

SUMMARY - MEETING NO. 263

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

State of Hawaii

July 3, 2002 - 9:00 a.m.

Hawaii Community Development Authority
677 Ala Moana Boulevard, Suite 1000, Conference Room
Honolulu, Hawaii 96813

ATTENDANCE

Members Present: Lori Ann Lum; James Kometani; Patrick Kubota; Michael Goshi; Christine Camp; Allan Los Banos, Jr.; Lloyd Nekoba (for Stanley Shiraki); Brian Minaai; Gary Kondo; Raynard Soon; Randall Fujiki

Members Absent: Glenn Okimoto; Seiji Naya

Others Present: Jan Yokota; Teney Takahashi; Matthew Akamu; Cal Machida; Neal Imada; Steve Miyamoto; Arnold Imaoka; Marvin Uehara; Miko Dargitz; Kristelle Batino; Aileen Fukunaga (also, see Meeting Attendance Record)

Dr. Gary Kondo, the newest Authority Member was welcomed to the Authority. Raynard Soon and Randall Fujiki, former Barbers Point Naval Air Station Redevelopment Commissioners, were also welcomed to the Authority as new Members for Kalaeloa matters.

I. ROLL CALL

The meeting of the Hawaii Community Development Authority was called to order on July 3, 2002 by Chair Lori Ann Lum at 9:00 a.m. with the following roll call:

Member Kometani	Present
Member Minaai	Present
Member Nekoba	Present
Member Goshi	Present
Member Camp	Present
Member Los Banos	Present
Member Kubota	Present

Member Kondo	Present
Member Soon	Present
Member Fujiki	Present
Chair Lum	Present
Member Okimoto	Absent
Member Naya	Absent

MATERIALS DISTRIBUTED

1. Agenda for July 3, 2002 Meeting;
2. Summary Minutes of June 12, 2002;
3. Action Item: Election of Hawaii Community Development Authority Officers for Fiscal Year 2002-2003; and
4. Information Item: Overview of HCDA's Responsibilities with Respect to the Kalaeloa Community Development District and Status of Kalaeloa Properties and Infrastructure Systems.

II. APPROVAL OF MINUTES

1. Regular Meeting of June 12, 2002.

Chair Lum asked if the Members had any corrections to the minutes.

There were none.

It was moved by Member Camp and seconded by Member Kubota that the Regular Minutes of June 12, 2002 be approved, as written. The motion passed unanimously.

III. REPORT OF THE EXECUTIVE DIRECTOR

Ms. Yokota highlighted portions of the Executive Director's report.

A. Authority Meetings.

Cooper, Robertson & Partners has been retained by Kamehameha Schools and Victoria Ward to do a master plan of their properties and will do a presentation to the Authority at a Special Authority Meeting on July 17 at 9:00 a.m.

The August Authority meeting will be held on the 7th at 9:00 a.m.

B. Ilalo Street Improvements.

Staff is planning to co-sponsor a Kakaako ocean festival to bring the community back to the waterfront area after the completion of the improvements to Ilalo Street. October 5 is the date tentatively set for the festival.

C. Produce Center Development, Ltd.

Member Minaai wanted to know the status of the relocation of the tenants.

Ms. Yokota said that Japan Foods and Yamauchi Produce have almost completed their relocation from the site.

In addition, as there are two buildings on the site, staff is proposing that the tenants in the mauka building move into the makai building before August 31, which will allow the U.H. to demolish the mauka building first. Tenants will be allowed to stay in the makai building until January 15, 2003, after which it will be demolished.

Armstrong Produce is unable to find a suitable, permanent location for its operations and is seriously considering moving to the makai Foreign-Trade Zone warehouse.

A July 15 deadline has been set for tenants to provide evidence that they have secured permanent relocation sites.

D. Environmental Studies for the U.H. Site.

Member Camp asked whether the Phase II study for the U.H. site produced any significant environmental findings.

Ms. Yokota said that research indicated that the site had been used in the past as an animal quarantine station and the Phase II indicated the presence of dieldrin, a pesticide. In addition, part of the area had previously been used as a landfill so lead was found in a portion of the site. However, when the Produce Center site was built, 4 feet of topsoil was added to the site, so any contaminants that may be present are buried under several feet of topsoil. This information has been communicated to the Department of Health (DOH).

Member Camp wanted to know whether the U.H. would be responsible for any substantial environmental issues.

Ms. Yokota said that it is the U.H.'s responsibility to conduct any necessary environmental remediation. She noted that additional topsoil will be added to the area which has already been capped with several feet of topsoil and this should alleviate any concerns that the DOH may have regarding environmental remediation. She noted that the DOH was concerned that the site was adequately characterized.

E. City Corporation Yard.

Member Minaai wanted to know whether the temporary relocation of the City Wastewater baseyard is dependent on the timeliness of DOT providing relocation sites.

Ms. Yokota noted that the temporary relocation of the Wastewater baseyard was tied to the earlier plan in which the Bishop Museum was planning to develop that site. To accommodate the Bishop Museum development, the Wastewater operations were to relocate temporarily across the street to one of the other baseyards and then move permanently to Halawa. She said that DOT's cooperation in providing the relocation sites was very important because HCDA could not effect all of the relocation activities without DOT leasing the two relocation sites to the City. She said that these two sites, which are the paved area under H-3 and a site under the H-1 Keehi/Middle Street Interchange, are essential to relocating the City baseyards out of Kakaako.

IV. ITEM FOR ACTION

2. Election of Hawaii Community Development Authority Officers for Fiscal Year 2002-2003.

Chair Lum opened the floor for nominations for Chair, Vice Chair and Secretary.

It was moved by Member Kubota and seconded by Member Goshi to nominate: Lori Ann Lum, as Chair; James Kometani, as Vice Chair; and Christine Camp, as Secretary.

There were no other nominations.

It was moved by Member Kubota and seconded by Member Goshi to close the nominations.

The motion passed unanimously.

Since there was only one nomination for each position, Chair Lum suggested voting for the nominees as a slate.

There being no opposition, Lori Ann Lum, James Kometani and Christine Camp were unanimously elected as Chair, Vice Chair and Secretary, respectively.

V. ITEM FOR INFORMATION

A. Overview of HCDA's Responsibilities with Respect to the Kalaeloa Community Development District and Status of Kalaeloa Properties and Infrastructure Systems.

Roger Au, the Navy liaison for the closure of Barbers Point Naval Air Station, was introduced to the Authority.

Ms. Yokota provided an overview of the Kalaeloa Community Development District in a Power Point presentation (see Exhibit A). She was assisted by Ms. Dargitz.

Member Soon commented that the role of the Authority as envisioned by the Legislature for Kalaeloa is very different than the Authority's role in Kakaako. He said that the members of the Barbers Point Naval Air Station Redevelopment Commission (BPNAS-RC) served as asset managers as opposed to developers and they had agreed that a fresher and "bigger picture" redevelopment perspective was needed. HCDA was selected to continue the Commission's work because of its accomplishments in Kakaako and for its orientation to redevelopment to increase job opportunities and housing opportunities, which the Commissioners did not pursue.

Ms. Yokota noted that, in Kakaako, HCDA develops its own plan, adopts its own zoning for the area, and processes permit applications. In Kalaeloa, the plan is basically a City plan that complements the City development plans for the area. The zoning designations and permit applications would be done through the City. She mentioned that HCDA staff will be meeting with Member Fujiki's office to discuss issues that may arise.

Member Minaai said that some of the major issues are: what the City standards are for infrastructure; whether

the infrastructure can be dedicated to the City; and how to establish a mechanism to ensure that each of the landowners pay for their pro rata shares.

Member Soon said that the practical reality of the short term is providing the necessary infrastructure. Part of the funding should come from the State and another part from the Federal government.

Ms. Yokota commented that staff planned to work with the Congressional delegation to pursue any funds that might be available. The National Guard, for example, has \$20 million of Federal monies to build its facilities at Kalaeloa and this may present an opportunity to request related infrastructure funding.

Member Soon said that both of the U.S. senators had expressed to him that they would like to see a vision for Kalaeloa, so it may be difficult for HCDA to request funds without presenting a vision.

Member Minaai said that, in his role as a BPNAS Commissioner, Kalaeloa had been treated as a base separate and apart from Kapolei. He noted that the two areas would have to be viewed together as part of the development of a larger region, particularly with respect to such issues as transportation and highway patterns.

Member Nekoba felt that the proposed North-South Road was a key to solving regional transportation problems. He felt that the development of the North-South Road should be a top priority.

Member Minaai noted that it was one of the DOT's highest priorities.

Member Fujiki added to Member Soon's comment regarding the importance of an overall plan. He said that he welcomed the opportunity for HCDA to look at the long-term picture and develop a strong vision for Kalaeloa.

Member Kondo asked whether the homeless problem at Kalaeloa was being addressed.

Ms. Yokota said that one area at Kalaeloa has been set aside for the homeless, with one building refurbished and fully occupied. She noted some of the difficulties faced by residents of the homeless facility: initially, there was difficulty with phone service so staff operated with cell phones; most of the roads in the

area don't have street lighting; and there is no bus service.

Member Minaai commented that it is very critical that a good relationship be maintained with the surrounding communities because of their apprehensions about the potential impacts of Kalaeloa on these neighborhoods.

Member Nekoba asked whether Coral Sea Road was completely open.

Ms. Yokota said that, currently, Coral Sea Road ends after the beach. There has been some discussion about connecting it to the road that runs along Campbell Industrial Park, but, in order to build that connection, certain aviation issues must be resolved.

Member Minaai noted that the end of Coral Sea Road is so close to the airport runway that, if the road were to be continued, it would affect aircraft use. He said that the community is very concerned that the airport be used only for general aviation with minimum flyovers.

Member Nekoba inquired about the Kalaeloa Barbers Point Harbor.

Chair Lum said that the harbor is not included in the Kalaeloa district.

Member Nekoba commented that, although the harbor was not included in the district, it is important because of its proximity to the area.

Member Minaai noted that DOT will be leasing one of its hangars to a nonprofit corporation for the construction of manufactured housing to be located on DHHL lands.

Member Minaai also commented that DOT's primary need for the airport was for secondary emergency backup, as well as to alleviate the general aviation congestion at the Honolulu International Airport (HIA). He noted that Kalaeloa is the third largest airport in the State. He also noted that, because of the Coast Guard operations at Kalaeloa, hours of operation are extended. A typical general aviation schedule runs from sunrise to sunset, but Coast Guard search and rescue missions operate 24 hours a day.

Member Soon noted that Fluor, the new developer of the area located in the northern portion of the Kalaeloa district, has not been involved at all in discussions

regarding Kalaeloa. The Navy, who owns the Kalaeloa property, included it in an RFP (Request for Proposals) for Ford Island.

Member Minaai said that it was also packaged with parts of Iroquois Point. He asked whether the Kalaeloa property will be transferred to the developer in fee.

Mr. Au said that that option is being negotiated. One possibility is that the Navy would lease the property to Fluor and later convert the lease to fee.

Member Minaai said that DOT has been in contact with both Ford Island proposers because of their interests in having a ferry system from Iroquois Point and Ford Island to Aloha Tower.

Chair Lum noted that staff is trying to set up a meeting with the developers.

Member Goshi wanted to know whether there is a master plan of the area.

Mr. Fujiki replied affirmatively.

Ms. Yokota added that it was a land use plan.

Member Goshi felt that the first priority was to develop a master plan.

Chair Lum commented that it would be a difficult task because of the many parcels and different landowners involved.

Member Soon said that this was an opportunity to come up with a creative plan for the area.

Chair Lum concluded by saying that this is a tremendous opportunity and a huge responsibility for the HCDA. She thanked the Members for their assistance in clarifying HCDA's role. She also thanked Mes. Yokota and Dargitz for their presentation.

VI. MISCELLANEOUS

A. Plan for Regional Parking.

Member Camp inquired about the status of the plan for regional parking.

Ms. Yokota said that, as she had mentioned at an earlier meeting, staff has prepared a draft Waterfront Plan that included a regional parking plan. She noted that copies of the draft plan would be distributed shortly and that a subcommittee meeting will be scheduled within the next two weeks to review the draft plan.

B. Cancer Research Center.

Member Nekoba said that he was very surprised to read in the newspapers about the Cancer Research Center's withdrawal from the U.H. Medical School complex. He wanted to know whether the project will be impacted.

Ms. Yokota said that her understanding was that the Cancer Research Center preferred to be located next to the Queen's Medical Center. One possibility is to acquire the Board of Water Supply site for the Center; however, that site has not yet been secured. She noted that, if the Cancer Research Center did not move to the U.H. Medical School site, another research building would be built in its place.

Member Fujiki asked whether the Cancer Research Center was part of the second phase of the project.

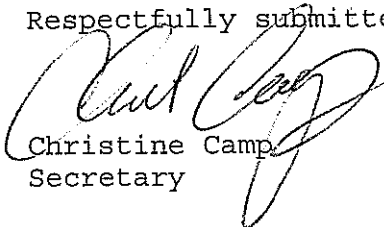
Ms. Yokota replied affirmatively. She noted that the first phase is moving ahead and that \$150 million in bonds have been sold for the construction of the project; in fact, the issue was oversubscribed by double. Individuals purchased twenty percent of the bonds with about \$5 million bought by Hawaii residents.

Chair Lum asked whether there were any other matters that should be brought up at this time. There were none.

VII. ADJOURNMENT

There being no other business, it was moved by Member Kubota and seconded by Member Minaai to adjourn the meeting at 10:15 a.m. The motion passed unanimously.

Respectfully submitted,


Christine Camp
Secretary