

**STATE OF HAWAII
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
KAKAAKO MEETING**

Wednesday, November 3, 2021

MINUTES

I. CALL TO ORDER/ROLL CALL

The Hawaii Community Development Authority (“Authority” or “Board”), a body corporate and a public instrumentality of the State of Hawaii met virtually (utilizing the state-supported Zoom Meeting platform) for a meeting on November 3, 2021.

Board Vice Chairperson, Chason Ishii, called the meeting to order at 11:46 a.m.
Those present were as follows:

Members Present:

Chason Ishii, Vice Chairperson
Susan Todani
Peter Apo
David Rodriguez, DOT (Ex-Officio)
Gloria Chang, B&F (Ex-Officio)
Eugene Takahashi, DPP (non-voting)
Kevin Sakoda
Phillip Hasha
Vernon Inoshita

Members Excused:

Wei Fang

Legal Counsel:

Kelly Suzuka, Deputy Attorney General

Staff Present:

Deepak Neupane, HCDA Executive Director
Garet Sasaki, HCDA Administrative Services Officer
Craig Nakamoto, HCDA Compliance Assurance & Community Outreach Officer
Francine Murray, HCDA Program Specialist
Tommilyn Soares, HCDA Secretary

A quorum was present.

Acknowledgement that the Meeting is Being Convened Virtually

Vice Chair Ishii reiterated the wording contained in the Meeting Agenda regarding the state’s response to the COVID-19 pandemic, the state’s efforts to slow the community spread of the virus and Governor David Y. Ige’s issuance of Supplementary Emergency Proclamations which suspended Chapter 92 of the Hawaii Revised Statutes to the extent necessary to enable public boards and commissions to conduct business without holding meetings open to the public.

With regard to the foregoing, Vice Chair Ishii reiterated wording contained in the Meeting Agenda noting that HCDA welcomes public attendance via the Zoom link and HCDA's YouTube Channel contained in the meeting agenda, HCDA also welcomes public comment and public participation via submission of written and or verbal testimony (consistent with the social distancing guidelines and Emergency Proclamation directives in effect).

Vice Chair Ishii stated that individuals, if any, from the public who have requested to provide testimony are on standby and will be permitted to speak during the public testimony session of the specific agenda item.

II. APPROVAL OF MINUTES

1. Regular Meeting Minutes of October 6, 2021

Minutes were approved as presented.

III. DECISION MAKING

2. Request to Establish a Permitted Interaction Group, Pursuant to Section §92-2.5(b) Hawaii Revised Statutes, to Provide Guidance to Staff on the Kakaako Mauka Area Rule (Hawaii Administrative Rule Chapter 15-217) Amendment and Appoint Authority Members to the Permitted Interaction Group.

HCDA Kakaako Director of Planning and Development, Mr. Carson Schultz, presented the staff report for this item. He reviewed the process of approvals and actions that the Kakaako Board and HCDA Staff have completed regarding the Mauka Area Rule Amendments and noted that forming this Permitted Interaction Group (PIG) is the next step in moving things along.

Members Todani, Inoshita, and Apo expressed their interest in participating in the PIG.

Member Todani asked if community members could be appointed to this group, and if so, do they need to be approved through this process or is it only the board members that need to be voted on and approved. Mr. Neupane stated it is only the board members at the current time and added that there is already an outside advisory group and that community members will be reached out to separately.

There were no additional questions or comments from board members.

Public Testimony

Vice Chair Ishii called for public testimony. There were no requests to provide verbal testimony.

Motion

Member Hasha moved to establish a Permitted Interaction Group, pursuant to Section §92-2.5(b) Hawaii Revised Statutes, to provide guidance to Staff on the Kakaako Mauka Area Rule (Hawaii Administrative Rule Chapter 15-217) Amendment and appoint Authority Members to the Permitted Interaction Group.

Member Todani seconded the motion.

Mr. Schultz conducted the roll call vote. Motion passed with 8 votes and 1 excused.

Vice Chair Ishii thanked the following Members for volunteering to participate in the PIG:

- Member Todani
- Member Inoshita
- Member Apo

3. Request to Establish a Permitted Interaction Group, Pursuant to Hawaii Revised Statutes §92-2.5(b), to Examine the Operations and Management of the Honuakaha Limited Partnership relating to the Honuakaha Senior Housing Project (located at 545 and 547 Queen Street, Honolulu, Hawaii 96813 and identified by TMK 1-2-031-021) and Present the Permitted Interaction Group's Findings and Recommendations to the Authority.

HCDA Executive Director, Mr. Deepak Neupane, presented the staff report for this item. Mr. Neupane provided an overview of the ongoing matter regarding Honuakaha and explained some future possibilities that have been discussed.

Member Sakoda asked what Mr. Neupane's expectations are for the PIG and where help is necessary. Mr. Neupane stated Members had previously expressed wanting to determine if there was any "bad act" that occurred to cause the delinquency, adding that Members had also wished to review the financial documents and financial reporting. He noted the PIG could also assist HCDA Staff in reviewing the possibility of selling the property to a Reserved Housing Developer.

Member Inoshita asked if either a forensic audit or a normal audit has been done. Mr. Neupane stated there have been annual audits of the financials of the project, but no forensic audit; he added, saying that may be something that the PIG could recommend.

There were no additional questions or comments from board members.

Public Testimony

Vice Chair Ishii called for public testimony. There were no requests to provide verbal testimony.

Motion

Member Hasha moved to establish a Permitted Interaction Group, pursuant to Hawaii Revised Statutes §92-2.5(b), to examine the operations and management of the Honuakaha Limited Partnership relating to the Honuakaha Senior Housing Project (located at 545 and 547 Queen Street, Honolulu, Hawaii 96813 and identified by TMK 1-2-031-021) and present the Permitted Interaction Group's findings and recommendations to the Authority.

Member Sakoda seconded the motion.

Mr. Neupane conducted the roll call vote. Motion passed with 8 votes and 1 excused.

Member Todani commented that volunteers are needed. Member Hasha stated volunteers could be called forward after voting to establish. Member Apo stated that Members could also be appointed to the PIG by the Chair, as long as the number of members allowed on the PIG is not exceeded. Mr. Neupane confirmed Member Apo's statement and stated there can be up to four Members on the PIG.

Vice Chair Ishii asked for volunteers to participate in the PIG. Members Hasha, Sakoda, Todani, Ishii volunteered to participate in the PIG.

Vice Chair Ishii thanked the following Members for volunteering to participate in the PIG:

- Member Hasha
- Member Sakoda
- Member Todani
- Vice Chair Ishii

IV. REPORT OF THE EXECUTIVE DIRECTOR

4. Monthly Report and Other Status Reports

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

Mr. Neupane chose to stand on his report as it was written and provided to the Board Members and asked if there were any questions.

Member Sakoda commented on the diversity of the finances of all the HCDA Community Development Districts after sitting in on the He'eia meeting. He stated that having that perspective would be beneficial for all Board Members. Vice Chair Ishii asked Mr. Neupane to confirm whether Board Members are welcome to attend other HCDA Board Meetings besides their own. Mr. Neupane confirmed. Mr. Neupane also invited Members to reach out if they wanted a tour of the He'eia Community Development District.

Public Testimony

Vice Chair Ishii called for public testimony. There were no requests to provide verbal testimony.

V. ADJOURNMENT

There being no further comment or questions on the Report of the Executive Director, Vice Chair Ishii thanked those who joined the meeting on Zoom and adjourned the meeting at 12:14p.m.

Wei Fang, Secretary

Date