

## FOR ACTION

### I. REQUEST

Adopt the Recommendation of the Permitted Interaction Group (PIG) established for the purpose of preparing recommendations to the Authority on performance goals, objectives, policies, and initiatives for the executive director.

### II. DISCUSSION

The Permitted Interaction Group is recommending the following performance goals, objectives, and initiatives for the executing director. The goals, objectives, and initiative are categorized in terms of objectives for the agency as a whole and for each specific community development districts.

#### (1) GENERAL OBJECTIVES

- (a) **Strategic Vision/Plan:** The Executive Director is expected to work with the Authority in developing and adopting a strategic vision/plan for the HCDA. In developing the strategic vision/plan the Executive Director and the Authority should take into account potential new community development districts such as the Stadium district on Oahu and Pulehunui on Maui that are being considered by the Legislature. The strategic vision/plan should also address the Authority's vision/plan for other potential future development districts. Working with the State Office Planning, the Executive Director should explore the opportunity for HCDA's involvement in TOD Plan infrastructure improvements. As part of the strategic vision/plan the Authority/Executive Director should also develop a timetable and a process for determining HCDA's longterm role and potential transition for each community development district. The Authority should consider establishing a permitted interaction group for developing the strategic vision/plan.

**Timeline: Start 1<sup>st</sup> OTR 20021-Complete 3<sup>rd</sup> OTR 2021**

- (b) **Organize HCDA workforce to address development work in all community development districts:** There is a need for creating a resilient workforce to address workload in all community development districts. The Executive Director should develop a plan for a resilient workforce to address development work in all community development districts.

**Timeline: Start 1<sup>st</sup> OTR 2021-Complete 2<sup>nd</sup> OTR 2021**

- (c) **Personnel:** The Executive Director should expeditiously fill key vacant positions subject to budget constraints, develop a professional development program and a plan for improving staff morale. The Executive Director should provide a progress report to the Authority by the end of 1<sup>st</sup> QTR 2021.

**Timeline: Complete by end of 2<sup>nd</sup> QTR 2021**

- (d) **Infrastructure Dedication to the City and County of Honolulu (City):** There are several infrastructure improvements completed by the HCDA in Kakaako and Kalaeloa Community Development Districts that need to be dedicated to the City. These improvements include streets, parks, and related remnant land parcels. The Executive Director should develop a plan and schedule for dedicating the improvements to the City.

**Timeline: Begin discussion with the City- 2<sup>nd</sup> QTR 2021- Completion will depend on working with the City and developing a plan for dedication.**

- (e) **Financial Management:** The Executive Director should develop a financial management plan to ensure sustained operation of the HCDA.

**Timeline: Start January 2021. Present the financial management plan to Authority in March 2021. Monitor and update the plan every 6 months and provide updates to the Authority.**

**(2) KAKAAKO COMMUNITY DEVELOPMENT DISTRICT (KCDD)**

- (a) **Kakaako Reserved Housing Rule Amendment:** The amendment is necessary for implementing policy adopted by the Authority in 2018 to allow for payment of equity sharing without sale or transfer of reserved housing unit.

**Timeline: Start December 2020-Complete by June 30, 2021**

- (b) **Complete and adopt KCDD, Transit Oriented Development Regulating Plan and Rule:** A final draft of KCDD Transit Oriented Development Plan (TOD Plan) was completed in 2015. In 2015 the Governor accepted the Environmental Impact Statement (EIS) for the TOD Plan. A regulating plan and administrative rules need to be adopted to implement the draft TOD Plan.

**Timeline: Start April 2021-Complete December 2021**

- (c) **Master Plan Development:** A master plan development permit for two of the large landowners in the KCDD, Howard Hughes Corporation (HHC) and Kamehameha Schools (KS) was approved by the Authority in 2009. The master plan developments are named Ward Village Master Plan and Kaialu O Kakaako Master Plan respectively. Since 2009 the Authority has approved

seven development permits for Ward Neighborhood Master Plan and four development permits for Kaiaulu O Kakako Master Plan. To date, over three thousand (3,000) residential units have been developed under the master plans out of which approximately seven hundred (700) units are reserved housing units. Approximately one thousand seven hundred (1,700) additional residential units have been approved and are under construction. Both HHC and KS plan to continue development under the master plan permit. HHC is in the process of seeking a development permit for two development projects. KS is in the process of seeking an amendment to the master plan permit and plans to seek development permits for up to five development projects. The Executive Director is expected to conduct timely review of the development permit applications, scheduling of contested case hearings for the Authority to consider the applications, and processing of development permits. The Executive Director should also develop a plan for closing out or extending the master plan permits before their expiration date in 2024.

**Timeline:**

**HHC Development Projects: Development Permit Application expected to be deemed complete 1<sup>st</sup> QTR of 2021-Permit processed by end of 2<sup>nd</sup> QTR 2021**

**KS master plan permit amendment expected to be completed by end of 2<sup>nd</sup> QTR 2021. KS development permits processing timeline depends on when the development permit application is submitted.**

- (d) **Improvement District Projects (Infrastructure Improvements):** There are several street improvements; sewer and water, and drainage improvements; and power and communication infrastructure improvements that need to be completed in the KCDD. The Executive Director should develop a program for infrastructure improvements in the KCDD and develop budgets for Capital Improvement Project (CIP) funds request from the Legislature. If and when Legislative funding is received, the Executive Director should develop a plan for implementing CIP projects.

**Timeline: Develop a CIP plan by the end of 2<sup>nd</sup> QTR 2021 and prepare a CIP fund request for 2022 Legislative Session.**

- (e) **Development/Improvement Permits Processing:** The Executive Director should review and process all development and/or improvement permit applications in a timely manner.

**Timeline: Continuous, depends on timing of development and/or improvement permit application submittal.**

- (f) **Transition of KCDD:** The Executive Director and the Authority should develop a plan for completion and closure of the KCDD.

Timeline: Start-3<sup>rd</sup> QTR 2021-Complete 3<sup>rd</sup> QTR 2022

**(3) KALAELOA COMMUNITY DEVELOPMENT DISTRICT (KLCDD)**

- (a) **Complete Kalaeloa Master Plan and Administrative Rules amendment:** Kalaeloa Master Plan was adopted in 2006 and the Administrative Rules were adopted in 2012. The Authority has started a Kalaeloa Master Plan and Administrative Rules amendment process. An outside consultant has been engaged to assist staff in the amendment process.

Timeline: Start December 2020-Complete end of June 2022.

- (b) **Improvement District Projects (Infrastructure Improvement):** A Kalaeloa Master Plan Infrastructure Update was prepared in 2010 and identifies infrastructure deficiencies in the district. The Executive Director should develop a program for infrastructure improvements in the KLCDD and develop budgets for Capital Improvement Project (CIP) funds request from the Legislature. If and when Legislative funding is received, the Executive Director should develop a plan for implementing CIP projects. In addition, the Executive Director should also pursue federal grant opportunities for infrastructure development in the KLCDD.

Timeline: Develop a CIP plan by the end of 2<sup>nd</sup> QTR 2022 and prepare a CIP fund request for 2023 Legislative Session.

- (c) **Development/ Improvement Permit Processing:** The Executive Director should review and process all development and/or improvement permit applications in a timely manner. Currently the HUNT Company is working with HCDA staff on finalizing a development application for a new Veteran's Administration (VA) Clinic in Kalaeloa, and Gentry is working on submitting a development permit application for an approximately 400-unit residential development adjacent to Kalaeloa Elementary School.

Timeline: Both development permit application processing timeline depends on when the application is submitted and deemed complete. The Kalaeloa administrative rules require a development permit application deemed complete to be approved within 120 days from the date the application is deemed complete.

**(4) HEEIA COMMUNITY DEVELOPMENT DISTRICT**

- (a) **Complete Heeia Community Development District (HCDD) Plan and Administrative Rules adoption:** The Authority initiated development of HCDD Plan and Rules in 2015. A draft HCDD Plan has been prepared and has gone through stakeholder group and community consultation. The plan and administrative rules need to go through public hearings for adoption. The

Executive Director is expected to complete HCDD Plan and Rules adoption by June 30, 2021.

Timeline:

Finalize draft HCDD Plan and Administrative Rules and review the draft with Heeia Plan and Rule Permitted Interaction Group- December 2020

Seek Authority approval for public hearing-January 2021

Hold public hearings on HCDD Plan and Administrative Rules-February-April 2021

Prepare final HCDD Plan and Administrative Rules for Authority approval-June 2021

Transmit HCDD Plan and Administrative Rules to the Governor for approval-June 2021

(b) **Heeia State Park Long-Range Plan:** Act 166, 2019 Session Laws of Hawaii established the role of HCDA and entity designated by the HCDA to manage Heeia State Park for the purposes of Act 166, either of which shall invite and consult with various entities named in Act 166 for development of a Heeia State Park Community Based Long-Range Plan (Plan). Subsequently HCDA entered into an MOU with Department of Land and Natural Resources (DLNR) for preparation of the Plan and transfer of funds from DLNR. A consultant contract with local planning firm PBR Hawaii has been executed for development of the Plan.

Timeline: Start development of the Plan-December 2020-Complete by December 2021.

(c) **Improvement District Projects (Infrastructure Improvements):** HCDD lacks sewer, water, electrical, and communication infrastructure. The Executive Director should develop a HCDD CIP plan and budget for Legislative request. If and when Legislative funding is received, the Executive Director should develop a plan for implementing CIP projects.

Timeline: Complete CIP plan and budget for requesting funding in 2023 Legislative session.

### III. RECOMMENDATION

The Permitted Interaction Group recommends that the Authority adopt the proposed Goals, Objectives, Policies, and Initiatives for the Executive Director and establish a Permitted Interaction Group to advise the Executive Director in developing the Strategic Vision/Plan and Financial Management Plan.

**WORKPLAN TIMELINE**

GENERAL	2021				2022				2023				2024				2025				
	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	
	Strategic Vision/Plan																				
Organize HCDA Workforce to address development work in all Community Development Districts																					
Infrastructure Dedication to the City & County of Honolulu		Begin discussion with City-2nd QTR 2021-Completion will depend on working with the City and developing a plan for dedication.																			
Financial Management	Start January 2021-Present to Authority March 2021. Monitor and update the plan every 6 months and provide updates to the Authority.																				







**WORKPLAN TIMELINE**

**HEEIA**

			2021				2022				2023				2024				2025			
			QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4
<b>Plan and Rule Adoption</b>																						
<b>Heeia State Park Long-Range Plan</b>																						
<b>Improvement District Projects ( Infrastructure Improvement)</b>			Starting 2023 Develop CIP Plan by 2nd QTR of each year and prepare CIP request for the following year Legislative session.																			