

FOR ACTION

I. SUBJECT

Request to Approve the Kalaeloa Community Development District Operating Budget for the Fiscal Year 2024 – 2025 in the amount not to exceed \$375,000 and authorize the issuance of Land User Assessments in the amount not to exceed \$375,000, pursuant to Hawaii Revised Statutes § 206E-196.

II. BACKGROUND

Act 184, Session Laws of Hawaii 2002 (“Act”), established the Kalaeloa Community Development District (“KCDD” or “District”) and designated the Hawaii Community Development Authority (“HCDA” or “Authority”) to act as the local redevelopment authority to facilitate redevelopment of the KCDD.

The Act does not provide staff and operating funds for the HCDA to administer the KCDD, but HRS § 206E-196 authorizes the Authority to assess all landowners, except the federal government, for their proportionate share of the costs associated with administering and operating the KCDD. The assessments shall be based on each landowner's proportionate share of the total acreage of the KCDD. A copy of HRS § 206E-196 is provided as Exhibit A.

HRS § 206E-196(b) provides that the assessment shall be set by the Authority annually, based upon the operating budget for the District, and adjusted for any actual expenditures made in the prior year in excess of the prior approved budget.

III. DISCUSSION

Table 1, on the following page, is a summary of the fiscal year (“FY”) from July 1, 2024 through June 30, 2025 (“FY 25”) proposed Assessment Operating Budget. The FY 25 Assessment Operating Budget was prepared based on the prior FY expenditures..

Table 1

Description	FY 25 Operating Budget
Salary & fringe benefit	\$175,000
Personal Services	110,000
Supplies	5,000
Postage	1000
Telephone	8,000
Transportation & travel	3,000
Equipment rental	5,000
Repair and maintenance	15,000
Service for a fee	42,000
Insurance	5,000
Miscellaneous	1,000
Equipment purchase	5,000
Total	\$375,000

KCDD landowners, and their corresponding land holdings, were updated with information obtained from data on the Hawaii State GIS Program. Table 2, on the following page, summarizes proposed landowner assessment for FY 25.

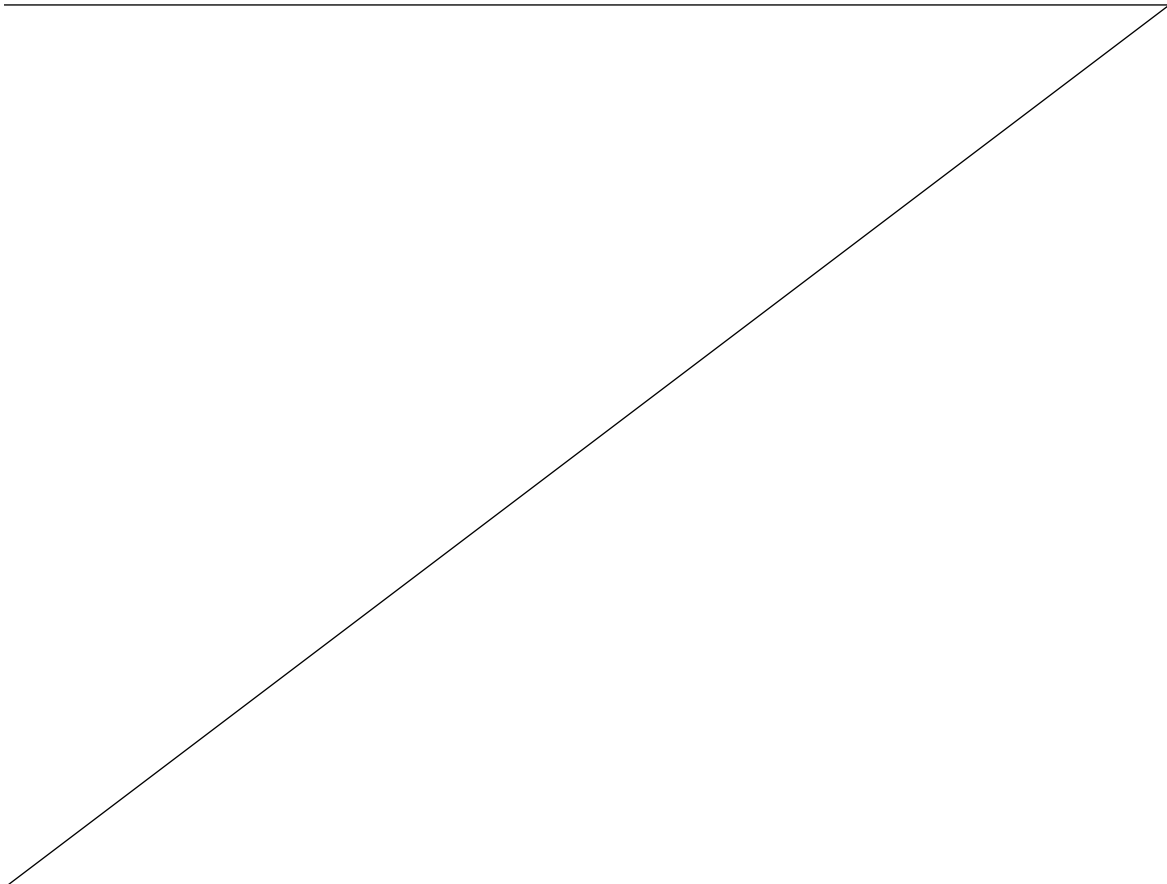


Table 2

Landowner	Land Area* (Acres)	% of Assessment*	FY 25 Assessment
City and County of Honolulu Board of Water Supply	20.03	1.41%	\$ 5,286
State of Hawaii Department of Education	14.46	1.02%	3,816
Eagle River Investors Hawaii LLC	9.46	0.67%	2,497
Aloha Properties	0.94	0.07%	248
Hawaii Community Development Authority	157.20	11.06%	41,490
Hawaii Conference of Seventh Day Adventists	1.21	0.09%	319
State of Hawaii Public Housing Authority	12.29	0.86%	3,244
State of Hawaii Department of Hawaiian Home Lands	555.30	39.08%	146,555
Henkels and McCoy	2.04	0.14%	538
Hunt Communities Hawaii LLC	34.75	2.45%	9,171
Gentry Kalaeloa LLC	10.39	0.73%	2,743
HCHP1, LLC	29.76	2.09%	7,854
VA ALOHA, LLC	9.53	0.67%	2,515
Kaimana Kalaeloa Owner LLC	17.51	1.23%	4,621
Kalaeloa Ventures LLC	106.14	7.47%	28,012
Kalaeloa Ventures LLC (Leased)	292.15	20.56%	77,105
Kalaeloa Water Company	3.66	0.26%	966
Kapolei Infrastructure LLC	20.96	1.48%	5,532
KPV 11 LLC	26.27	1.85%	6,933
Mahana Kalaeloa Owners LLC	15.92	1.12%	4,202
Makai Kalaeloa Owner LLC	44.50	3.13%	11,744
Cloudbreak Hawaii LLC	6.84	0.48%	1,805
University of Hawaii	4.52	0.32%	1,193
Wakea Garden Apartments	25.05	1.76%	6,611
Total	1,420.88	100.00%	\$375,000

*These figures and the proportional ownership may adjust slightly due to parcel size and ownership adjustment/verification, but the total assessment amount will remain the same.

IV. RECOMMENDATION

Approve the KCDD Operating Budget for the Fiscal Year 2024 – 2025 in the amount not to exceed \$375,000 and authorize the issuance of Land User Assessments in the amount not to exceed \$375,000, pursuant to Hawaii Revised Statutes § 206E-196.

Attachments:

Exhibit A – HRS § 206E-196

Prepared By:

Prepared By: Garet Sasaki, Chief Financial Officer 

Reviewed By: Ryan Tam, PhD, Director of Planning and Development 