

**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
REGULAR MEETING**

November 14, 2019

MINUTES

The Board of Directors (Board) of the Hawaii Housing Finance and Development Corporation (HHFDC) met for their regular meeting at their office, located at 677 Queen Street, Suite 300, Honolulu, Hawaii, on Thursday, November 14, 2019, at 9:00 a.m.

With a quorum present, Vice Chair Donn Mende called the meeting to order.

Those present and excused were as follows:

Present: Director Donn Mende, Vice Chair
Director Rona Fukumoto, Secretary
Director Gary Mackler
Director Melvin Kahele
Director George Atta
Director Mike McCartney
Director Sara Lin

Executive Director Craig Hirai

Excused: Director Leilani Pulmano, Chair
Designee Robert Yu for Director Neal Miyahira

Staff Present: Sandra Ching, Deputy Attorney General
Matthew Dvonch, Deputy Attorney General
Janice Takahashi, Chief Planner
Darren Ueki, Housing Finance Manager
Deepak Neupane, Development Branch Chief
Dean Minakami, Development Section Chief
Dean Sakata, Housing Finance Specialist
Jocelyn Iwamasa, Housing Finance Specialist
Kent Miyasaki, Housing Information Officer
Esa Pablo, Secretary to the Board

Guests: Mark Hashem, State House
Jesse Wu, HUD
Christopher Abbott, Bank of Hawaii
Denise Iseri-Matsubara

Director Kahele moved, seconded by Director Atta

That the regular meeting minutes of October 10, 2019 be approved.

The motion was carried unanimously.

Development's Section Chief Dean Minakami and Branch Chief Deepak Neupane presented the For Action, stating staff's recommendation for the Board's consideration:

That the HHFDC Board of Directors approve the following, substantially as described in this For Action:

A. Preparation of a Master Plan and Environmental Assessment (EA) or Environmental Impact Statement (EIS), as applicable, for

**I.
CALL TO
ORDER/
ROLL CALL**

**II.A.
APPROVAL
OF MINUTES**
Regular
Meeting
10/10/19

**III.A.
DISCUSSION
AND/OR
DECISION
MAKING**
Approve: (1) a
Budget from the
Dwelling Unit
Revolving Fund
("DURF") to
Prepare a Master

Infrastructure Improvements and Development/Redevelopment of State-owned properties near the Iwilei Transit Station;

- B. Authorize the Executive Director to enter into Memorandum of Understands (MOUs)/Memorandum of Agreements (MOAs) with various State and City agencies and stakeholders for the preparation of a Master Plan and EAs or EIS, as applicable, for Infrastructure Improvements and Development/Redevelopment of properties and establishment of a regional State infrastructure subaccount with the City.
- C. Approval of a budget of up to \$5.0 million from the Dwelling Unit Revolving Fund (DURF) for the Project, as such budget may be amended by the Executive Director; and,
- D. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action;

Subject to the following:

- A. Availability of DURF funds;
- B. Approval of release of DURF funds by the Governor; and
- C. Compliance with all laws and rules, and such other terms and conditions as may be required by the Executive Director.

Director Kahele moved, seconded by Director Atta

That staff's recommendation be approved.

Minakami stated that development of the Honolulu rail transit project and Iwilei Transit Station presents an opportunity to evaluate State-owned lands near to the station and optimizes their use to support the state's goals for Transit-Oriented Development (TOD). Significant off-site infrastructure upgrades and MOUs/MOAs with various State and City agencies, and other stakeholders, will be necessary to enable redevelopment of the State-owned properties and preparations for a Master Plan and EAs/EIS.

Exhibit A was referenced, providing a map of the State-owned parcels under consideration:

- 1. Liliha Civic Center – HHFDC entered into a MOU with the Department of Accounting and General Services (DAGS) in 2017;
- 2. A'ala Park (southern portion);
- 3. Kalanihuia Apartments – property owned by Hawaii Public Housing Authority;
- 4. Kukui Gardens – long term lease from HHFDC to EAH Housing; and
- 5. Mayor Wright Homes – HPHA entered into a Development Agreement with MWH Partners, LLC in 2017.

Minakami summarized the scope of work for the planning, stating that the estimated cost for the preparation of a Master Plan and EAs or EIS is \$5.0 million.

Director Mackler inquired about staff's estimated timeline to complete the scope of work for the master planning. Neupane stated that if the Board should approve the For Action today, staff will start on its contract to select a consultant, which is estimated to take between three to five months. From there to the end of the EIS, the timeframe is anticipated to take between two and a half to three years. Executive Director Craig Hirai added that most of the ground work has been laid and further clarification with HPHA is to be consummated.

Plan and
Environmental
Assessment/
Environmental
Impact Statement
for Infrastructure
Improvements and
Development/
Redevelopment of
Various
State-Owned
Properties Near the
Iwilei Transit
Station, TMK Nos.:
(1) 5-007: 001; (1)
7-026: 006, 053; (1)

Director Mackler asked about staff's procurement method – looking to one firm to do the planning and engineering, or separate. Neupane stated that staff is looking to one firm for all its planning, selecting its prime consultant through the 103D Professional Services. However, going through the Requests for Proposals or Requests for Quotes process could also be an option. All other technical expertise (i.e., engineering) would be a subconsultant managed under the prime consultant selected.

Director Lin commented on how prior discussions led up to this opportunity to look at all State-owned land in the area and asked for clarification on legislative appropriation of funds to DURF for infrastructure planning. Executive Director Hirai clarified that there was no specific amount allocated for such infrastructure planning but is formally a part of the \$42 million in DURF that was appropriated this fiscal year.

Director Atta asked how the project would tie in with the City and County of Honolulu's (City's) TOD plan. Neupane stated that staff will use the City's TOD plan as a starting point, in terms of, but not limited to, density and heights, which vary in the area, of up to 300 feet.

Director McCartney inquired about zoning. Executive Director Hirai stated that the City's TOD plan is not yet in the zoning stages. Minakami further stated that once the City adopts the TOD plans, zone changes will be implemented accordingly.

Director McCartney suggested that staff also collaborate with the Department of Land and Natural Resources on its findings with the land to assist HHFDC's planning.

In response to Director Mackler, Executive Director Hirai stated that the scope of agreements will vary with each parcel.

There being no further discussion, the motion was carried unanimously.

Chief Planner Janice Takahashi presented the For Action, stating staff's recommendation for the Board's consideration:

That the HHFDC Board of Directors:

- A. Approve the recommendations of the Qualified Allocation Plan (QAP) Subcommittee.
- B. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action.

Director Kahele moved, seconded by Director Atta

That staff's recommendation be approved.

Takahashi stated that since the presentations of the QAP Subcommittee's findings and recommendations to the Board in August and October 2019, there has been no change to the final report.

As a member of the QAP Subcommittee, Director Lin thanked staff for their efforts in finding a balance between what works for the agency, fiduciary duties, and development partners. The Board concurred.

There being no further discussion, the motion was carried unanimously.

Vice Chair Mende proceeded to agenda item III.C. and asked for a motion to go into executive session pursuant to Section 92-5(a)(2) and/or Section 92-5(a)(4).

Director Fukumoto moved, seconded by Director Atta

**III.B.
DISCUSSION
AND/OR
DECISION
MAKING**
Approve the
Recommendations
of the Qualified
Allocation Plan
Subcommittee

**III.C.
DISCUSSION
AND/OR
DECISION
MAKING**
Selection and Hiring

That the Board convene in executive session at 9:30 a.m.

The motion was carried unanimously.

The Board reconvened in regular session at 9:44 a.m.

Director Kahele moved, seconded by Director McCartney

To hire Denise Iseri-Matsubara as the new Executive Assistant, at \$135,000.00 a year, with the start date to be determined by the Executive Director.

The motion was carried unanimously.


Vice Chair Mende proceeded to the Report of the Executive Director.

Executive Director Hirai stated that staff continues to work with the Department of Budget and Finance on funding availability and HHFDC 2020 Legislation proposals.

There being no further business on the agenda, Director Kahele moved, seconded by Director Fukumoto

That the meeting be adjourned at 9:46 a.m.

The motion was carried unanimously.



RONA FUKUMOTO
Secretary

of an Executive Assistant

EXECUTIVE SESSION

9:30 a.m.

RECONVENED

9:44 a.m.

**IV.
REPORT
OF THE
EXECUTIVE
DIRECTOR**

**V.
ADJOURNMENT**

9:46 a.m.