

**STATE OF HAWAI‘I
HAWAI‘I COMMUNITY DEVELOPMENT AUTHORITY
AT-LARGE BOARD MEETING**

**Wednesday, January 3, 2024
MINUTES**

I. CALL TO ORDER/ROLL CALL

The Hawai‘i Community Development Authority (“Authority” or “Board”), a body corporate and a public instrumentality of the State of Hawai‘i (“State”) met in-person at the HCDA’s physical meeting site, American Brewery Building, 547 Queen Street, 2nd floor Board room and provided an option to attend virtually (utilizing the State-supported Zoom Meeting platform) for a Regular meeting on January 3, 2024.

Chairperson Chason Ishii called the January 3, 2024, HCDA At-Large Authority Regular meeting to order at 10:01 a.m.

Acknowledgement that the Meeting is Being Convened Virtually

Executive Director Craig Nakamoto reiterated the wording contained in the Meeting Agenda regarding the guidelines and directives provided by Section 92-3.7, Hawai‘i Revised Statutes, to enable public boards and commissions to conduct business virtually with a meeting site open to the public.

Regarding the foregoing, Mr. Nakamoto reiterated wording contained in the Meeting Agenda, noting that the HCDA welcomes public attendance via the Zoom link provided and also at the meeting site located at The American Brewery Building, 547 Queen Street, 2nd Floor Board room, Honolulu, Hawai‘i 96813. The HCDA also welcomes public comment and public participation via submission of written or oral testimony. Mr. Nakamoto stated that individuals, if any, from the public who had requested to provide testimony were on standby and would be permitted to speak during the public testimony session of the specific agenda item.

Chair Ishii conducted the roll call. Those present and absent were as follows:

Members Present:

Chason Ishii, Chairperson
Sterling Higa, Vice Chairperson
Melissa Miranda-Johnson (Ex-Officio)
Mark Anderson, B&F (Ex-Officio)
Craig Hirai, City & County of HNL DPP (Ex-Officio)
Mary Alice Evans, DBEDT (Ex-Officio)
Kevin Sakoda
Jo-Ann Leong
Kaiwipunihei Lipe
David Rae

Members Absent: Peter Apo, Secretary
Russell Tsuji, DLNR (Ex-Officio)
Kathleen Aoki, Maui County DPP (Ex-Officio)
Kaka‘ako Member (Vacant)
Kalaeloa Member (Vacant)
Pulehunui Member (Vacant)
Pulehunui Member (Vacant)

A quorum was present.

Legal Counsel: Kelly Suzuka, Deputy Attorney General
Kevin Tongg, Deputy Attorney General

Staff Present: Craig Nakamoto, Executive Director
Garet Sasaki, Chief Financial Officer
Ryan Tam, Planning and Development Director
Francine Murray, HCDA Program Specialist
Tommilyn Soares, HCDA Executive Secretary

II. **APPROVAL OF MINUTES**
Regular Meeting Minutes of September 6, 2023

There were no comments or questions; the September 6, 2023 meeting minutes were approved as presented.

III. **INFORMATION & DISCUSSION**
Presentation of the Audited Financial Statements for the Fiscal Year Ended, June 30, 2023, by the Auditor, KKDLY, LLC.

Mr. Garet Sasaki stated that the presentation of the audited financial statements for fiscal year ended, June 30, 2023, will be given by the Auditor, KKDLY, LLC (KKDLY).

Mr. Guy Nishihara and Mr. Ralph Kanetoku of KKDLY informed the board that the audit was completed on December 4, 2023 and reported the following:

- clean Independent Auditors Report;
- no material weakness, and no instance of non compliance found on the HCDA’s financial report;
- found no new accounting policies are required; and
- there were no significant difficulties encountered during the audit.

Chair Ishii asked for any questions or comments from the Board members.

There were no further questions or comments.

Public Testimony

Chair Ishii called for public testimony.

There were no inquiries to provide oral testimony, and no written testimonies were received.

Presentation by HCDA Staff on the Proposed Measure, Referred to Below, for the 2024 Legislative Session to Be Included in the Governor’s Administrative Package of Bills.

- a. **HCDA Assistance Bill. This Measure Amends Section 206E-18, Hawaii Revised Statutes, to Clarify that the Hawaii Community Development Authority May Render Services to Assist and Enter into Cooperative Agreements with Other State and County Agencies Upon Request for Projects Within and Outside of Designated Community Development Districts.**

Executive Director Nakamoto presented HCDA’s proposed measure. As part of HCDA’s strategic plan, the board recognized that staff’s expertise and experience in planning, development, and infrastructure development can assist other state agencies in such areas. The current language in the statutes allows for that, however, the current legislative proposal clarifies HCDA may assist other state and county agencies by entering into Cooperative Agreements or by a Memorandum of Understanding (MOU) to assist with infrastructure development or other projects like construction management. He added that this legislative proposal is a housekeeping measure for clarification.

Chair Ishii asked, for clarification, what are the current cooperative agreements or MOU’s that HCDA has.

Executive Director Nakamoto responded; HCA is working on the following:

1. MOU, in progress, with the Department of Corrections and Rehabilitation for the Women’s Correctional Community Center for Construction Management and Development of a Kitchen Facility.
2. MOU with Department of Land and Natural Resources (DLNR) to complete a feasibility and market study for feasibility land uses for the Banyan Drive area – Waiakea Peninsula.

Vice Chair Higa commented this legislative proposal is a great idea and encourages HCDA and its staff to be available to assist the County agencies in Maui to help with construction to rebuild Lahaina. He added the need for infrastructure on Maui is huge and the ability to attract and retain talent in terms of staff is a challenge; assistance from HCDA to help at the County level will be very important.

Executive Director Nakamoto thanked and commended staff in being open to take on the additional work.

Chair Ishii added that HCDA should be sensitive to the fact that we have a small staff of 20 individuals and can be quite a challenge sometimes.

Member Rae asked if there is a provision in the current law or in the proposed statute that permits HCDA to request or be compensated by the County or state agency that HCDA may be assisting?

Executive Director Nakamoto stated that there is no such provision in the current legislative proposal, however, as we enter specific MOU's HCDA will negotiate fees for the services and will try to negotiate these – depending on the situational needs.

Member Rae suggested that HCDA may want to make it clear in the proposed legislation that additional requests for compensation may occur and be authorized. He added to Chair Ishii's comment regarding adequate staffing and stated that it could be really easy for staff to be stretched, too far, if there were no compensation by the legislation or the county and agency that you are assisting.

There were no further questions or comments.

Public Testimony

Chair Ishii called for public testimony.

There were no inquiries to provide oral testimony, and no written testimonies were received.

Presentation by the HCDA on the Status of Funding and Procurement of Transit-Oriented Development Related Projects:

a. From Act 164 (SLH 2023):

Project	Allotment (Est.)
Iwilei-Kapalama TOD Infrastructure Design and Construction	\$25,000,000
East Kapolei Infrastructure Implementation Master Plan	\$500,000
University of Hawaii West Oahu On-Site Infrastructure for Twenty-Acre Parcel	\$35,000,000
Kalaeloa Electrical Upgrade-\$5,000,000	\$500,000
Saratoga Avenue Electrical Upgrade-\$12,125,000	0

b. Supplemental Budget Requests:

Project	Request
Iwilei-Kapalama TOD Infrastructure Design and Construction for Planning and Design	\$10,000,000
University of Hawaii West Oahu On-Site Infrastructure	\$25,000,000

Executive Director Nakamoto provided an update on the status of funding. He stated that regarding Act 64, the state’s budget from its 2023 session, the legislature allocated some money to HCDA and the final budget that was released to HCDA is listed in the table on the board agenda.

There were no comments or questions by board members.

Public Testimony

Chair Ishii called for public testimony. There were no inquiries to provide oral testimony, and no written testimonies were received.

REPORT OF THE EXECUTIVE DIRECTOR
Monthly Financial Highlights for November 2023

Garet Sasaki, Chief Financial Officer, summarized the financial highlights, and was available for any questions.

There were no questions or comments by Board Members.

Public Testimony

Chair Ishii called for public testimony. There were no inquiries to provide oral testimony, and no written testimonies were received.

IV. ADJOURNMENT

Chair Ishii thanked those who joined today’s meeting on Zoom and adjourned the meeting at 10:29 a.m.

Peter Apo, Secretary

Date Approved by the Board