

DEVELOPMENT BRANCH MONTHLY STATUS REPORT

May 13, 2021

I. Development Section (DS)

A. Kamakana Villages (Kona, Hawaii)

1. On April 20, 2021, the Commission on Water Resources Management heard Natural Energy Laboratory of Hawaii Authority's application for an exploratory well at Ota Well and deferred action for 60 days pending information from staff on options for a sustainable yield model, impacts to traditional and customary practices, alternatives to providing pump test data, and a plan for a symposium.

B. Villages of Leiali'i (Lahaina, Maui)

1. On April 22, 2021, the Legislature's Conference Committee recommended that HB 1311 be passed with amendments, which removes the construction completion deadline for the Kaiaulu O Kuku'ia project and allows Hawaii Housing Finance and Development Corporation (HHFDC) to address State Historic Preservation Division (SHPD) regulations as funding is appropriated for each portion of the Villages of Leiali'i project, and requires that the developer of the Kaiaulu O Kuku'ia project be responsible for a new archaeological inventory survey (AIS) for Kaiaulu O Kuku'ia but not for the entire Villages of Leiali'i.
2. On April 22, 2021, HHFDC received a draft AIS report for Kaiaulu O Kuku'ia for review.
3. The developer-Ikaika Ohana is targeting HHFDC Board approval of the tax credit and Rental Housing Revolving Fund financing for Kaiaulu O Kuku'ia in July or August 2021 (after Legislative and Governor's approval of HB 1311), commencement of construction by the end of 2021, and completion by the end of 2023.
4. On April 14, 2021, HHFDC approved Aina Archaeology's proposal for a preservation plan for previously identified historic sites at the Villages of Leiali'i.

C. Kahului Civic Center Mixed-Use Project (Kahului and Wailuku, Maui, Hawaii)

1. On March 23, 2021, HHFDC approved a request from G70 for additional fee to conduct a Flora and Fauna Study for the Kahului Civic Center Mixed-Use Complex (Kahului Civic Center) site, which was recommended by the U.S. Fish and Wildlife Services (FWS) and the Hawaii Division of Forestry and Wildlife during the Environmental Assessment Early Consultation process for the Kahului Civic Center Mixed-Use Complex project.
2. On March 23, 2021, G70 received comments from SHPD, regarding the revised trenching plan for the Kahului Civic Center site required for the AIS. SHPD agreed with the revised testing strategy proposed by G70 and their subconsultant Keala Pono with a comment to trench to the water table or the depth of the proposed ground disturbance. A determination as to whether trenching along the proposed sewerline will be required is pending.
3. On March 30, 2021, HHFDC received the Noise Study for the Kahului Civic Center. HHFDC staff provided comments on April 13, 2021.

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4. On March 31, 2021, G70 provided a multimodal circulation diagram for the Wailuku State Office Building 3 project. Comments are to be provided by the Department of Accounting and General Services (DAGS).
5. On March 31, 2021, HHFDC received the Draft Cultural Impact Study for the Kahului Civic Center. HHFDC staff provided comments on April 13, 2021.
6. On March 7, 2021, HHFDC received revised cost estimates for both the Kahului Civic Center and the Wailuku State Office Building 3 projects.
7. On April 7, 2021, HHFDC staff received a multimodal circulation diagram for the Kahului Civic Center. HHFDC staff provided comments on April 13, 2021.
8. On April 20, 2021, HHFDC staff received the Air Assessment Report. Staff provided comment on April 27, 2021.
9. Upon recommendation by SHPD's Archaeology Branch, HHFDC staff has reached out to SHPD's Architectural Historian to discuss the impact of a "Kahului Historic District" on the Kahului Civic Center. However, no response has been received.
10. On April 22, 2021, SHPD requested that HHFDC conduct a Ground Penetration Radar for the Kahului Civic Center site as the AIS does not propose trenching over the areas that are paved. SHPD also asked that G70 reach out to SHPD's Architectural Historian.

D. Village 9, Villages of La'i'opua (Kealakehe, North Kona, Hawaii)

1. On March 29, 2021, the County indicated that it proposes to do mass grading as Part I work and HHFDC sent the County an updated checklist; on April 7, 2021, HHFDC received a copy of the National Pollution Discharge Elimination System permit dated February 4, 2021.

E. Iwilei Infrastructure Master Plan and Environmental Impact Statement (Honolulu, Oahu)

1. In March 2021 PBR Hawaii reached out to landowners in the infrastructure study area to request updated information on existing and planned development in the study area. PBR Hawaii is updating GIS maps and tables which the consultants will use to model demands on infrastructure and determine need and capacities for infrastructure improvements. This information will be reflected in an infrastructure improvement assessment report and is the basis for the Iwilei Improvements Master Plan.

F. Lima Ola Workforce Housing Development Phase 1

1. Construction continues on site work, and the Kauai County Housing Agency continues to submit disbursement requests for their DURF loan. Work as of the end of March is 35 percent complete.

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G. Liliha Civic Center Master Plan (Honolulu, Oahu)

1. On April 19, 2021, HHFDC staff and PBR Hawaii staff met with Appleseed Hawaii to discuss their ALOHA Homes Study as well as the draft market study prepared by PBR Hawaii for the Liliha Civic Center Master Plan (Project).
2. PBR Hawaii will hold community meeting number two (2) on May 12, 2021.
3. PBR Hawaii is continuing to work with all the subconsultants for the Project. Listed below are the status for each subconsultant engaged for the Project that has reported new activity as of March 31, 2021:
 - i. Design Partners Incorporated (Architecture) – At a meeting with HHFDC, DAGS and PBR Hawaii, a series of conceptual site plans for the Project site was shared. These site plans are being revised per HHFDC and DAGS’ comments to share with the public and get their input at the May 12, 2021, community meeting.
 - ii. Fung Associates (Historic Architect) –A consultation meeting with SHPD is scheduled for April 29, 2021.
 - iii. Ron Ho (Electrical) – Waiting to receive the final site layout for the Project to perform analysis of potential impacts. The conceptual site layout for the Project should be finalized after comments from the community at large is gathered at the second community meeting.
 - iv. Fehr and Peers (Transportation) – Waiting to receive the final site layout for the Project to perform analysis of potential impacts. The conceptual site layout for the Project should be finalized after comments from the community at large is gathered at the second community meeting.
 - v. ARUP (Green Infrastructure/Sustainable Systems) – Waiting to receive the final site layout for the Project to perform analysis of potential impacts. The conceptual site layout for the Project should be finalized after comments from the community at large is gathered at the second community meeting.
 - vi. TCP Hawaii (Archaeological) – Waiting to receive the final site layout for the Project to propose a trenching plan as they need to know exactly where to do the trenching for the archaeological investigation analysis of potential impacts. The conceptual site layout for the Project should be finalized after comments from the community at large is gathered at the second community meeting.
4. HHFDC staff and PBR Hawaii staff will be meeting with SHPD staff on April 29, 2021 to discuss the impact of the project on existing historic properties (the Oahu Railway & Land Company Building and the Annex Building).

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H. 803 Waimanu (The Block) (Honolulu, Oahu)

1. Construction of the project is ongoing and the developer continues to submit payment requests for interest on the DURF loan.

I. Alder Street Mixed-Use Project (Honolulu, Oahu)

1. Construction of the project is ongoing and the developer continues to submit payment requests.
2. There were a total of 3 burial finds (iwi) on site. One was almost complete and the other two were bone pieces found in infill. Cultural Surveys Hawaii performed the onsite monitoring and consulted with Ohana Kupono Consulting and the State Historic Preservation Division regarding the finds and reinterment. The iwi were reinterred in the early morning on Friday, April 9, 2021. Two burial vaults (handholes) were constructed on site, one contains the reinterred iwi and the other is empty in case of future discoveries.

J. Ililani (Honolulu, Oahu)

1. Presently, the developer intends to meet the construction start deadline of July 1, 2021, contained in the Development Agreement. Staff is working with the developer on submittals required to issue the Notice to Proceed (NTP).
2. On April 5, 2021, the developer informed staff of certain changes to the project's second-position debt financing (such changes are permitted under the Development Agreement). Staff is awaiting a formal letter from the developer regarding the changes.

K. Keahumoa Place (East Kapolei II LDA 2) (Kapolei, Oahu)

1. The developer executed permanent conversion of Phase 1 of the project on March 31, 2021, and the DURF loan was repaid in full and the DURF Mortgage and Assignment of Leases and Rents were released. A release was also provided for the Development Agreement, which had been fulfilled under its terms.

L. Kahului Emergency Housing Project (Kahului, Maui)

1. The Sublease and Declaration of Land Use Restrictive Covenants have been approved by the County of Maui, HHFDC Staff, and the Department of the Attorney General. On April 19, 2021, both documents were executed and notarized by HHFDC. County of Maui are in the process of executing their counterparts to deliver to HHFDC for final processing and filing with the Bureau of Conveyances.
2. Project construction is complete, and a property management company contracted by the County of Maui has taken over management of the site. On April 19, 2021, five (5) families were selected as the first individuals to occupy the property. County of Maui is using the existing Certificate of Occupancy for the project.

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3. The Memorandum of Understanding (MOU) is set to expire in June 2021. HHFDC staff continues to process payment requests and anticipates completing the project before the MOU expiration date.

M. Ahuimanu Hui Koolau (Kaneohe, Oahu)

1. A Request for Quotes was issued for the demolition and disposal of the dilapidated dwelling on the property. The incurred costs will be passed on to the developer, Honolulu Habitat for Humanity, who will re-develop the property with an affordable unit under their program. The qualified bidder has been identified and staff is working towards execution of the contract.

II. Development Support Section (DSS)

A. Villages of Kapolei (VOK)

1. On April 9, 2021, HHFDC staff executed and notarized Seagull Schools' executed Cancellation of Development Agreement and Release Agreement, and a Cancellation of Ground Lease Agreement and Release Agreement. On April 12, 2021, HHFDC staff dropped off original copies of the executed and notarized Cancellation of Ground Lease Agreement and Release Agreement to the Bureau of Conveyances for recordation.
2. HHFDC issued a NTP to Pacific Isles Equipment Rental, Inc. for the Villages Roadway, Sidewalk and Catch Basins Repairs on March 30, 2021. Contractor performed pothole repairs and sidewalk repairs in April 2021.
3. On March 31, 2021, HHFDC issued a Right of Entry (ROE) to the State of Hawaii Department of Defense (DOD) for the Hawaii State Veterans Home project at the Northwest Corner of the Villages of Kapolei, for materials storage, staging, and construction. The ROE expires on August 31, 2021, or when a ground lease is executed to DOD for the property, whichever comes first. On April 1, 2021, HHFDC issued the NTP for the ROE.
4. HHFDC awarded a Supplemental Contract for the second term of Irrigation and Landscape Maintenance with The Hawaii National Landscape Inc.

B. Waiahole Valley Agricultural and Residential Subdivision (WV)

1. Due to the severe rains in March 2021, HHFDC issued an emergency purchase order to Doonwood Engineering for emergency response to restore water service for the Waiahole Valley Potable Water System (Water System). HHFDC will be executing an emergency procurement contract with Okahara and Associates, Inc. (Okahara) for assistance with the design and construction management of storm damage repairs to the Water System. Okahara assisted with drawings, specifications, and a site visit with four contractors. HHFDC received three quotes on April 23, 2021, and staff is evaluating the quotes. Upon completion of evaluation, an emergency procurement contract will be executed with the lowest responsible responsive offeror.
2. In February 2021, HHFDC issued a solicitation for a small purchase Request for Quotations for Street Light Repair Services for Waiahole Valley. In March 2021, four (4) bids were received. HHFDC is in the process of awarding a Purchase Order to the successful bidder, Hawaiian Isle Electric LLC for a sum of \$38,850, with an anticipated NTP date of May 1, 2021.

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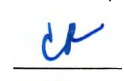
The term of the Purchase Order is three (3) years, and an option to extend for an additional one (1) year.

III. Real Estate Services Section (RES)

A. New Sales Program

1. The Central Ala Moana Project. As of April 16, 2021, a total of 280 affordable unit buyers were confirmed approved to continue with the preclosing process; 10 affordable buyers are conditionally approved pending submittal of required documents; and 20 affordable buyers are no longer eligible to purchase due in part to the pandemic (i.e. job loss or reduction of income). Ineligible buyers are entitled to a refund less applicable cancellation fees. The affordable Homebuyer Education Class will be held on April 30, May 1, and May 2, 2021 via Zoom conference by the Hawaii HomeOwnership Center.
2. The Block 803 Waimanu. Recertification of affordable buyers are expected from May 17 thru June 17, 2021. Construction is scheduled for completion in October with recorded sales in December 2021 thru January 2022.
3. Buyback and SAE Program Administration. Pursuant to §Section 201H-47, Hawaii Revised Statutes, HHFDC consent is required under certain conditions related to the affordable properties. Of a total 285 requests for consent received from January thru April 2021, 138 remain active; 101 were completed; and 46 were cancelled. A total of \$37,000 in administrative fees were collected.

Reviewed by: Carianne Abara, Development Support Section Chief



Lorna Kometani, Real Estate Services Section Chief



Dean Minakami, Development Branch Chief



Denise Iseri-Matsubara, Executive Director

