

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

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)
Michael China
Kevin Sakoda

Members Excused:

Chason Ishii, Vice Chairperson
Melissa Miranda-Johnson, DOT (Ex Officio)

A quorum was present.

Legal Counsel:

Kevin Tongg, Deputy Attorney General

Staff Present:

Craig Nakamoto, HCDA Executive Director
Garet Sasaki, HCDA 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
Update by HCDA Staff on Performance Metrics for the Honuakaha Senior Rental Housing Project, Located at 545 Queen Street, Honolulu, Hawaii, 96813.

Mr. Garet Sasaki, Chief Financial Officer, presented the staff report included in the board packet. He explained the report formatting, current and upcoming renovations in relation to the reported funds, and highlighted the amount of tenant receivables. Mr. Sasaki and Ms. Doi explained that the rent delinquencies may be related to the transition in property management and the challenges of onboarding the tenants to the new electronic rent payment system. They affirmed that they are working with property management and delinquent tenants to resolve the issues.

Member Sakoda expressed concerns with future management of the asset, and asked what the long-term goals are.

Mr. Sasaki answered that the short-term goals are to increase the property management's proactivity to avoid delinquencies, decrease the turnaround time for unit renovations, and standardize management processes. Mr. Nakamoto added that disposition of the asset remains a long-term goal, and the options are being considered internally.

Member Streitz asked for clarification of the common area maintenance fees.

Ms. Doi answered that the common area maintenance fees associated with the senior rental units are paid to the Honuakaha AOA, which is included as an expense in the reported Total Actual Expense figure.

Member Evans asked how the parcel of land is broken down by tax map keys.

Ms. Doi responded that the property is CPR-ed, with each owner having a separate TMK number for their property. This includes the senior rental units, which is a single

TMK owned by the Honuakaha Limited Partnership.

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 testimony were received.

Update by the HCDA Staff on Funds to be Used for Renovation and Rehabilitation of Rental Units and Other Systems Located in the Honuakaha Senior Rental Project located at 545 Queen Street, Honolulu, Hawaii 96813.

Mr. Nakamoto presented the update. He recognized the Governor, Governor's Chief of Staff, and DHS's Deputy Director for their efforts to provide HCDA with funding for the renovation of units at the Honuakaha Senior Rental Project. A memorandum of agreement with the Department of Human Services and the State Department of Budget & Finance for the use of the funds, and a matrix of improvements will be submitted. The procurement will be performed by HCDA staff and paid for by Special Funds, and then reimbursement for a maximum of \$1 million will be sought from DHS.

Mr. Nakamoto and Mr. Sasaki explained that this funding supports the short-term goal to renovate both vacant and occupied senior rental units in order to encourage a positive overall cash flow for the Honuakaha senior rental project.

There were no 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 testimony were received.

Update by the HCDA Staff on the Proposed Acquisition by HCDA of that Certain Vacant Parcel of Land Located within the HCDA's Kaka'ako Community Development District, identified by Oahu Tax Map Key Number 2-1-030:012, with a Postal Address of 586 South Street, Honolulu, Hawaii 96813 ("586 South Street Parcel"), for the Purpose of Acquiring Said Parcel for the Development of Either Supportive Housing or Affordable Housing.

Mr. Craig Nakamoto, Executive Director presented the update. He explained that the 586 South Street Parcel was acquired by HCDA at the end of April 2025, and there is \$34 million in legislative funding, over two fiscal years, for the plan, design, and construction of supportive housing. The first step is to perform an archaeological inventory survey and archaeological monitoring plan for the property in preparation to procure a developer for the site.

There were no 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 testimony were received.

IV. REPORT OF THE EXECUTIVE DIRECTOR

Monthly Report and Other Status Reports

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

Mr. Nakamoto referred to the Executive Director report provided in the board packet. He noted an error to the report, stating the Ālia project was unintentionally omitted from the list of Developments Under Construction. He highlighted setbacks at the Kolowalu Park, including vandalism to the irrigation system and the entry gates, as well as ongoing landscaping maintenance. While possible long-term solutions are still being considered to mitigate these issues, the large-dog side Kolowalu Dog Park is set to close on May 12 in order to rehabilitate the landscaping and fix the entry gate. Mr. Nakamoto also noted that Kanoa Winds recently installed their VCCT wind turbine in Kaka‘ako at Lot C, which is currently being used for research purposes only.

Member Sakoda suggested engaging the community to police unwanted behavior and vandalism at the dog park.

Secretary Lidstone agreed with Member Sakoda’s suggestion as it has helped in her personal experiences, and encouraged Mr. Nakamoto to continue acknowledging and addressing the issues.

Member Streitz suggested that the staff be mindful of the times that these acts occur as there may be a pattern in these crimes. He also suggested establishing a “Friends of the Park” group to help with security and maintenance of the facility. Member Streitz asked if a tour or presentation of the Kanoa Winds wind turbine could be arranged.

Mr. Nakamoto received the suggestions to the park issues, and answered that a tour can be arranged so long as Sunshine Law can be adhered to.

There were no further questions or comments by the Board.

Public Testimony

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

V. ADJOURNMENT

Chair Higa thanked those who joined the meeting on Zoom and then adjourned the meeting at 9:46 a.m.

Miki‘ala Lidstone, Secretary

Date Approved by the Board