

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

**Wednesday, September 3, 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 September 3, 2025.

Chairperson Sterling Higa called the September 3, 2025, HCDA Kaka‘ako Authority Regular meeting to order at 10:30 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
Chason Ishii, Vice Chairperson
Melissa Miranda-Johnson, DOT (Ex Officio)
Mary Alice Evans, DBEDT (Ex Officio)
Tim Streitz, City & County of Honolulu DPP (Ex Officio)
Kevin Sakoda

Members Excused:

Miki‘ala Lidstone, Secretary
Mark Anderson, B&F (Ex Officio)
Michael China

A quorum was present.

Legal Counsel:

Kelly Suzuka, Deputy Attorney General
Kevin Tongg, Deputy Attorney General

Staff Present:

Craig Nakamoto, HCDA Executive Director
Garet Sasaki, HCDA Chief Financial Officer
Lindsey Doi, HCDA Asset Manager
Craig McGinnis, HCDA Director of Capital Improvements
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 August 6, 2025

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

III. DECISION MAKING

Consider Authorizing the Executive Director to Grant a Non-Exclusive Easement to New Cingular Wireless PCS, LLC for the purposes of installing and maintaining a grounding rod located at Kolowalu Park, Honolulu, Hawaii, and further Described by TMK (1) 2-3-004-080 (por.).

Ms. Lindsey Doi, Asset Manager, presented the staff report provided in the board packet. She explained that the small cell site will be installed on an existing HECO pole outside of the Kolowalu Mauka Park. New Cingular Wireless PCS, LLC's easement request is to install a grounding rod near the HECO pole as a safety feature for the equipment. Ms. Doi noted that Nicole Caldwell, representative for New Cingular Wireless PCS, LLC was present to address any questions.

Member Streitz asked to clarify the specific location of the grounding rod.

Ms. Doi referred to the map provided in the board packet and clarified that it would be on the sidewalk, near the existing HECO pole that the small cell site is installed on. She noted that it will not cause obstacles for pedestrians and will be as minimally invasive as possible.

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

Public Testimony

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

MOTION:

Chair Higa asked for a Motion for the Board to Authorize the Executive Director to Grant a Non-Exclusive Easement to New Cingular Wireless PCS, LLC for the

purposes of installing and maintaining a grounding rod located at Kolowalu Park, Honolulu, Hawaii, and further Described by TMK (1) 2-3-004-080 (por.), in Accordance with the Terms and Conditions Described in This Staff Report and undertake all tasks necessary to effectuate the purpose(s) of this For Action.

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

Ms. Doi conducted the roll call vote. Motion passed with 6 ayes, 0 nays, and 3 excused.

Consider Authorizing the Executive Director to Schedule Hearings Pursuant to Chapter 91, Hawai'i Revised Statutes ("HRS"), and Chapter 201M, HRS, Regarding A Proposed Amendment to the 2024 Kaka'ako Mauka Area Rules, Chapter 15-217 ("2024 Mauka Area Rules"), Hawai'i Administrative Rules, Section 15-217-57(c) to Change the Maximum Floor Area Ratio from 3.5 to 1.5 to Address Inadequate Infrastructure and Floor Area Requirements in the Central Kaka'ako Neighborhood Zone.

Mr. Ryan Tam, Director of Planning and Development, presented the staff report provided in the board packet. In 2016, the City and County of Honolulu adopted Ordinance 16-21, which designated Central Kaka'ako as a demonstration area for a ten-year period to preserve small business industrial uses from development pressures associated with the future rail stations in Kaka'ako. The ordinance required HCDA to certify that the maximum floor area ratio ("FAR") for this area was 1.5. He explained that revisions in the 2024 Kaka'ako Mauka Area Rules included an update to the definition of floor area ratio and an adjustment to the maximum allowable floor area ratio, which had an unanticipated consequence of potentially making these businesses ineligible for this tax exemption.

Over the last ten years, approximately 143 parcels have taken advantage of the program. In the last several years, however, about 50 to 70 applicants per year have requested certification. Total fiscal impact to the city is about \$800,000 to \$1,000,000 per year. On average, property owners have had their taxes reduced by about \$12,000 per year, but ranges up to \$70,000. Mr. Tam summarized that the request is to allow HCDA to schedule hearings to revise the Kaka'ako Mauka Area Rules with a re-adjustment to 1.5 maximum allowable FAR and related floor area issues.

Mr. Nakamoto reiterated that the request to schedule public hearings is solely for the purpose of addressing the floor area ratio issues in the Kaka'ako Mauka Area Rules. He noted that HCDA is working with the City as well, and Councilmembers Dos Santos-Tam and Nishimoto have introduced Council Bill 61 to address this issue and proposes to make the effect retroactive to January 2024.

Member Sakoda asked if the decision to adjust the floor area ratio definition and limit was driven by the new developments and parking.

Mr. Tam explained that the change to include above-ground parking in the floor area

calculation was meant to provide developers with the flexibility to decide if they would prioritize parking, housing, or retail space.

Member Streitz suggested that a more appropriate action would be for the Board to support the City's Bill 61 and see it passed, rather than taking action to lower the FAR in a transit oriented development ("TOD") area. He noted that he prefers to defer this action to see how Bill 61 proceeds through the Honolulu City Council.

Mr. Nakamoto shared that he would prefer not to rely solely on the passage of Bill 61, and noted that potential issues may arise. He explained that the Real Property Assessment Division ("RPAD") would only be satisfied if the Mauka Area Rules stated a 1.5 maximum FAR to align with the Ordinance 16-21. Bill 61 proposes to allow exemptions within a range of 1.5 to 3.5 FARs to account for the current misalignment.

Member Evans responded to Member Streitz's comment, noting that the economy and businesses are very much a part of providing for the quality of life of residents. Although the inclusion of parking in the FAR calculation has its benefits, Kaka'ako was historically a business district with small lots, small landowners, and thriving businesses. Member Evans noted that the proposed recommendation before the board is a good one.

Chair Higa reminded the Board that the presented action is to authorize the Executive Director to schedule hearings only, but does not require the change in the Rules. This would ensure that efforts are being made in every possible option for resolution, whether at the City with Bill 61 or at HCDA with a rule change. Mr. Nakamoto added that authorization at this meeting will be most efficient, which will be advantageous in the event that the other options are unsuccessful.

Member Streitz asked what happens if Bill 61 is passed, and if the rule change is an unnecessary effort and creating more work for the Agency.

Mr. Nakamoto acknowledged that the rule amendment is creating more work, but feels personally that action should be taken. He noted that though the consequence was inadvertent, HCDA should do everything within its power to correct the issue on our side.

Member Streitz noted that the FAR change was purposeful to incentivize TOD. Mr. Nakamoto responded that this incentive was done jointly with the elimination of the parking minimums.

Chair Higa asked HCDA staff if it is possible to modify the rules in a way that would certify projects at a maximum 1.5 FAR, but that Member Streitz's concern is that over the long run, we would want to increase the floor area ratios of these parcels to result in greater development.

Member Evans commented that while a compromise may seem like a solution, it may not be effective, as RPAD tends to interpret assessments and qualified exemptions as strictly as possible.

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

Public Testimony

Chair Higa called for public testimony. There was 1 written testimony were received, and 6 inquiries to provide oral testimony.

- Brad Nicholai, JN Group: Commented that HCDA should have more stakeholder input when discussing and making decisions regarding affordable housing developments. He opposed current affordable housing projects proposed for P-1, P-2, and P-3 on the basis that there is insufficient stakeholder input.
- Eric Clark, AOA Symphony and Vanguard board member: Asked the Agency to look at other areas for affordable housing development, as fees are rising in Kaka‘ako and it may not allow the project or the community to remain affordable.
- Sarah Freeman, Kaka‘ako resident and small business owner: Requested that HCDA allow F45 to remain as a tenant at 956 Kawaiahao Street until redevelopment is set to begin.
- Keith Winnecott, F45 Owner and Kaka‘ako resident: Asked various questions regarding current and future tenancy at 956 Kawaiahao Street/955 Waimanu Street, and will submit the questions in writing as requested by Chair Higa.
 - Mr. Nakamoto answered that there is no intention to prematurely terminate F45’s lease, but noted that there is proposed development for that parcel that will occur inevitably.
- Ariel White, F45 employee: Asked HCDA to further seek stakeholder input in decisions that affect Kaka‘ako, and to consider changing the board meeting time and location so more community members can participate.
- Richard Li, F45 member: Commented that F45 makes a positive impact in the community and it should be taken into consideration in making decisions.

MOTION:

Chair Higa asked for a Motion for the Board to Authorize the Executive Director to Schedule Hearings Pursuant to Chapter 91, Hawai‘i Revised Statutes (“HRS”), and Chapter 201M, HRS, Regarding A Proposed Amendment to the 2024 Kaka‘ako Mauka Area Rules, Chapter 15-217 (“2024 Mauka Area Rules”), Hawai‘i Administrative Rules, Section 15-217-57(c) to Change the Maximum Floor Area Ratio from 3.5 to 1.5 to Address Inadequate Infrastructure and Floor Area Requirements in the Central Kaka‘ako Neighborhood Zone.

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

Member Streitz raised concerns that the proposed change to the Kaka‘ako Mauka Area Rules will affect development density and accountability for parking, but is willing to start the process, receive feedback, and later make a final judgment.

Mr. Tam conducted the roll call vote. Motion passed with 5 ayes, 1 aye with reservations by Member Streitz, 0 nays, and 3 excused.

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. Craig Nakamoto, Executive Director, referred to the report provided in the board packet. He noted that the Kolowalu Small Dog Park will be closed indefinitely due to an unauthorized dumping of mulch, which is incompatible with the existing mulch and unsafe for dogs. Ilaniwai Street improvements have commenced with preliminary designs from Wilson Okamoto Corporation. He notes that community outreach will occur and anticipate an update in Q4.

Chair Higa asked for details on the unauthorized dumping of mulch.

Ms. Doi answered that it was a substantial amount of mulch that cost approximately \$500 to the Agency for removal.

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 on Zoom and then adjourned the meeting at 11:34 a.m.

Miki'ala Lidstone, Secretary

Date Approved by the Board