

SUMMARY - MEETING NO. 271

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

State of Hawaii

May 14, 2003 - 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; Christine Camp; Michael Goshi; Patrick Kubota; Katherine Thomason (for Russ Saito); Glenn Okimoto (for Rodney Haraga); Stanley Shiraki (for Georgina Kawamura); Theodore Liu

Members Absent: Gary Kondo; Allan Los Banos

Others Present: Jan Yokota; Matthew Akamu; Francine Champoux; Miko Dargitz; Gayle Ito; Sandy Pfund; Arnold Imaoka; Neal Imada; Cal Machida; Susan Tamura; Carolee Aoki (for Melvin Nishimoto); Teney Takahashi; (also, see Meeting Attendance Record)

I. ROLL CALL

The meeting of the Hawaii Community Development Authority was called to order on May 14, 2003 by Chair Lori Ann Lum at 9:05 a.m. with the following roll call:

Member Kometani	Present
Member Camp	Present
Chair Lum	Present
Member Goshi	Present
Member Kubota	Present
Member Thomason	Present
Member Okimoto	Present
Member Shiraki	Present
Member Liu	Arrived at 9:06 a.m.

MATERIALS DISTRIBUTED

1. Agenda for May 14, 2003 Meeting;
2. Summary Minutes of Regular Meeting of March 5, 2003;
3. Action Item: Approval to Expend Funds to Initiate the Process for a Comprehensive Review of the Mauka Area Plan and Rules;
4. Action Item: Approval to Expend Funds to Initiate the Process for the Phase I Parking Structure Project in the Kakaako Waterfront;
5. Action Item: Approval to Expend Funds to Evaluate Residential Use for the Kakaako Waterfront;
6. Action Item: Approval to Authorize the Executive Director to Enter into an Agreement with the Foreign-Trade Zone No. 9 with Respect to the CEM and CFS No. 3 Warehouse Properties;
7. Action Item: Approval to Authorize the Executive Director to Extend a Memorandum of Understanding with the Department of Land and Natural Resources and to Expend Revolving Funds for Maintenance of the Kakaako Makai Gateway Park.

II. APPROVAL OF MINUTES

1. Regular Meeting of March 5, 2003

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 Kometani that the Minutes of the Regular Meeting of March 5, 2003 be approved, as written. The motion passed unanimously.

III. REPORT OF THE EXECUTIVE DIRECTOR

Ms. Yokota noted that her report was enclosed in the packet distributed to the Authority Members and said that she would be happy to answer any questions regarding her report.

Ms. Yokota also mentioned that a few new members will be joining the Authority beginning July 2, 2003. There will be three new Kalaeloa members. As established by the Legislature, there will be a total of five Kalaeloa members on the Authority; Eric Crispin, Director of City Department of Planning; Micah Kane, Director of the State Department of Hawaiian Home Lands; William J. Aila Jr., who will serve as the Hawaiian cultural resources

specialist; Evelyn Souza, the Governor's representative; and Maeda Timson, the Mayor's representative.

In addition, because Member Camp's term ends on June 30, 2003, the Governor has designated her replacement as Paul Kimura, a business owner in Kakaako.

Ms. Yokota distributed a handout listing bills that were considered during the 2003 legislative session that affected HCDA. Ms. Yokota noted that very few of these bills passed.

The primary bill affecting HCDA was the budget bill (H.B. 200). This bill provided full funding for all staffing costs for Kakaako. It also added a revolving fund ceiling for Kalaeloa, which means that, when HCDA collects assessments from the different landowners in the district, funds can be expended for operational costs. Finally, she noted that H.B. 200 reduced DLNR's budget by \$100,000 annually and that, as a result, DLNR would have terminated maintenance services at both the Kakaako Waterfront and Kewalo Basin Parks. To ensure continued maintenance of these parks, the Legislature added a proviso to the budget that required HCDA to transfer \$100,000 from its revolving fund to cover the reduction in DLNR's budget.

Two resolutions that have passed (HR 147, HD 1 and SR 106, SD 1) request that HCDA conduct a study regarding energy efficiency programs in Kakaako together with DBEDT. HCDA and DBEDT must report their findings to the Legislature no later than 20 days prior to the convening of the 2004 Regular Session.

Finally, the bill that would have consolidated the Aloha Tower Development Corporation with HCDA did not pass. Ms. Yokota noted, for the Members' information, that another bill took \$1.6 million from the Aloha Tower Special Fund and transferred it to the general fund.

Chair Lum asked the Members if there were any other questions regarding the Executive Director's report. There were none.

#### IV. ITEMS FOR ACTION

##### 2. Approval to Expend Funds to Initiate the Process for a Comprehensive Review of the Mauka Area Plan and Rules.

Mr. Takahashi began his presentation with a summary of the Waterfront Business Plan. He mentioned that he would send each of the Members a copy of the Plan; in

the meantime, he noted that the Plan could be found on the HCDA website at [www.hcdaweb.org](http://www.hcdaweb.org).

Mr. Takahashi also discussed the Mauka Area Plan and Rules. He mentioned that, during a recent Authority workshop, comments were made about the need to encourage and facilitate development within the parameters of HCDA's legislative mandate and to refresh the Plan and Rules to incorporate current trends such as the urban village concept. Suggestions included reviewing HCDA's parking requirements and providing for more flexibility in the density and height of developments.

Because of the specialized skills required and concentrated effort involved in revising the Plan and Rules, it was proposed that this project be done by outside consultants under the oversight and administration of HCDA's staff. It is estimated that the entire process would take 18 months to complete.

Member Shiraki asked what the Authority would get for the \$300,000 expended. Mr. Takahashi referred the Members to the table on page 5 of the Action Item which described the proposed scope of work and a breakdown of the estimated costs.

Mr. Takahashi added that the original Mauka Area Plan and Rules took several years to complete at a cost of several million dollars.

Member Kubota asked if the result of this review would be a document that the Authority could approve as the new Mauka Area Plan and Rules.

Mr. Takahashi answered affirmatively.

Member Camp asked how these proposed revisions would impact projects that are currently on the drawing board.

Mr. Takahashi replied that provisions will be made for interim rules that would apply to projects already planned and projects submitted prior to the adoption of the new Mauka Plan and Rules.

Member Camp expressed concerns about projects that may be in limbo during this interim period.

Member Liu asked whether there were projects on the drawing board at this time.

Ms. Yokota responded that there were projects for which permits had been granted, with the Hokua project being one example.

Mr. Takahashi added that, in his opinion, there were signs in the market that indicated that additional projects may be proposed.

Member Shiraki wanted clarification as to whether the final result would be a document that had received public input and completed the public hearing process.

Mr. Takahashi answered affirmatively.

Ms. Yokota added that staff anticipated that the initial part of the process would take several months to a year to complete. After this was completed, public hearings would be held, the revised document would be presented to the Authority for approval and, finally, the Governor's approval would be requested for adoption of the revised documents.

Chair Lum said that the Authority had a strong interest in updating the rules because they are outdated and circumstances have changed over the last 20 years. She also noted the Authority's concern that proposed projects are not held up during the review period.

Member Camp commented on the fact that the request to initiate the review was subject to Governor's approval. She asked when the work would likely get started.

Ms. Yokota replied that, if the Authority approved the request today, a memorandum would be sent to the Governor requesting her approval to expend these funds. She noted that the work could start as early as July 2003. Member Liu added that his department could assist in expediting review of the request, if necessary.

Member Shiraki inquired about the current balances in the HCDA special fund.

Ms. Yokota directed the Members to the appropriate table in their packets. She noted that there was currently an unencumbered balance of about \$2.2 million in the special fund. Of this amount, \$300,000 is being requested for review of the Mauka Area Plan and Rules. The balance in the special fund has been encumbered or restricted for specified purposes. Ms. Yokota added that this fund is the source of funding for the Kakaako parks, including the cost of security at the parks. The transfer to DLNR of \$100,000 to continue to

maintain the Kakaako Waterfront Park will also come from this fund.

Ms. Yokota added that, in the past few years, HCDA had been collecting about \$800,000 per year in rents from the Produce Center. This amount has dropped to \$1. Therefore, there will be a major reduction in revenues over the next few years, while expenses will continue to rise.

Member Shiraki asked about the remainder of the special fund. Ms. Yokota responded that the remaining \$2.4 million in the improvement district portion of the fund could only be used to fund infrastructure projects in Kakaako. For example, if the Legislature appropriated \$10 million for a project, and the final cost was \$12 million, the balance would be drawn from this improvement district revolving fund to complete the project.

Ms. Yokota also clarified that the dedication fees fund can only be used for public facilities, parking garages, and parks. The reserved housing fund is also restricted to the provision of affordable housing in Kakaako. Therefore, the only fund that can be used for maintenance costs and other expenses is the rent and parking fund.

Member Kubota asked about the source of funds in the improvement district fund. Ms. Yokota explained that, in the past, bonds were sold to advance the property owners' shares of project costs. Payments received from the property owners over the bond term are deposited into the fund.

It was moved by Member Camp and seconded by Member Kubota to approve the staff recommendation to expend revolving funds to initiate a comprehensive review of the Mauka Area Plan and Rules, in an amount not to exceed \$300,000, subject to the approval of the Governor.

The motion passed unanimously.

3. Approval to Expend Funds to Initiate the Process for the Phase I Parking Structure Project in the Kakaako Waterfront.

Mr. Takahashi summarized the Action Item distributed to the Authority concerning this matter.

He also mentioned that the Waterfront Business Plan, which was approved by the Authority in October 2002, proposed two central parking structures along Ahui Street that would be about 6 stories tall and would accommodate a total of 2,500 stalls. Commercial or residential "liners" were proposed around portions of the parking structures.

Mr. Takahashi explained that the structures were divided into two buildings to reduce the overall mass. A promenade is proposed between the buildings that would offer retail or commercial opportunities.

He added that another advantage of providing for two structures is to be able to phase the construction as the need arises. If the marine research complex is developed, the first parking structure would be sufficient for that project. The second structure will not be required until the waterfront retail project at Kewalo Basin is completed.

Mr. Takahashi also said that, although general legislative authorization has been granted for the issuance of revenue bonds for public facilities, specific budget authorization for the first phase of the parking structure is still needed. A feasibility study is also needed prior to submitting the request for specific budget authorization.

The feasibility study will include an estimate of parking needs, a traffic study, an environmental analysis and some preliminary design and engineering of the structure. Based on a rough cost of \$20 million for the structure, the cost of the study has been preliminarily estimated at \$718,500. Mr. Takahashi added that the scope of work for the study does not include full design or structural analysis. He also mentioned that, if the KUD project is delayed or deferred, this project would be also be deferred. Without the KUD project, there would be no revenues to pay debt service on the revenue bonds.

Mr. Takahashi said that, if revenue bonds are sold, HCDA will request reimbursement of a portion of the cost of the feasibility study from bond proceeds. He also said that the intent is to request specific budget authorization for the issuance of the revenue bonds at the next legislative session, and, if approved, bond issuance could take place in mid-2004.

Member Kubota noted that, although developers are typically required to build their parking on-site, it is difficult to do so in this instance because of the

limited land area, so centralized parking is needed. He asked whether the feasibility study would determine the developer's share of the parking cost and how the developer would be assessed.

Mr. Takahashi responded that HCDA would determine the developer's share of the parking cost. There are a number of ways in which HCDA can be reimbursed for its investment, ranging from capital contributions from the developers or a guaranteed lease that would cover the cost of the debt service. In any event, some sort of payback system must be established. Mr. Takahashi said that he was not confident that revenues collected from individual users alone would cover the debt service for the bonds.

Member Kubota said that the developer has to know what his contribution for this parking structure will be in order to determine the feasibility of his project. However, this is not being addressed by the feasibility study that the Authority is being asked to approve.

Mr. Takahashi responded that the information that will be generated by the study will be the basis for the kind of payback system required. The feasibility study will estimate costs and revenues, so in the course of completing the feasibility study, HCDA will also develop alternatives, although not necessarily a specific system. Mr. Takahashi noted that the Authority will be asked to review contributions toward the parking structure when KUD presents its proposal this fall for the marine research center. The proposed method to cover parking costs will be included in KUD's business plan.

Member Shiraki asked whether KUD's business plan would estimate its parking needs and how these would be addressed.

Mr. Takahashi replied affirmatively and said that KUD has assumed that it will be using the Phase I parking structure. Mr. Takahashi added that a commitment to pay for parking will be required of KUD.

Member Shiraki said that he felt it was difficult to approve \$700,000 for a feasibility study for a project that may not be built for 10 years, making the study outdated by the time construction is ready to begin. He wanted to know whether there was something in between that could be done, like a traffic study.

Mr. Takahashi replied that it is essential to avoid being caught in a situation of selling bonds that would

not cover the entire cost of the project. Therefore, HCDA needs to be fairly certain of the numbers that will be presented to potential bond buyers. That is the reason that an estimate of architectural and engineering costs will be needed at the onset to determine whether or not the project will be viable.

Mr. Takahashi noted that, should HCDA require that KUD provide its own parking, KUD would likely walk away from the project, because it could not afford the parking structure.

Member Kubota reminded the Members that, three years ago, one of the main concerns regarding the waterfront retail development was the lack of sufficient parking and the cost of providing parking. As a result of these concerns, the project that had been proposed to the Authority never got off the ground. Now, the Authority is facing a similar situation, where an entertainment and retail facility is again being considered and the Authority will have to assure prospective developers that a certain number of parking stalls will be provided and also determine the cost of providing such parking facilities. Member Kubota said that the feasibility study being considered should address the needs of the waterfront retail development, as well as the KUD project.

Mr. Takahashi agreed, noting that there is a strong basis for centralized parking, because underground parking is not practical for the area.

Member Kubota asked Mr. Takahashi to explain how the budget and scope of work were derived. Mr. Takahashi said that these figures were based on industry averages and "rules of thumb".

Member Camp asked what was prompting the initiation of, and schedule for, this study. Mr. Takahashi replied that the timing for the Phase I structure is driven by the marine research center.

Member Camp expressed a concern that, since there is a risk that KUD may not do the project, the Authority is being asked to approve a study that may not be needed right away. She wondered whether KUD would be willing to participate in the risk, which could be reimbursed by the Authority once KUD's project moves forward.

Mr. Takahashi asked Member Camp to specify the percentage that she felt would be an appropriate contribution from KUD. Member Camp proposed a 50%

contribution that would be paid if their project goes forward; if not, it would be a risk that HCDA incurs.

Mr. Takahashi responded that it was technically possible to proceed along those lines.

Chair Lum said that, if there were no other questions from the Authority, she would like to address questions that had been presented in writing by a member of the public who was in the audience.

Ms. Yokota read the first question: "Will the needs of the medical school be addressed with this parking structure and where is the on-site parking for the school?"

Ms. Yokota indicated the location of the medical school site on a map of the Waterfront, and noted that it was located on the other side of the Gateway Park. Therefore, the parking structure being discussed was not intended for use by the medical school. In fact, the site directly Ewa of the medical school will be an interim parking site on which more than 300 parking stalls will be provided. A permanent parking site will be established for the medical school within 5 years of completion of the project.

Ms. Yokota read the second question: "Why is Phase I only contingent on KUD's development, and on what would be Phase II be conditioned?" Ms. Yokota responded that her understanding was that Phase II will be conditioned on the development of the waterfront retail complex at Kewalo Basin.

Ms. Yokota read the third question: "Will the study look at the impact of the BRT and whether we still need the projected amount of parking stalls?" Ms. Yokota replied that the impact of the BRT will be considered; whether it goes forward or not is an issue, as well as the timing. She noted that two BRT stops have been planned for the waterfront that will be taken into consideration. One is adjacent to the medical school project and another is at the corner of Ilalo and Ahui Streets.

Chair Lum noted that there had been a great deal of discussion on this item and suggested that a decision be deferred to the next meeting to allow more time for consideration and discussion.

Ms. Yokota said that, in the interim, staff would talk to KUD about some of the concerns raised by Member Camp.

Member Shiraki asked whether the fact that the \$40 million special facility revenue bond bill was not approved by the Legislature this session would impact the KUD project. Ms. Yokota responded that it would not, although passage of the revenue bond bill would have been useful to KUD in presenting its financial plan to the Authority. She also noted that the revenue bonds were specifically for one component of the KUD project, which was the aquarium.

Member Shiraki inquired as to which would be the first phase of the project. Ms. Yokota responded that the first phase would be the relocation of the marine laboratory facility from the current Point Panic site.

Member Kubota asked whether it would be possible for the \$40 million revenue bond bill to be approved during the next legislative session. Ms. Yokota responded that the bill is technically still alive and will be carried over to the next session.

Member Goshi agreed that the Authority needs to proceed with a parking study but suggested that the Authority look at the big picture first, and work in phases.

4. Approval to Expend Funds to Evaluate Residential Use for the Kakaako Waterfront.

Mr. Takahashi summarized the Action Item. He noted that the Waterfront Business Plan called for the development of a contemporary urban village, creating a vibrant live/work/play community very much like Kakaako of several decades ago. Residents are a key component of this urban village concept.

Residential use had been previously considered as part of the Makai Area Plan, but was not included at the time because of the perception that the waterfront area could have evolved into an enclave for wealthy absentee owners.

Mr. Takahashi said, however, that these concerns could be addressed with proper marketing and deed covenants and should not deter the incorporation of residential uses in the waterfront area. He noted that residents are needed to add vitality to the area and residences are needed to house workers in Kakaako and to function as "liners" for the parking structures.

He said that an amendment to the Makai Area Plan and Rules would be necessary to allow residential uses in

the waterfront area. A number of studies would be needed prior to initiating the amendment process: a market study, a traffic analysis; environmental studies; a preliminary design and engineering study; and an analysis regarding the viability of the concept.

Mr. Takahashi added that the timing of this analysis and the parking structure feasibility study were to have coincided. However, since action was deferred on the parking structure study, he directed the Members' attention to the budget (shown on page 3 of the Action Item) that indicated a stand-alone cost of \$147,000 for the analysis required to evaluate residential use for the Kakaako Waterfront. The study is expected to take about one year to complete.

Member Kubota asked whether the study would address the number of units, location, structure, and all aspects of residential construction in the waterfront area. Mr. Takahashi responded affirmatively.

Member Kubota said that the study should be comprehensive, indicating the ideal location for residential activities, and the number of units needed to make the projects viable, whether they are anticipated to be high rise or low rise. Mr. Takahashi agreed. He then circulated an illustration of the "liner" concept, as exemplified at Honuakaha, a housing complex developed by HCDA. He said that, although the issue of feasibility of the "liners" has been addressed, there may be more efficient and desirable means of achieving this concept.

Mr. Takahashi added that the concept of residential uses above retail areas is also a very common occurrence in other locations, although this has not been done extensively in Hawaii.

Chair Lum reminded the Members that they were considering approval of the stand-alone cost of the study to evaluate residential use for the Waterfront.

Member Kubota said that the Authority needs to do the study, in any event, and supported moving forward with the request.

Chair Lum asked the Members if there were any other questions. There were none.

It was moved by Member Kubota and seconded by Member Camp to approve the staff recommendation to expend revolving funds for technical assistance to evaluate residential use for the Kakaako Waterfront in an amount

not to exceed \$147,000, subject to the approval of the Governor.

Ms. Yokota then summarized, for the Members, a question that had been raised by a member of the public regarding whether the study will consider the fact that the State will be allowing residential uses on its own lands that may be in competition with residential developments by private land owners in the Mauka portion of Kakaako. Ms. Yokota responded that the study would consider this issue.

There being no further discussion, Chair Lum called for a vote.

The motion passed unanimously.

Chair Lum then asked Ms. Yokota to respond to a question raised by a member of the public regarding the first Action Item pertaining to the Mauka Area Plan. Ms. Yokota repeated the question, which asked if the review of the Mauka Area Plan would consider and take into account the work that had been done by Cooper, Robertson and Partners and the Sedway Group for Kamehameha Schools and Victoria Ward. Ms. Yokota responded affirmatively.

5. Approval to Authorize the Executive Director to Enter into an Agreement with the Foreign-Trade Zone No. 9 with Respect to the CEM and CFS No. 3 Warehouse Properties.

Ms. Pfund summarized the Action Item distributed to the Authority concerning this matter.

She also introduced Mr. Mark Anderson, Administrator of the Foreign-Trade Zone No. 9.

Member Okimoto asked about the status of the warehouse at Pier 2 and noted that the Department of Transportation has plans for a cruise ship terminal within the warehouse. Ms. Yokota replied that FTZ had received a CIP appropriation to allow it to make improvements to its portion of the Pier 2 warehouse. There are currently no other plans to improve areas beyond the FTZ portion of the warehouse.

Member Liu said that he appreciated the collaboration that went into the agreement that is now before the Authority for approval, and the support for FTZ's need to phase in the turnover of the warehouses. Noting that the draft agreement included a 6-month termination

option, Member Liu requested that the revenue sharing period for the CFS No. 3 Warehouse be extended to June 2006, rather than February 2006, to make it easier on FTZ's budget. He asked if this extension was a possibility.

Ms. Yokota responded that, while the proposed extension was a possibility, staff would like to have the warehouses turned over as soon as possible. However, the extension of the turnover date was a decision for the Authority Members.

Member Camp said that she understood that it was in everyone's interest to expedite the process, but noted that the proposed extension was only for a few months.

Ms. Yokota asked Ms. Pfund if the revenue situation would be affected by an extension. Ms. Pfund replied affirmatively.

Ms. Yokota said that, as it appeared to be the consensus of the Authority to grant the extension, this amendment could simply be reflected in the agreement attached to the Action Item, with the termination date established at June 30, 2006, rather than February 28, 2006. No amendments would be needed to any action taken by the Authority.

Chair Lum thanked Ms. Pfund for her presentation and asked the Members if there were any other questions.

There were none.

It was moved by Member Kubota and seconded by Member Goshi to approve the staff recommendation to authorize the Executive Director to enter into an agreement with the Foreign-Trade Zone No. 9, substantially in the form attached to the Action Item as Exhibit C, regarding the turnover of the CEM and CFS No. 3 warehouse properties.

There being no other questions, Chair Lum called for a vote.

The motion passed unanimously.

6. Approval to Authorize the Executive Director to Extend a Memorandum of Understanding with the Department of Land and Natural Resources and to Expend Revolving Funds for Maintenance of the Kakaako Makai Gateway Park.

Ms. Ito summarized the Action Item distributed to the Authority concerning this matter.

Chair Lum asked the Members if there were any questions regarding Ms. Ito's report.

Member Kubota asked if the MOU could be extended for more than one year. He commented that this item had been brought up several times over the past few years. Ms. Yokota responded that the item has been brought up before the Authority annually because a concern had previously been expressed by the Members that HCDA should continue to review the possibility of privatizing these services. Therefore, prior to requesting the extension of the MOU, staff compares the cost of privatizing the services to the cost of renewing the agreement.

Member Liu asked whether the comparison with the outside contractor was made for one year or for multiple years. Ms. Ito responded that the comparison was for one year.

Chair Lum referred the Members to a chart included in the Members' packets, describing the estimated comparative annual maintenance costs for the Kakaako Makai Gateway Park.

Chair Lum asked the Members if there were any other questions.

There were none.

It was moved by Member Camp and seconded by Member Kubota to adopt the staff recommendation to authorize the Executive Director to extend a Memorandum of Understanding with the Department of Land and Natural Resources and to expend revolving funds for maintenance of the Kakaako Makai Gateway Park.

The motion passed unanimously.

Chair Lum asked the Members whether there were any other matters that should be brought up at this time.

Member Shiraki asked what HCDA's plans were to generate revenues for the next few years, as the main revenue source had been lost.

Ms. Yokota responded that, over the next three to four years, the primary expenditures will be for maintenance of common areas. Therefore, a common area maintenance fee will be assessed to users in the waterfront area. A DCCR has been established for this purpose.

However, there may be additional costs to maintain the parks which will not be covered by the common area maintenance fees. This is a concern because DLNR's budget will continue to be reduced and HCDA has no contingency plan to cover maintenance.

Ms. Yokota added that, when the waterfront retail development is completed, revenues will be generated from that development. This is where the bulk of the future revenues are anticipated. If this is completed within the next three to four years, then there will be sufficient funds to cover the projected costs.

Member Camp asked, since the development of the waterfront retail area is critical to the parking as well as the maintenance, what the status was of soliciting proposals for the retail development.

Ms. Yokota responded that the plan is to request proposals within the coming year, but that this was contingent on a number of factors. One is the ability to provide central parking, and another is the early termination of the lease for the shipyard. Finally, the relocation of the fish auction is essential and this now appears to be moving forward.

Member Shiraki asked how staff costs will be covered. Ms. Yokota replied that, for the moment, staff costs are funded by CIP monies that are requested of the Legislature annually. Ms. Yokota added that, someday, CIP funding may no longer be available for these costs.

Member Liu commented on the Administration's bill to consolidate the Aloha Tower Development Corporation (ATDC) with HCDA which was not passed by the Legislature this year. He emphasized the importance of considering the Kakaako Waterfront and Aloha Tower areas as a whole. He suggested that there be collaboration between the two boards as part of the review of the Mauka Area Plan and Rules.

## VI. ADJOURNMENT

Chair Lum asked whether there were any other matters to be brought to the attention of the Authority Members.

There being no other business, it was moved by Member Kubota and seconded by Member Kometani to adjourn the meeting at 10:45 a.m. The motion passed unanimously.

Respectfully submitted,

/s/ Christine Camp

Christine Camp  
Secretary