KAMEHAMEHA SCHOOLS

Building Communities for a Better Tomorrow

Hawai‘i Community Development Authority
2.3.2021
Today’s speakers:

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Commercial Real Estate Division

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Kamehameha Schools
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Ke Aliʻi Bernice Pauahi Bishop

Princess Pauahi’s vision was to improve the capability and well-being of people of Hawaiian ancestry through education. In 1887, she founded the Kamehameha Schools, named after her great-grandfather, King Kamehameha I.

Today, her legacy continues through Kamehameha Schools’ focus on fulfilling its educational mission for a thriving lāhui, culture and community.
During Her Lifetime

Population | Health | Culture | Language | Identity
Pauahi’s Life and Legacy

- Establishes Kamehameha Schools
- Change Agent
- Steward of Native Hawaiian Education
- Restores her people through education
Fulfilling Her Mission
Within a generation of twenty-five years, we see a thriving lāhui where our learners achieve postsecondary educational success, enabling good life and career choices. We also envision that our learners will be grounded in Christian and Hawaiian values and will be leaders who contribute to their communities, both locally and globally.
Supporting Haumāna (Students)

44,161 Total number of learners served in FY20

7,049 Students supported on 3 campuses and 29 preschools

12,750 Extension education learners

Community & Scholarships

$71.4 Million PreK to Post-high Scholarships

$57.5 Million Community Education & Investing
Pauahi’s ‘Āina Legacy

Hawai‘i’s Largest Private Landowner

363,000 Acres
Resources and Spending FY20

$12 Billion Endowment Value
- 69% Financial Assets
- 31% Hawai’i Real Estate

$456 Million Annual Spend
- 49% Campus Based (PK–12) $224M
- 27% Scholarships & Community based programs $125M
- 8% Other programs and support $35M
- 9% Capital Projects $42M
- 7% Capital & Debt $30M
Commercial Portfolio FY20

Portfolio Value By Lease Classification
- 80% Ground
- 19% Space
- 1% Vacant

Portfolio Value By Property Type
- 36% Retail
- 20% Hospitality
- 13% Industrial
- 9% Multi-Family
- 7% Mixed Use
- 7% Land
- 5% Office
- 2% Sports
- 1% Special Purpose

‘Āina Classification
- 51% Conservation
- 48% Agriculture
- 1% Active Commercial

Commercial Acreage
- 15,000 acres

Productive Acreage
- Under 1,000 acres
Why Kamehameha Schools Manages Real Estate
Hawai‘i’s High Cost of Living

Urban Honolulu Consumer Price Index, Selected Categories

Source: U.S. Bureau of Labor Statistics

*Note: Data for Medical Care is missing for 2001-03, 2005-07, and 2008
High Price and Low Inventory of Housing

- **Housing Prices vs. Family Median Income vs. New Building Permits**

- **$789,000**
  - O‘ahu Single Family Median Sale Price
  - 2019 - Honolulu Board of Realtors

- **$101,600**
  - Honolulu Median Income of Family of 4
  - 2020 - Hawaii Housing Finance Dev. Corp.

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Our Challenge – Our Strategy
Five Values

We steward ‘Āina Pauahi by balancing returns on Five Values:

- Economics
- Education
- Culture
- Community
- Environment

KS recognizes that a thriving lāhui is not achievable through financial gains alone but that a thriving lāhui is dependent upon the wellbeing of its learners, the greater community, and the ‘āina. That is why the five values must be balanced and optimized across the portfolio.
Why a Regional Approach?

Improving the well-being and success of keiki, ‘ohana and communities requires KS to recognize and influence drivers of healthy and sustainable schools, ‘āina, and socio-economic systems.

1. **Education**
   - Access to quality education options
   - Rooted in Hawaiian culture and community
   - Empowered educators and school leaders

2. **Housing**
   - Affordable housing
   - Sustainable community development
   - Homelessness

3. **Infrastructure**
   - Transportation
   - Water
   - Energy

4. **Business**
   - Jobs
   - Economic growth & industries
   - Entrepreneurship & innovation

5. **Health**
   - Social services & support systems
   - ‘Ohana stability & engagement
   - Food sustainability

6. **‘Āina**
   - Native Hawaiian identity & inspiration
   - Provision of ecosystem services
   - Linking educational mission & ‘āina legacy
ʻĀina Measures
COVID-19 Response Tenant Assistance Programs

- Rent deferral program started April 2020
- Outreach by Asset Management team
- Helpful resources
- Creative protocols to complement tenant businesses
- Marketing campaigns to grow customer traffic
COVID-19 Response  Marketing Support

- Marketing, Social Media, Email, PR/Earned Media
- Culture - Hoʻokipa
- Promotions/Campaigns:
  - Buy One, Feed One - #BOFOHawaii
  - Manaʻola - Messages of hope
  - Kōkua Box - 35 lb. produce boxes
  - Partnership: Kūpuna Kōkua
  - Partnership: POW! WOW!, Every1ne Hawaii, Census 2020, #masks4allhawaii outreach
  - Tenant marketing webinars
  - Re-emergence marketing plans
  - Graduation 2020 signage, social media
  - Holiday campaigns
Our Kakaʻako
A Thriving Neighborhood by Kamehameha Schools
VISION

To create a progressive, 21st century living community that will act as a catalyst for innovation and nurture the evolution of a vibrant urban-island culture within a beautiful healthy and sustainable neighborhood.
Placekeeping

- Unique urban island community
- Progressive vibe
- Art, culture, history, sustainability
- Walkable neighborhood
- Diverse housing options
- Connected cohesive development
- Inviting shops, restaurants, and open spaces
Our Kakaʻako (KKMP) Lands **28.9 acres**

Other Mauka Lands **10.8 acres**

Makai Lands **11.8 acres**

**TOTAL** **51.1 acres**

KS Kakaʻako Landholdings
Kaiāulu ‘o Kaka‘ako Master Plan (KKMP)

KKMP 29 acres of Mauka Lands
(Approved in Sept. 2009)

Originally planned for:
● 9 full-block parcels
● 2,750 +/- residential units
● 300,000 +/- sq. ft. of commercial space
Increment I  Kaiāulu ‘o Kakaʻako Master Plan

- Opened in 2017
- 423-unit mixed-use condominium and townhouse complex
- Developed by Stanford Carr Development

- Keauhou Lane
- Keauhou Place
- The Flats at Pu`unui
- 400 Keawe
- The Collection
- Six Eighty

Mother Waldron Park
Kaka'ako Makai Gateway Park
Opened in 2018

209 Kama‘aina units

Developed by Gerding Edlen

Approx. 40,000 sf of commercial space

Joint venture with Kamehameha Schools
400 Keawe
- Opened in 2015
- 95 Residential units
- Developed by Castle & Cooke

Keawe Retail
- 8 Retail spaces
- 1 Grocer anchor
- 32,675 sf retail

The Flats at Pu‘unui
- 88 Kama‘aina rental units
- Self-developed
Increment I Kaiāulu ‘o Kaka‘ako Master Plan

- Opened in 2016
- 467 Residential units
- Developed by Alexander & Baldwin
Increment I  Kaiāulu ‘o Kaka‘ako Master Plan

- Over 129,000 sf of commercial space
- Neighborhood-serving local retail
- Adaptive reuse
- Food & beverage, artist workspaces
Increment I  Kaiāulu ʻo Kakaʻako Master Plan

Six Eighty

- Opened in 2014
- 54 Kamaʻaina rental units
- Self-developed
Increment I

- Block A
- Block B
- Block E
- Block F
- 4 out of 9 blocks fully developed

- 1,336 total residential units, of which 456 (34%) are affordable/workforce housing units
- 184,000+ sf. commercial
- 50,000+ sf. open space
INCREMENT II
Kaiāulu ‘O Kaka‘ako Master Plan

**BLOCK C**
Lot size: 3.66 acres  
Program: Affordable/Workforce

**BLOCK D**
Lot size: 4.19 acres  
Program: Affordable/Workforce

**BLOCK G**
Lot size: 2.42 acres  
Program: Market Residential

**BLOCK H**
Lot size: 2.10 acres  
Program: Market Residential

**BLOCK I**
Lot size: 3.45 acres  
Program: Market Residential
Piko  Crossroads of Cooke and Auahi Streets

- Cooke & Auahi Streets - Piko/core of Our Kaka‘ako
- Auahi St. - Main retail corridor
- Cooke St. - Connects parks; more retail
- Pedestrian-friendly with wide sidewalks, streetfront retail and restaurants, landscaping and public art
Piko and Park-to-Park Connectivity
Cooke-Auahi Intersection from ‘Ewa
Plaza from Diamond Head
Pedestrian Friendly & Multimodal
1. **Auahi Street Reopening**
   - Working with City and neighbors to open Auahi Street and improve connectivity between Our Kakaʻako and Ward Village.

2. **Koula Street**
   - Add Koula Street to KKMP increasing flexibility to relocate or combine with adjoining parcels.
Amendments to KKMP

- Extension of the KKMP expiration date
- Accommodate 201H Affordable Housing Projects
- Addition of Koula Street
- Other amendments/clarifications
KKMP Amendment Next Steps

Community Outreach
Jan/Feb 2021

HCDA Board Update Meeting
February 2021

Master Plan Amendment Application filed with HCDA
February 2021

HCDA Hearing(s)
March-May 2021 (est.)

HCDA Approval
June 2021 (est.)
Aerial from Makai
Aerial from Mauka
From Makai, Cooke Street with Plaza at Auahi Street Intersection
Future Outlook Today & Tomorrow
Our Future

Today’s Keiki. Tomorrow’s Community.