

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

**Wednesday, April 2, 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 April 2, 2025.

Chairperson Sterling Higa called the April 2, 2025, HCDA At-Large Authority Regular meeting to order at 9:00 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
Chason Ishii, Vice 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)
Michael China, Kakaako
Kevin Sakoda, Kakaako
Trey Gordner, Kalaeloa
JoAnn Leong, Heeia
Punihei Lipe, Heeia

Debbie Cabebe, Pulehunui
Glenn Yamasaki, Pulehunui

Members Excused: Melissa Miranda-Johnson, DOT (Ex Officio)
Russell Tsuji, BLNR (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
Tommilyn Soares, HCDA Executive Secretary

II. APPROVAL OF MINUTES
Regular Meeting Minutes of March 5, 2025

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

III. FOR INFORMATION & DISCUSSION
Informational Presentation by the HCDA Staff on a Legislative Proposal to Transition the Kakaako Community Development District, Established under Section 206E-32, Hawaii Revised Statutes, to the City and County of Honolulu, and Discussion of Possible Next Steps.

Mr. Craig Nakamoto, Executive Director, presented the staff report provided in the board packet. He noted that transitioning the governance of the Kaka‘ako CDD from HCDA to the City has come up during this Legislative Session, and although the relevant bill was deferred, the possibility of this transition is inevitable in the future. While there is no definitive timeline, Mr. Nakamoto explained that it has been a five-year goal in the HCDA Strategic Plan and therefore, suggested that a permitted interaction group be constituted at a future meeting to study how the transition may be executed. Some topics for discussion may include: liabilities, developer credits, shared equity, remnant road parcels, permitting projects, land transfers, and governing zoning rules moving forward.

Vice Chair Ishii asked for clarification on how this idea arose.

Mr. Nakamoto answered that the City & County of Honolulu did not approach HCDA about this matter, but rather, it arose in a proposed amendment to S.B. 534, which has since been deferred indefinitely.

Vice Chair Ishii commented that Block G should be taken into consideration during the PIG study.

Member Yamashita asked if there was forethought of the transition when the HCDA was established, and asked if there are other examples of transitioned development districts in the country, which may set a precedence for the transition of Kaka‘ako from HCDA to the City.

Mr. Nakamoto answered that HCDA was established as a redevelopment agency for Kaka‘ako, and redevelopment agencies were never thought to govern indefinitely. He stated that some HCDA-owned properties may need to be looked into if they will be retained as assets.

Chair Higa added that there is an added layer of difficulty because both HCDA and the City have jurisdiction in the district.

Member Yamashita commented that it will be a large undertaking to not only plan and develop assets, but also to manage and maintain them. He commented that this should be considered during the PIG’s discussion.

Vice Chair Ishii answered that it was taken into consideration during the HCDA-to-City transfer of the parks in the Kakaako Makai area.

Mr. Nakamoto stated that he is indifferent about the possibility of transitioning Kaka‘ako to the City, as it is not implying an end to HCDA as an agency but rather, can be seen as an opportunity to be more impactful in the other HCDA districts and statewide.

Member Streitz asked about the status of outstanding buyer reports and whether the central portion of Kaka‘ako has fully met the criteria for development.

Mr. Nakamoto referred to Exhibit A which outlined status reports on various projects and district progress.

Member Sakoda asked how the flow of funding to HCDA will be affected.

Mr. Nakamoto answered that it is possible to receive legislative funding for Kaka‘ako projects, though the likelihood is expected to be low during the transition. Funding towards other districts are not expected to be affected.

Member Streitz asked what obstacles were faced during the transfer of the parks in the Kaka‘ako Makai area.

Ms. Doi answered that maintenance improvements needed to be made during the parks transfer, and HCDA funding was provided to the City, allegedly for deferred maintenance items. The maintenance improvements were not anticipated at the

beginning of the process and therefore funding was not requested from the legislature, though she speculated that it could have been in order to avoid having HCDA carry the costs.

Chair Higa agreed with the constitution of a permitted interaction group, and suggested that it consist of representatives from HCDA, the State who may be involved in making funding decisions, and the City who may be involved in conveyance and making funding decisions.

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 testimonies were received.

Informational Presentation and Update by the HCDA Staff Regarding the Following Bills: H.B. 1007, H.D. 2; H.B. 818, H.D. 2, S.B. 534, S.D.1, and G.M. 735.

Mr. Craig Nakamoto, Executive Director, presented the legislative updates. G.M. 735 proposed the appointment of Member Michael China to the Kaka‘ako board. S.B. 534, S.D.1, which has been deferred indefinitely, proposed to allow residential development in Kaka‘ako Makai as well as a 400-foot height limit on select parcels. H.B. 818, H.D. 2, which has been deferred indefinitely, proposed to establish the Waiakea Peninsula as an HCDA development district and to transfer DLNR land and leases to HCDA. Mr. Nakamoto expects H.B. 818 to be reintroduced next session, and will plan to use the \$1 million in last year’s budget to proactively begin the master planning process. H.B. 1007, H.D. 2, S.D. 2, which is HCDA’s administrative bill, proposed to allow HCDA to assist other state agencies and restructure the TOD boards into a program that will report to the General Authority board. Mr. Nakamoto explained that there were suggested amendments to allow HCDA to issue bonds in TOD areas, exercise powers outside of development districts, and establish a TOD partnership board under HCDA, with the ability to act independently. Mr. Nakamoto stated his concerns that the TOD partnership board will create redundancies between the efforts of HCDA and the TOD Intra Agency Council, and the Office of Planning and Sustainable Development (“OPSD”) and that the TOD partnership board may be able to circumvent essential processes in place.

Member Evans stated that OPSD testified with strong concerns against the TOD partnership board because it will be redundant to the efforts of the TOD Council and its partners in the State and County, who are already established and equipped with the same tools.

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.

IV. REPORT OF THE EXECUTIVE DIRECTOR

Monthly Report and Other Status Reports

a. Monthly Financial Highlights for February 2025

Mr. Craig Nakamoto, Executive Director, referred to the report provided in the board packet.

There were no 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 9:50 a.m.



Miki'ala Lidstone, Secretary

May 7, 2025

Date Approved by the Board