

**STATE OF HAWAI‘I
HAWAI‘I COMMUNITY DEVELOPMENT AUTHORITY
KAKA‘AKO MEETING**

**Wednesday, March 6, 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 March 6, 2024.

Chairperson Chason Ishii called the March 6, 2024, HCDA Kaka‘ako Authority Regular meeting to order at 9:00 a.m.

Acknowledgment 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 (“HRS”), 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. HCDA 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. Mr. Nakamoto also noted the time limits for public testimony.

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

Members Present: Chason Ishii, Chairperson
Sterling Higa, Vice Chairperson
Peter Apo, Secretary
Melissa Miranda-Johnson, DOT (Ex Officio)
Mark Anderson, B&F (Ex Officio)
Tim Streitz, City & County of HNL DPP (Ex Officio)
Mary Alice Evans, DBEDT (Ex Officio)
Kevin Sakoda

A quorum was present.

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

Staff Present: Craig Nakamoto, HCDA Executive Director
Garet Sasaki, HCDA Chief Financial Officer
Lindsey Doi Leaverton, HCDA Director of Asset Management
Mark Hakoda, HCDA Director of Capital Improvement Projects
Francine Murray, HCDA Community Outreach Officer
Tommilyn Soares, HCDA Executive Secretary
Ryan Tam, HCDA Director of Planning and Development

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

Chair Ishii asked for comments or corrections. There were none. The meeting minutes were approved as presented.

III. DECISION MAKING
Consider Authorizing the Executive Director to Amend the Existing Lease with Interior Showplace, Dated November 11, 2009, for the Property Located at 956/958 Queen Street, Honolulu, Hawaii, and Identified by Oahu Tax Map Key (1) 2-3-003: 022, to Extend the Term by an Additional One Year Until May 31, 2025.

Lindsey Doi Leaverton, Director of Asset Management, presented the staff report included in the Kaka‘ako Board Meeting packet. Ms. Doi Leaverton highlighted that a lease extension was previously granted to Interior Showplace, with the current lease expiring on May 31, 2024. However, Interior Showplace noted it continues to have delays with securing permits for their new facility. The timeline for securing those permits is unknown, therefore Interior Showplace is requesting an extension to their current lease for an additional year. If Interior Showplace secures the necessary permits within the one-year extension period, a mutual termination clause is included to allow either party to terminate the lease early with a 90-day written notice. The one-year extension also includes an annual 3% rent increase, which has been standard over the term of this lease. Ms. Doi Leaverton concluded her staff report, adding that the President of Interior Showplace was available to answer any questions.

Member Evans joined the meeting at 9:06 am.

Member Streitz asked if HCDA has any plans for this site; if not, is there an opportunity cost for continuing their lease?

Executive Director Nakamoto answered that the acquisition of this property from Victoria Ward, Ltd., at the time, was for the purpose of developing more affordable housing. However, there are still three other leases on the subject property that will

encumber the site until at least 2026. Therefore, approving this lease extension would not pose much of an opportunity cost, as there are other tenants that would remain on the property. Additionally, the Interior Showplace lease is a triple net lease. If this lease extension is not granted, the HCDA would be left with an empty building to maintain until either another tenant occupies the space, or until plans to develop the property are developed.

There were no further comments or questions from the Board.

Public Testimony

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

MOTION:

Chair Ishii asked for a motion for the Authority to authorize the Executive Director to amend the existing lease with Interior Showplace, dated November 11, 2009, for the property located at 956/958 Queen Street, Honolulu, Hawaii, and identified by Oahu Tax Map Key (1) 2-3-003: 022, to extend the term by an additional one year until May 31, 2025.

Motion was made by Vice Chair Higa. Member Apo seconded the motion.

Ms. Lindsey Doi Leaverton conducted the roll call vote. Motion passed with 8 yes votes, and 0 no votes (1 vacant position.)

Consider authorizing the Executive Director to Execute a Right of Entry with the Honolulu Authority for Rapid Transportation for the Use of a Portion of Halekauwila Street, Cooke Street, and Mother Waldron Neighborhood Park, Identified by Oahu Tax Map Keys (1) 2-1-015-003; (1) 2-1-015:019; (1) 2-1-030:046; (1) 2 1 050:067; (1) 2-1-051:039; (1) 2-3-003:087; and (1) 2-3-004:080 During Construction of the Honolulu Rail Transit Project for a Period of Five Years.

Lindsey Doi Leaverton, HCDA Asset Manager, presented the staff report included in the Kaka‘ako board member packet. Ms. Doi Leaverton highlighted that the Honolulu Authority for Rapid Transportation (HART) plans to conduct utility relocation work and erect columns for the rail transit project, one of which would be located in HCDA’s portion of Mother Waldron Park. She introduced HART representatives Robert Stellmacher, Property Agent, and Vance Tsuda, Deputy Project Director. Mr. Tsuda summarized that underground utility work for column locations and station locations in Segment 3 of the rail project is already in progress, as well as procurements for the city center guideway and station contractor. He provided a general timeline of the rail project over the next few years, highlighting targeted milestones in various areas near the subject area being discussed.

Member Apo asked if there is a plan set in place in the event that *iwi* is found during the underground work in the project areas.

Mr. Tsuda affirmed that HART performs archaeological and cultural monitoring any time there is ground disturbance and adheres to the state process in the event that something is found, with proper notifications to Honolulu Police Department, the Coroner's Office, and the cultural lineal descendants.

Member Apo followed up by asking if a pre-notification to the cultural lineal descendants is made in anticipation and possibility of a discovery, or if notification only occurs after a discovery is made.

Mr. Tsuda answered that there is definitely a notification when a discovery is made. Additionally, HART is planning to perform a supplemental archaeological inventory survey, which they have discussed with lineal descendants recently, in order to receive the lineal descendants' blessing before submitting this plan to the State Historic Preservation Division.

Member Anderson asked why HCDA still has ownership of the roads, and considering the length of the proposed Right of Entry and the progress the City could be making in that time; is there any discussion about just transferring ownership of these road remnants to the City & County of Honolulu?

Ms. Doi Leaverton agreed that it remains the goal of HCDA to transfer all road remnants to the City, as they have all the resources to maintain these roads and have future plans of use. She mentioned that HCDA already began the process of transferring ownership to the City in 2019, but although the City Council approved the transfer, it is still an ongoing process.

Member Streitz asked in the case that the transfer of ownership to the City is not completed within the five years of the proposed Right of Entry, would the Executive Director issue an administrative extension for one year?

Executive Director Nakamoto answered that it may depend on how long that extension would be; if HART needs an extension longer than one year, staff will have to come back to the Board for approval. Ms. Doi Leaverton affirmed Executive Director Nakamoto's answer, and added that the proposal for this five-year Right of Entry should be sufficient so as to avoid having to come to the Board again for additional extensions. If HART's work is completed before the five-year timeline, then the Right of Entry would be terminated when it is no longer needed.

There were no further comments or questions from the Board.

Public Testimony

Chair Ishii called for public testimony. There were no written testimonies received, and 1 inquiry to provide oral testimony.

Treloar Bower, the great-granddaughter of Mother Waldron, requested clarification on HART’s use and construction within Mother Waldron Park, and how those areas would be restored when the work is completed.

Mr. Stellmacher of HART answered that HART’s plan is to erect a column near the intersection at Mother Waldron Park, which is about a 400-square-foot area. He noted that aside from this extent, the rest of the park will be completely untouched. After being asked for further clarification, he explained that there is no plan at this time for any other portion of Mother Waldron Park to be used for storage, staging, or other use. Outside of the installation of the column, should HART disturb anything – vegetation, irrigation, architecture, etc. – he notes HART will restore it as near as possible to the previously existing condition. He reiterated that HART will be relocating utilities and performing archaeological surveys at the column site, but the bulk of the work will be in the road or adjacent to the road. This proposed Right of Entry is utility-focused, so HART would come to the Board again to request a separate Right of Entry for the guideway work (i.e., to erect the column) when the time is appropriate.

MOTION:

Chair Ishii asked for a motion for the Authority to authorize the Executive Director to execute a Right of Entry with the Honolulu Authority for Rapid Transportation for the use of a portion of Halekauwila Street, Cooke Street, and Mother Waldron Neighborhood Park, identified by Oahu Tax Map Keys (1) 2-1-015-003; (1) 2-1-015:019; (1) 2-1-030:046; (1) 2 1 050:067; (1) 2-1-051:039; (1) 2-3-003:087; and (1) 2-3-004:080 during construction of the Honolulu Rail Transit project for a period of five years.

Motion was made by Vice Chair Higa. Member Evans seconded the motion.

Ms. Lindsey Doi Leaverton conducted the roll call vote. Motion passed with 8 yes votes, and 0 no votes (1 vacant position.)

IV. REPORT OF THE EXECUTIVE DIRECTOR

Monthly Report and Other Status Reports

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

Executive Director Nakamoto referred to the report provided in the board packet and highlighted the following:

1. Construction at the Kolowalu Dog Park and construction for the Queen Street crosswalk improvements at Kolowalu Park has started for both projects. Contractors were at the Kolowalu Dog Park doing a test build of

the rock wall, so staff was on site to confirm that it complies with the contract specifications.

2. HCDA received funding for planning for Ilaniwai Street improvements, so an informational briefing meeting was held on January 11, 2024 to address the community of the plans and notify them that surveyors were coming. The information was well-received, and HCDA will update the community as the planning progresses.

There were no comments or questions from the Board.

Public Testimony

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

V. ADJOURNMENT

Chair Ishii thanked those who joined the meeting on Zoom and then adjourned the meeting at 9:34 a.m.

Peter Apo

Peter Apo, Secretary

April 3, 2024

Date Board Approved