

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

**Wednesday, May 7, 2025
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 Boardroom and provided an option to attend virtually (utilizing the State-supported Zoom Meeting platform) for a Regular Meeting on May 7, 2025.

Chairperson Sterling Higa called the May 7, 2025, HCDA At-Large Authority Regular meeting to order at 10:00 a.m.

Acknowledgment that the Meeting is Being Convened Virtually

Mr. Craig Nakamoto, Executive Director, 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.

About 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 Boardroom, Honolulu, Hawai‘i 96813. The HCDA welcomes public comment and public participation via the 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 Higa conducted the roll call. Those present were as follows:

Members Present:

Sterling Higa, Chairperson
Miki‘ala Lidstone, Secretary
Mark Anderson, B&F (Ex Officio)
Mary Alice Evans, DBEDT (Ex Officio)
Tim Streitz, City & County of Honolulu DPP (Ex Officio)
David Yamashita, Maui County DP (Ex Officio)
Ian Hirokawa, DLNR
Michael China, Kakaako
Kevin Sakoda, Kakaako
Trey Gordner, Kalaeloa
JoAnn Leong, Heeia
Punihei Lipe, Heeia

Debbie Cabebe, Pulehunui
Glenn Yamasaki, Pulehunui

Members Excused: Chason Ishii, Vice Chairperson
Melissa Miranda-Johnson, DOT (Ex Officio)
Kalaeloa Member, VACANT

A quorum was present.

Legal Counsel: Kevin Tongg, Deputy Attorney General

Staff Present: Craig Nakamoto, Executive Director
Garet Sasaki, Chief Financial Officer
Lindsey Doi, HCDA Asset Manager
Francine Murray, HCDA Community Outreach Officer
Ryan Tam, HCDA Director of Planning & Development
Armaine Tomacder, HCDA Board Secretary

II. APPROVAL OF MINUTES
Regular Meeting Minutes of April 2, 2025

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

III. FOR INFORMATION & DISCUSSION
Informational Presentation and Update by the HCDA Staff Regarding the State Budget and the Following Bills: H.B. 300, H.D. 1, S.D. 1; H.B. 1007, H.D. 2; G.M.s 558, 559, 688, and 735.

Mr. Garet Sasaki, Chief Financial Officer, presented the update for H.B. 300, H.D. 1, S.D. 1 the operating budget, and explained the CIP budget by project. Mr. Craig Nakamoto, Executive Director presented the update for G.M.s 558, 559, 688, and 735, in which Member Gordner, Secretary Lidstone, Member Cabebe, and Member China, reselectively, were all confirmed by the Senate.

Member Lipe joined the meeting at 10:05 am.

Mr. Nakamoto presented the update for H.B. 1007, H.D. 2, which was intended to allow HCDA to assist other State and County agencies and restructure the TOD boards into a program that will report to the General Authority board. He explained the revisions to the bill, which included allowing HCDA to issue bonds and establish community facility districts, exercise powers outside of development districts, and establish a TOD partnership board under HCDA. The latter provision was ultimately removed, but resulted in a TOD board under HCDA that consists of the General Authority board members and six additional board members (two TOD experts as voting members, and the senate and house chairpersons of the committees having jurisdiction over

transportation and housing as non-voting ex officio members). The above-described board will be the governing board only for matters related to Chapter 206E, Part X.

Member Streit asked if any of the projects listed in the CIP budget request would follow the process outlined in H.B. 1007.

Mr. Nakamoto and Mr. Sasaki answered that the Iwilei-Kapalama funding request would be administered under the H.B. 1007's provision, therefore if funding is approved by the Legislature, HCDA would approach the newly-established board to authorize the Executive Director to award and expend the funds.

Member Streit asked if HCDA has plans on the distribution of bonds, what the process would look like, and if there is any involvement with the City. Member Streit and Mr. Nakamoto emphasized the need for coordination and collaboration between the City and State.

Chair Higa noted that the H.B. 1007 provides clear implications of what HCDA may evolve into in the near future, and encouraged board members to familiarize themselves with this legislation and the processes that may be involved.

There were no further comments or questions from the board members.

Public Testimony

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

Findings and Recommendations of the Permitted Interaction Group Established at the March 5, 2025, At-Large Board Meeting, Pursuant to Section 92-2.5(b), Hawaii Revised Statutes, for the Purpose of: (i) Conducting the Executive Director's Annual Performance Review, and (ii) Establishing the Executive Director's new 1-, 3-, and 5-year goals and accordingly amend the Agency's Strategic Plan adopted by the Authority at the June 5, 2024 General Authority Meeting.

The Authority may convene in executive session pursuant to HRS § 92-5(a)(2) to consider the hire, evaluation, dismissal, or discipline of an officer or employee or of charge brought against the officer or employee, where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held.

Mr. Craig Nakamoto, Executive Director, presented the staff report provided in the board packet. He stated that the Permitted Interaction Group ("PIG") members met on April 9, 2025 to assess the goals achieved or still in progress in the June 5, 2024 Strategic Plan and the performance of the Executive Director, as well as make recommendations to the PIG on the new 1-, 3-, and 5-year goals for the Agency.

Member Streit noted that certain goals were "subject to legislative funding," and asked

if there is consideration to shift the timeline of the annual review.

Mr. Nakamoto answered that the annual reviews of the Strategic Plan and Executive Director's performance are conducted together, and because it aligns with the Executive Director's hire date, it is around the time of Legislative Session each year. For this reason, goals that are subject to funding are still included in order to proactively plan as an agency, and they may be modified later.

Member Yamashita asked if the Kaka'ako Makai Planning goal includes land owned by Kamehameha Schools, and if the goal is to reconcile the difference of development opinions within the landowners.

Mr. Nakamoto affirmed that the Kaka'ako Makai Planning efforts encompasses all lands within the Kaka'ako Makai area defined in the Master Plan. He explained that the overarching reason for the Kaka'ako Planning efforts is to update the Rules, as the Legislature has recently been focusing on the possible land use of the area.

Member Streit asked if the goals recommended in the Strategic Plan seem manageable to the HCDA staff.

Mr. Nakamoto answered that the amount of high-priority goals reflects the Legislature's sentiment to expedite certain projects. He reiterated that certain projects may take more time to encumber funds.

Member Gordner pointed out clerical errors for correction, and asked if an informational session on the process of bond issuance will be provided.

Mr. Nakamoto affirmed that the corrections will be made, and the subject of bond issuance is still pending legislation. He noted that once approved by the Governor, then the briefing will be provided.

There were no further comments or questions from the board members.

Chair Higa called for a motion for the Authority to convene in an executive session, pursuant to HRS § 92-5 (a)(2) to consider the evaluation of an employee, where consideration of matters affecting privacy will be involved.

A motion was made by Member Cabebe and seconded by Member Evans.

There was no discussion on the motion. Chair Higa called for a voice vote; all members unanimously affirmed. Chair Higa requested the following individuals to join the board in the Executive Session: HCDA Executive Director, Craig Nakamoto; HCDA Chief Financial Officer, Garet Sasaki; HCDA Deputy Attorney General, Kevin Tongg; and HCDA Staff Members, Lindsey Doi and Armaine Tomacder.

Pursuant to Section 92-5(a)(2), Hawaii Revised Statutes, the Authority convened in Executive Session at 10:50 a.m.

The Authority met in Executive Session until 11:21 a.m.

Chair Higa reconvened the public meeting at 11:21 a.m.

Chair Higa summarized that the permitted interaction group members shared with the other board members their evaluation of the Executive Director's performance for the past year and a possible compensation adjustment. No votes were taken, and no decisions were made.

There were no comments or questions from the Board.

Public Testimony

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

IV. REPORT OF THE EXECUTIVE DIRECTOR

Monthly Report and Other Status Reports

a. Monthly Financial Highlights for March 2025

Mr. Craig Nakamoto, Executive Director, referred to the report provided in the board packet, and stated that Mr. Garet Sasaki, Chief Financial Officer, is available for questions.

Member Evans asked if a transfer into the He'eia Community Development Special Fund is needed to cover the expenses for the upcoming quarter.

Mr. Sasaki and Ms. Doi noted that the balance is modest, but answered that all expenses are the responsibility of the sole lessee, Kāko'o 'Ōiwi.

Member Gordner asked if the remaining legislative appropriation for supportive housing will be encumbered before its lapse date.

Mr. Sasaki clarified that the report is as of March 31, 2025. He noted that an acquisition was made in April 2025, and any remaining funds will be used for additional improvements or supportive housing projects in the district, to be encumbered by the end of May 2025.

There were no further questions or comments by the Board.

Public Testimony

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

V. **ADJOURNMENT**

Chair Higa thanked those who joined the meeting in person and on Zoom, and adjourned the meeting at 11:26 a.m.

Miki‘ala Lidstone, Secretary

Date Approved by the Board