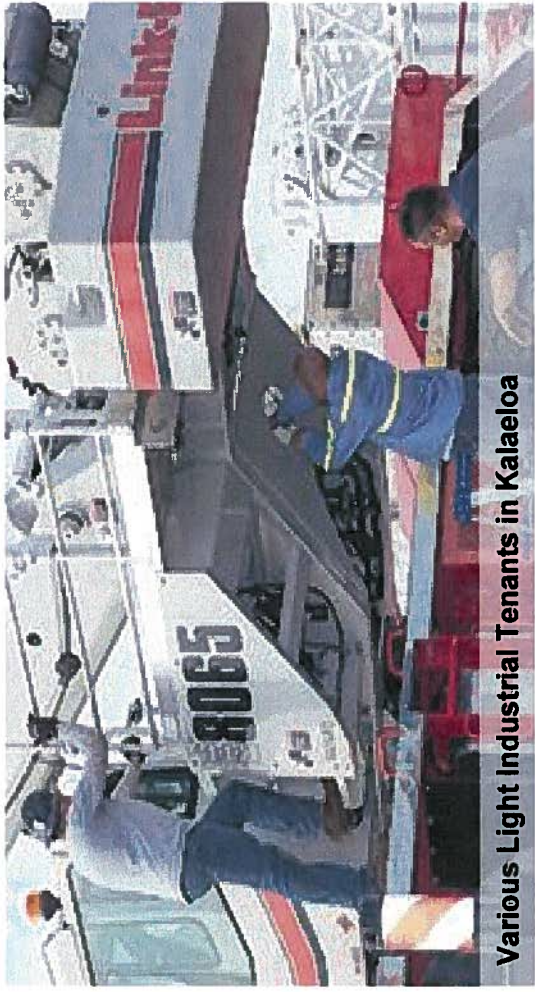
# 1. HUNT ACTIVITY TO DATE IN KALAELOA

## CREATING A JOB CENTER

Hunt's revitalization of their Kalaeloa properties has generated 500+ jobs, a number that continues to grow.



**Hawaii State Federal Credit Union (HSFCU)** relocated their call center from Honolulu to Kalaeloa bringing 40+ employees to the district.



**Various Light Industrial Tenants in Kalaeloa**

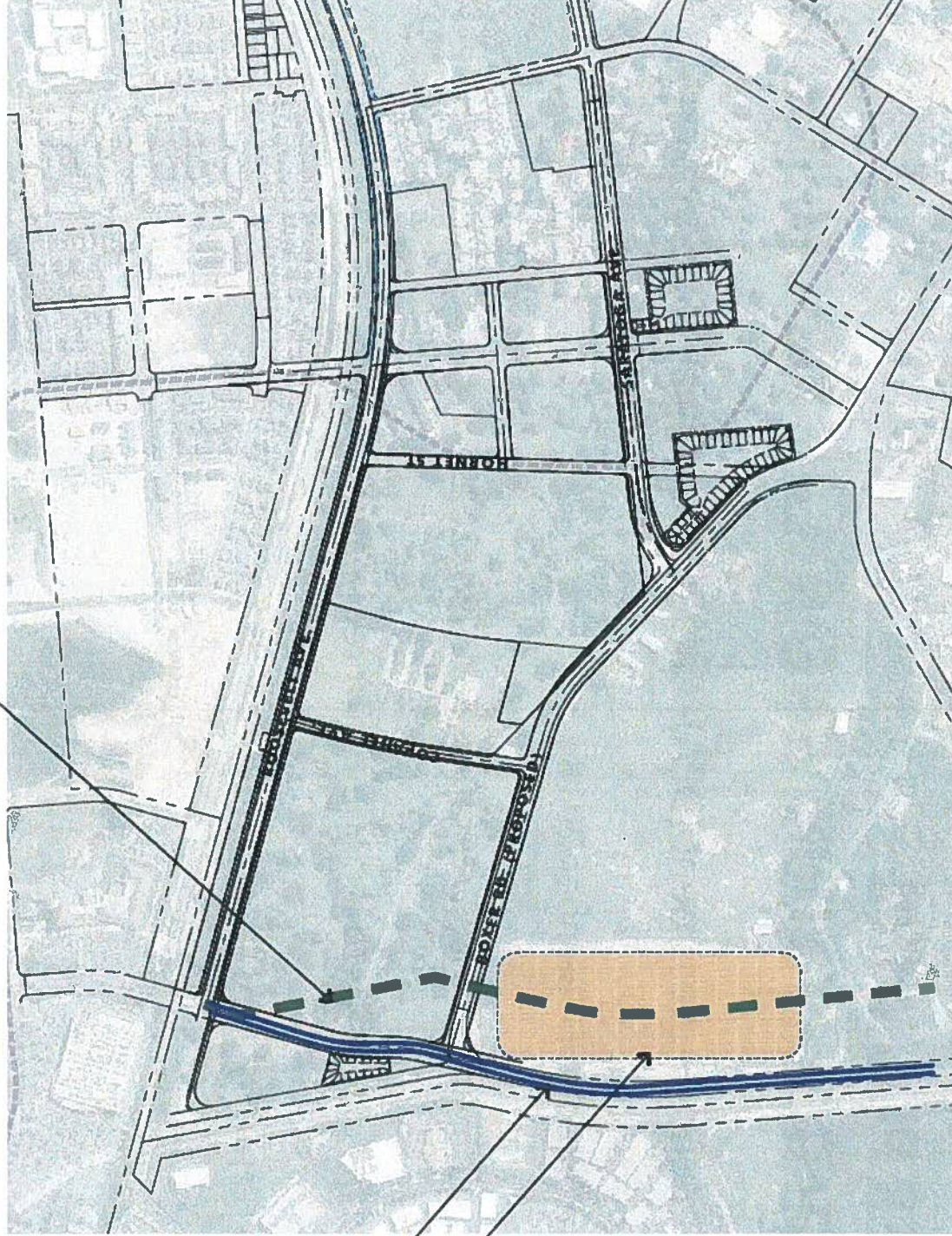
## 2. MASTER PLANNING: HCDA MASTER PLAN UPDATE

- **Major HCDA Milestone:**  
\$500K Funding approved in July 2018 for HCDA to update KMP and associated regulations.
- **Timing:**  
HCDA to commence before July 2020 in order to retain funding.
- **Considerations:**
  - Hunt Master Plan update to dovetail with HCDA's update.
  - KMP/associated regulations update will be informed by Hunt's ongoing subdivision and planning programs.
  - Current subdivision application will expire in February 2020 (final extension).  
Implications of not obtaining subdivision:
    - Slows progress of bringing 1000+ homes to Kalaeloa.
    - Delays infrastructure availability in the western portion of Kalaeloa (including HECO power).

## 2. MASTER PLANNING

### CONSIDERATIONS TO HUNT'S NEAR TERM SUBDIVISION PLANS

KAMOKILA BLVD. ALIGNMENT FROM  
HCDA REGULATING PLAN



Kamokila Blvd.  
extension as  
tentatively approved  
by the City

DHHL Solar farm:  
Long term 20-year  
lease to 2032, with  
option for 35-year  
extension

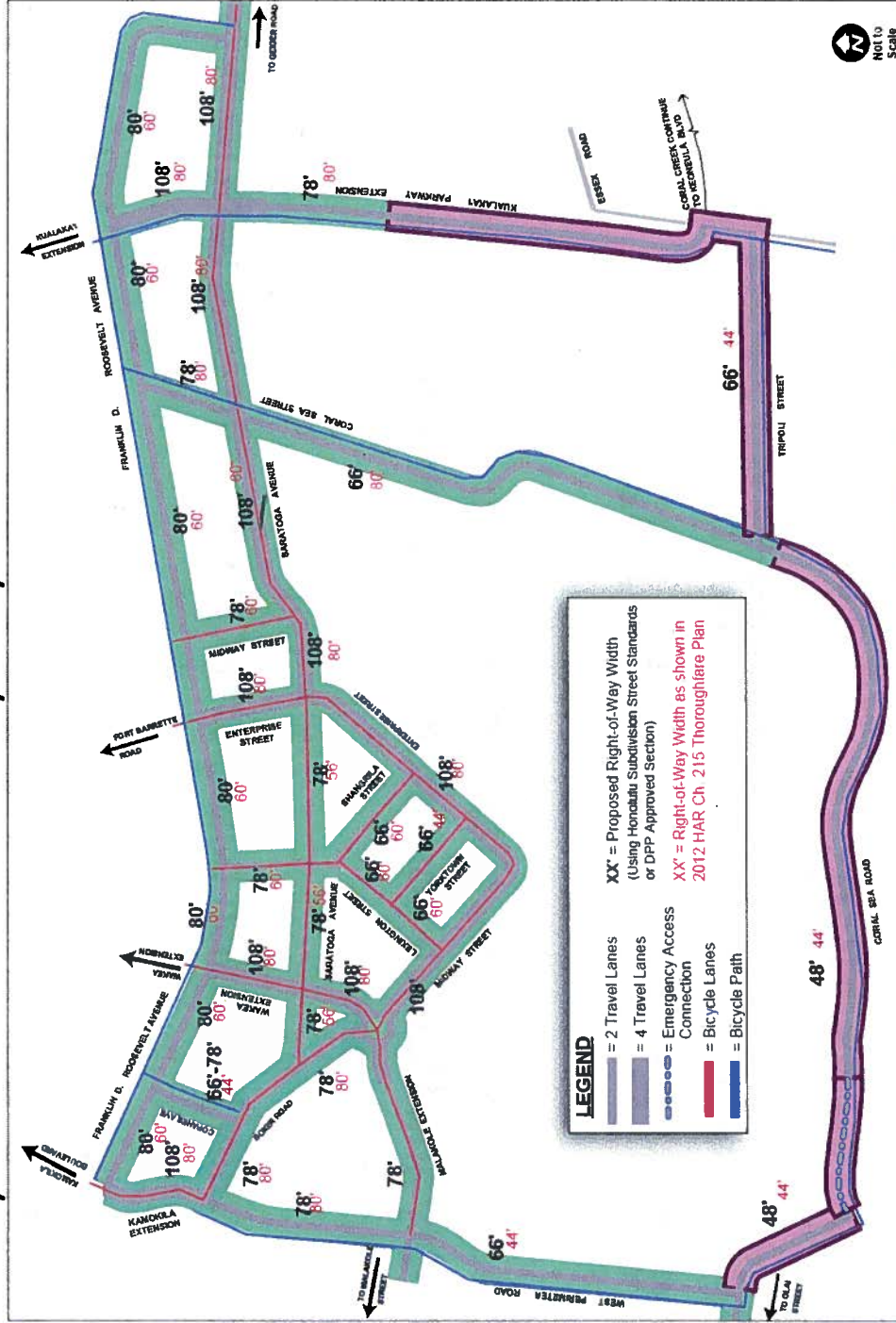


# 2. MASTER PLANNING

## CONSIDERATIONS TO HUNT'S NEAR TERM SUBDIVISION PLANS

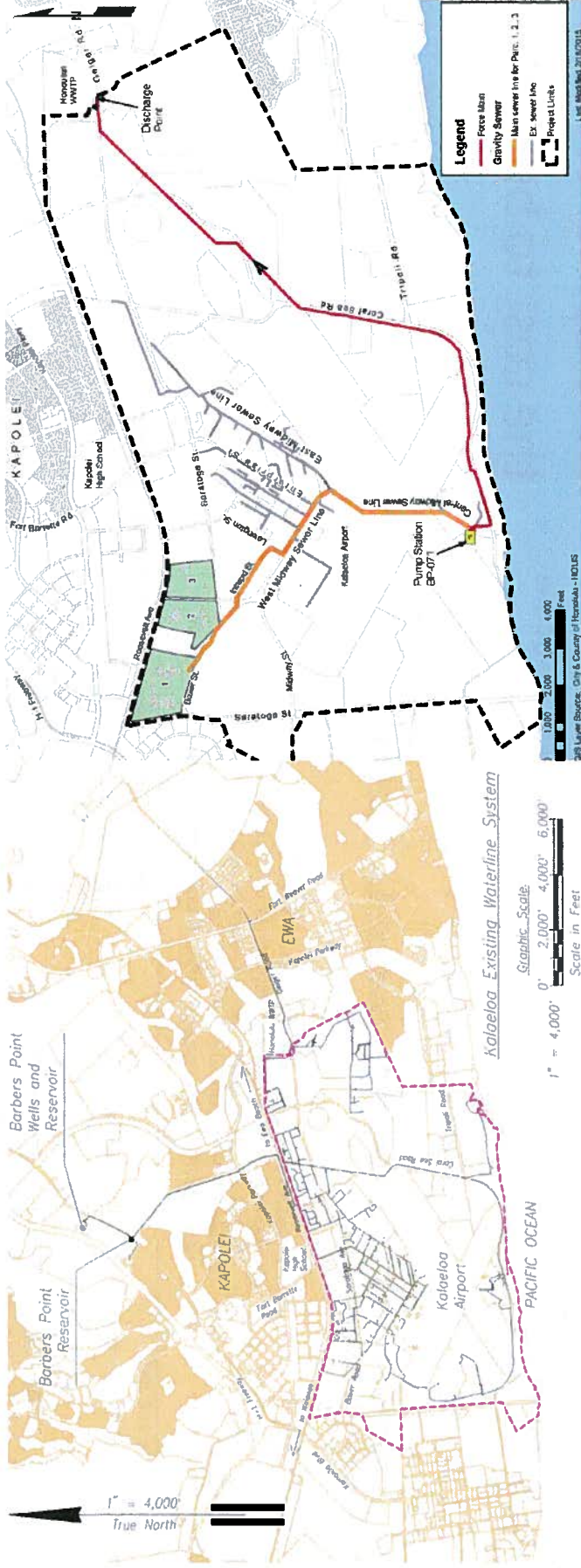
### Roadway Master Plan Update (Fehr & Peers)

- Master Plan based on Updated Existing Traffic Counts and Full HCDA & Hunt Buildout
- Roadway MP ROW meets City and County of Honolulu Subdivision Standards
- City and County will own and maintain roadways if City Standard ROWs are constructed as shown below:



# 3. KEY CHALLENGES IN KALAELOA

## INFRASTRUCTURE RELIABILITY



### WATER AND WASTEWATER

- Owned and operated by U.S. Navy until December 2017, when Hunt acquired the water/wastewater system after a years' long process.
- Private ownership allows Kalaeloa landowners to hook into the water and wastewater system and improved reliability as a result of investment in capital improvements.

### ELECTRICAL SYSTEM

- Currently owned and operated by Navy; no new connections allowed.
- Major reliability issues (3+ week outage June-July 2019)
- New Energy Corridor lessens the load on Navy system, but does not promote growth of Kalaeloa.

# 3. KEY CHALLENGES IN KALAELOA: INFRASTRUCTURE FUNDING

Ewa Highway Master Plan Impact Fee Program currently excludes Kalaeloa roadway improvements, but requires payment from all Kalaeloa landowners.

**Table 33A-1.2**  
**Ewa Region Highway Improvement Program**  
**Estimated Cost of Improvements**

FACILITY	SEGMENT	IMPROVEMENT	COST ESTIMATE
H-1	Kapolei Interchange	New ramps, bridges	\$ 25,910,000
H-1	Makakilo Interchange	Extend ramp, new ramp	10,170,000
		Subtotal	\$ 36,080,000
Fort Barrette Road	Farrington to Franklin D. Roosevelt Ave.	Widen to 4 lanes	10,500,000
Fort Weaver Road	Farrington Hwy. to North Road	Widen to 6 lanes	33,500,000
Kapolei Parkway	Ko Olina to Kalaeloa Blvd.	New 4-lane roadway	14,400,000
	Kamokila Blvd. to Fort Barrette Rd.	New 4-lane roadway	10,400,000
	Kapolei Phwy. Bridge to North-South Rd.	New 4-lane roadway	3,400,000
	North-South Road to Puhapele	New 4-lane roadway	14,000,000
	Puuloa Road to Keoneula Blvd.	New 2-lane roadway	3,600,000
	Keoneula Blvd. to Kailoiea Dr.	New 2-lane roadway	2,424,000
	Kaimalie St. to Papipi Rd.	New 2-lane roadway	860,400
		Subtotal	\$ 49,084,400
North-South Road	H-1 to Kapolei Parkway	New 4-lane roadway New Interchange	64,800,000
		GRAND TOTAL	\$193,964,400

Based upon the Ewa highway master plan, the Ewa highway impact fee program, the Oahu regional transportation (Top 2025) plan, the Ewa development plan, and other policy considerations, the portion of the estimated cost of Ewa highway master plan improvements attributable to new development and to be collected by this impact fee ordinance is \$36,792,880.



## FORD ISLAND

### Master Development Agreement

### Pearl Harbor, Hawai'i

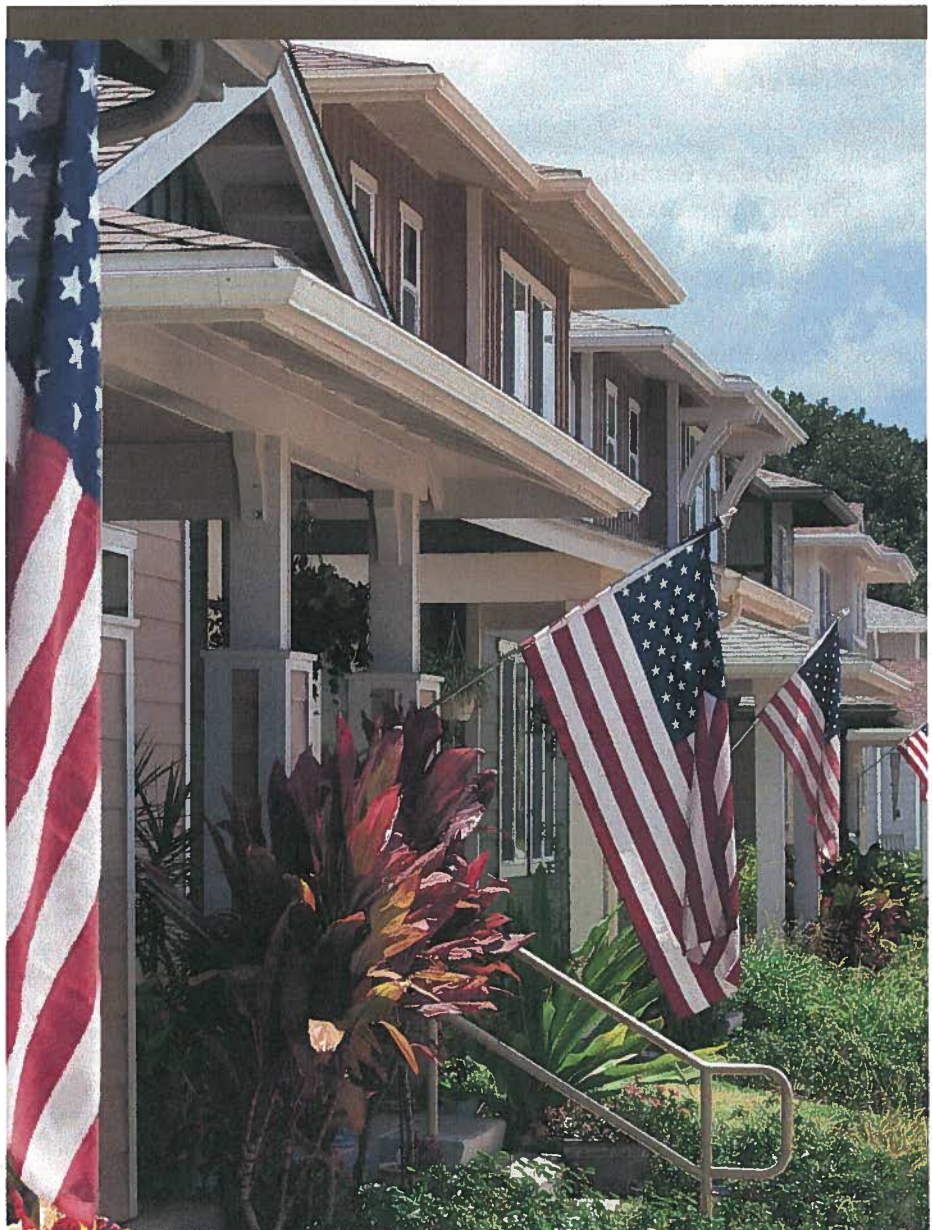
### Honoring the Past, Preparing for the Future

**"The Ford Island Development Project is an excellent example of what can be achieved when the public and private sectors partner together. The project will not only improve the quality of life for our sailors and their families, it will also add jobs and a shot in the arm for our local economy."**

- U.S. Senator Daniel K. Inouye  
2003

**"The Ford Island Master Development Agreement is a hallmark asset management accomplishment that set expanded framework for all of DoD to pursue facilities and infrastructure projects through enhanced use lease and other public/private venture arrangements. By leveraging a mix of out-leases and fee conveyances of former Navy-utilized property around Pearl Harbor, Ford Island realized more than \$80M in privately financed construction, while allowing Hunt to successfully develop Waikele Bluff & Gulch, Iroquois Point, and Barbers Point."**

- Joe Calcara, Deputy Assistant Secretary of the Army (Installations, Housing and Partnerships)  
2011

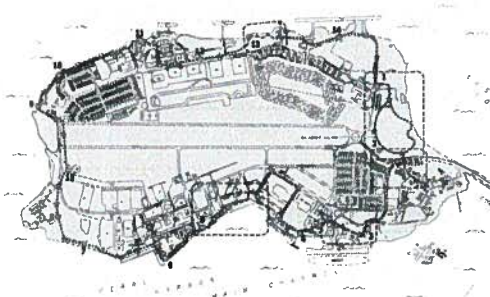


A unique public-private partnership between the U.S. Navy and Ford Island Properties, LLC (a joint venture between Hawai'i Renaissance Builders, LLC (an affiliate of Hunt Companies, Inc.) and Fluor Federal Services, LLC) has enabled the redevelopment of Ford Island into an efficient living and working environment adjacent to the main Naval Station Pearl Harbor.

Under the Ford Island Master Development Agreement (MDA), the U.S. Navy exchanged 1,600 acres on five parcels of land throughout O'ahu (including 1,988 family housing units) for significant infrastructure and other improvements on Ford Island. This unique project has resulted in a better quality of life for Navy personnel and substantial improvements to formerly under-utilized land throughout the community.

[www.huntcompanies.com](http://www.huntcompanies.com)

DEVELOP. INVEST. MANAGE.



Ford Island Historic Trail



Waterfront at Pu'uloa

**“This is one of our highest priorities, to keep the tower from further deterioration. Rear Admiral Dixon Smith has been most instrumental in securing the lease between the Navy and Ford Island Properties/Hunt Companies, Inc., the landlord for this property. We are extremely grateful to him and anxious to get started preserving this important beacon of history.”**

- Kenneth DeHoff  
Executive Director of the Pacific Aviation Museum  
Pearl Harbor  
September 2010

**FORD ISLAND MDA  
IN-KIND PROJECT FACTS:**



Ford Island Landing

- Designed the Ford Island Historic Trail, a 4.5 mile interpretive trail which will showcase major events that occurred on Ford Island on December 7, 1941.

Since 2003, Hunt has managed the following projects on off-base properties:

- The Waterfront at Pu'uloa (formerly known as Iroquois Point), a highly successful ocean front rental community for civilians and military members located at the mouth of Pearl Harbor. All of the 1,461 homes at The Waterfront have been renovated.
- Renovation of 280 homes at the former Barbers Point Naval Air Station (now called "Kalaeloa"). These as well as 235 other former military homes at Kalaeloa were privatized and now provide affordable housing to military and civilians in West O'ahu.
- The Waikale Naval Ammunitions Depot, a 515 acre former Navy Weapons Station has been converted into a thriving commercial/industrial storage and self-storage park, consisting of over 500,000 square feet of indoor storage and 30,000 square feet of office space. Waikale represents a successful adaptive reuse project for Hunt and the Navy, resulting in a substantial increase of the property's value.
- 548 acres of underutilized land and abandoned buildings at Kalaeloa. The former Barbers Point Naval Air Station is undergoing a dramatic revitalization and repositioning as a new fully-serviced community with mixed use developments including residential, retail, commercial and industrial spaces as well as recreational facilities to help meet the short and long term needs of the West O'ahu area.

**INNOVATION**

The partnership between Ford Island Properties and the Navy was unprecedented and was made possible through special legislation passed by Congress in 1999. The land exchange which enabled the Navy to sell five underused properties in exchange for in-kind construction and infrastructure repairs on Ford Island highlights Hunt's partnership approach and ability to respond to changing circumstances to achieve a better outcome for all parties. This unique public-private partnership has since been used as a model across the country.

In 2004, Ford Island Properties joined with union and non-union labor organizations to sign the Aloha Stabilization Agreement, a first-of-its kind project labor agreement that ensured jobs for local workers. The Aloha Stabilization Agreement established a level playing field with a uniform set of rules and common ground for dispute resolution.

This unique public private partnership provided for the immediate and future development of Ford Island without using taxpayers dollars/Congressional appropriations.

<b>Project Size:</b>	
Acres	335 acres
<b>Key Facts:</b>	
Commenced	August 2003
Scope \$	\$84 million
<b>Key Features:</b>	<ul style="list-style-type: none"> <li>• Master Developer for Historic Ford Island</li> <li>• Leasing historic hangars from U.S. Navy</li> <li>• Subleasing hangars to Pacific Aviation Museum</li> <li>• Constructed 231 homes</li> <li>• Developed \$84 million of infrastructure for entire island</li> <li>• Developing historic trail around the island</li> </ul>
<b>Awards:</b>	<ul style="list-style-type: none"> <li>• Private Sector Leader Award, Association of Defense Communities, 2012</li> <li>• Base Redevelopment Innovation Award, Association of Defense Communities, 2012</li> </ul>