Hawai'i Community Development Authority Public Hearing (**Decision-Making**) NINETY-NINE YEAR LEASEHOLD PROGRAM ADMINISTRATIVE RULES

SUMMARY

March 5, 2025 – 9:00 a.m.

ATTENDANCE

At-Large Authority Members Present Sterling Higa – Chairperson Chason Ishii – Vice Chairperson Miki'ala Lidstone – Secretary Melissa Miranda Johnson (DOT) Tim Steitz (Honolulu DPP) David Yamashita (Maui DP) Russell Tsuji (BLNR) Michael China Kevin Sakoda Trey Gordner Jo-Ann Leong Debbie Cabebe Glenn Yamasaki

<u>Members Excused</u> Mark Anderson (B&F) Mary Alice Evans (DBEDT) Punihei Lipe

Quorum was met.

Others Present Ryan Tam, HCDA Planning & Development Director Deepak Neupane, HCDA Program Specialist V Francine Murray, HCDA Community Outreach Officer Armaine Tomacder, HCDA Board Secretary Ceylan Kalei, HCDA Administrative Assistant Irene Nakamura, Court Reporter

<u>HCDA Legal Counsel</u> Kevin Tongg, Esq., Deputy Attorney General

LEGAL BASIS AND PURPOSE

Mr. Ryan Tam, HCDA Director of Planning and Development stated that, the public hearing is being convened under the provisions of Hawai'i Revised Statutes, Sections 206E-281 to 294 ("Ninety-Nine Year Leasehold Program"), 1-28.5, 91-3, 92-41, and 206E-5.6, and Chapter 15-219, Hawai'i Administrative Rules ("HAR") to consider the following matter:

Ninety-Nine Year Leasehold Program Administrative Rules.

The proposed administrative rules were presented at the February 5, 2025 Public Hearing

LEGAL NOTICE

A public hearing notice was published in the *Honolulu Star-Advertiser*, *Maui News*, *The Garden Isle*, *Hawaii Tribune-Herald*, and *West Hawaii Today* on Thursday, January 2, 2025.

PROCEDURES FOR HEARING

Chairperson Higa explained that the HCDA staff would present its report, followed by questions and/or comments from Board members, and lastly public testimonies will be called in the order that individuals had signed up. Individual comments would be limited to no more than three minutes, and only Board members would be permitted to ask questions of the public.

Chairperson Higa presided over the public hearing.

STAFF REPORT

Mr. Deepak Neupane, HCDA's Program Specialist V, summarized the staff report on the proposed Ninety-Nine Year Leasehold Program Administrative Rules. He noted the changes and clarifications that were made based on the comments received from the Presentation Public Hearing.

Chairperson Higa asked the Authority if there was any comments or questions about the staff report and the revised administrative rules. There was none.

Chairperson Higa proceeded with accepting public testimony.

PUBLIC TESTIMONY

Since the Notice of the Public Hearing was published on Thursday, January 2, 2025, and written testimony invited, the HCDA had received (4) written testimonies, (1) in support, (2) for comments, and (1) in opposition.

During the hearing, four (4) individuals provided oral testimony remotely. All four testimonies were in opposition of the proposed Ninety-Nine Year Leasehold Program Administrative Rules.

DELIBERATIONS AND DECISION-MAKING

The Authority members were polled to confirm that, after reviewing the Ninety-Nine Year Leasehold Program Administrative Rules, they were prepared to deliberate on the Adoption of the Ninety-Nine Year Leasehold Program Administrative Rules. The following members confirmed they were prepared to deliberate:

Sterling Higa, Chairperson Chason Ishii, Vice Chairperson Miki'ala Lidstone, Secretary Melissa Miranda Johnson (DOT) Tim Steitz (Honolulu DPP) David Yamashita (Maui DP) Russell Tsuji (BLNR) Michael China Kevin Sakoda Trey Gordner Jo-Ann Leong Debbie Cabebe Glenn Yamasaki

Chairperson Higa asked the Authority for any comments or questions on the deliberation.

Member Russell Tsuji asked if the HCDA has developed any affordable rental housing projects in Kakaako, apart from the affordable rental housing projects developed in partnership with the Hawaii Housing Finance and Development Corporation (HHFDC). Mr. Neupane answered that the HCDA has developed several affordable rental housing projects that were funded by the Low-Income Housing Tax Credit (LIHTC) program administered by the HHFDC. He clarified that the affordable rental housing projects were developed on land owned by the HCDA that leased to the developer for sixty-five (65) years. Member Tsuji asked if the decision-making vote is to extend the 65-year lease to a 99-year lease. Mr. Neupane responded that the decision making was not on an extension of the 65-year lease to 99-year, but on a new Ninety-Nine Year Leasehold Program that was established by Act 097, Session Laws of Hawaii 2023.

Chairperson Higa asked if there was any further discussion on the deliberation. There was none.

Chairperson Higa proceeded to ask the Authority if there was a motion to Adopt the Ninety-Nine Year Leasehold Program Administrative Rules, subject to any technical non-substantive comments by the Attorney General and the Legislative Reference Bureau.

Member Glenn Yamasaki motioned for the Authority to Adopt the Ninety-Nine Year Leasehold Program Administrative Rules, and member Trey Gordner seconded the motion.

Chairperson Higa asked if there was any further discussion regarding the motion. There was none.

Mr. Neupane conducted the roll call vote. The motion passed with thirteen (13) "Aye", votes, zero (0) "Nay" votes, three (3) excused, and zero (0) Abstaining.

CLOSING OF THE HEARING

There being no additional public testimony, Chairperson Higa adjourned the public hearing and closed the record.

ADJOURNMENT

The proceedings were adjourned at 9:39 a.m.