

SUMMARY - MEETING NO. 276

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

State of Hawaii

October 1, 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; Patrick Kubota; Theodore Liu; Gary Kondo; Rodney Haraga; Michael Goshi; Stanley Shiraki; Paul Kimura; Allan Los Banos; Katherine Thomason

Kalaeloa Members: Eric Crispin; Micah Kane; Maeda Timson; William Aila Jr.

Members Absent: Evelyn Souza

Others Present: Sandy Pfund; Melvin Nishimoto; Mark Anderson; Matthew Akamu; Cal Machida; Susan Tamura; Teney Takahashi; Gayle Ito; Irene Iha; Neal Imada; Marvin Uehara; Miko Dargitz-Hallett; Annette Kawasaki; Francine Champoux (also, see Meeting Attendance Record)

I. ROLL CALL

The meeting of the Hawaii Community Development Authority was called to order on October 1, 2003, 2003 by Chair Lori Ann Lum at 9:00 a.m. with the following roll call:

Chair Lum	Present
Member Kometani	Arrived at 9:20 a.m.
Member Goshi	Present
Member Kimura	Present
Member Kondo	Present
Member Kubota	Arrived at 9:05 a.m.
Member Liu	Arrived at 9:10 a.m.
Member Haraga	Present
Member Shiraki	Present
Member Los Banos	Present
Member Thomason	Present
Member Crispin	Present
Member Kane	Arrived at 9:30 a.m.

Member Timson	Present
Member Aila	Present

MATERIALS DISTRIBUTED

1. Agenda for October 1, 2003 Meeting;
2. Summary Minutes of Regular Meeting of September 3, 2003;
3. Information Item: Kalaeloa Status Report;
4. Information Item: Presentation on the Aviation Museum at Kalaeloa;
5. Information Item: Presentation on the Final Draft of the Primary Urban Center Development Plan by the Department of Planning and Permitting, City and County of Honolulu;

II. APPROVAL OF MINUTES

1. Regular Meeting of September 3, 2003

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

There were none.

It was moved by Member Haraga and seconded by Member Los Banos that the Minutes of the Regular Meeting of September 3, 2003 be approved, as written. The motion passed unanimously.

III. REPORT OF THE EXECUTIVE DIRECTOR

Ms. Pfund noted that the Executive Director's report was enclosed in the packet distributed to the Authority Members. Highlights of her report included:

Project Eligibility Applications have been submitted for two major condominium projects in the Mauka area. The conceptual plans have been distributed to the various governmental agencies for a 30-day review period.

Based on HCDA's current project schedule, these projects will be submitted to the Authority on an informational basis in November 2003, and HCDA will seek approval of development permits in December 2003.

One of the projects, POSEC, will require a variance and modification so a Public Hearing will be scheduled. The

other project, the Mahana Towers, is not seeking any variances at this time.

HCDA has suggested that both developers present their projects to the Neighborhood Board as well as to the Kakaako Improvement Association (KIA).

HCDA's ID-11 Project, the widening and improvement of Queen Street between Ward Avenue and Kamakee Street, is moving forward with plan completion. In an effort to open communications, the KIA provided assistance to the HCDA by holding a preliminary meeting with area business owners who could be impacted by the street widening. The current schedule for this project calls for preliminary assessments to benefiting owners in November 2003, followed by a Public Hearing thereafter.

Ms. Pfund thanked Member Kimura for his assistance in arranging the meeting with the KIA.

Ms. Pfund said that she would be happy to answer any questions regarding her report.

Member Crispin asked whether the City and County Planning and Permitting would be included in the review of the two condominium projects' plans.

Ms. Pfund responded affirmatively, adding that both projects were still conceptual, and the rules provide for a 30-day period for initial comments. She added that the plans were currently at various City departments.

Chair Lum asked the Members if there were any other questions regarding the Executive Director's report.

There were none

It is noted that today's third Item for Information will be moved up and presented to the Members before the Executive Session.

IV. ITEMS FOR INFORMATION

A. Navy Report for Kalaeloa and Required HCDA Actions

Ms. Pfund noted that Mr. Randy Hoffman, Navy Representative, was present and available to answer any questions from the Members, and that Mr. Hoffman did not have a report at this time.

Ms. Pfund mentioned that an Informational Meeting has been rescheduled for November 13, 2003, at the Campbell Building in Kapolei, at 7:00 p.m. Ms. Pfund added that

both the Navy and Fluor Hawaii would be giving presentations. Additionally, Ms. Pfund noted that HCDA would be sending out notices regarding the meeting to as many community members as possible. Ms. Pfund thanked Member Timson for her help in compiling a list of community members that may be interested in attending the meeting.

Ms. Pfund introduced a legislative proposal for consideration, emphasizing that HCDA does not have any land at Kalaeloa, nor a dedicated source of funding for the District, and the assessments collected from the landowners are very minimal. While HCDA would like to do some long-range planning and redevelopment of the area, the public's major concerns have been that while Kalaeloa is awaiting major development, the lands there are not being properly maintained.

Ms. Pfund stated that, given the constraints that HCDA is under, staff has come up with a legislative proposal that would assist the agency in overseeing proper maintenance of properties in the area. The proposal enables HCDA to call on agencies, such as the Department of Health, to help identify health and safety issues at Kalaeloa, and then, if ultimately necessary, impose civil penalties on landowners, lessees, or licensees whose properties are determined to pose a health or safety hazard.

Ms. Pfund circulated the draft of the proposal, adding that the HCDA would welcome any comments or concerns from the Members.

Member Timson thanked Ms. Pfund for this initiative. She felt that it was important to bring some awareness to Kalaeloa. She added that one of the community's major concerns is the number of brush fires in the area. She asked Mr. Hoffman for his assistance and requested that a courtesy letter be sent to the Navy to ask if they could perhaps provide water to the dry areas.

Mr. Hoffman responded that most of the fires that he has seen have occurred along major roadways such as Roosevelt and Coral Sea Roads. Those roads and the right-of-ways are owned by the State and the City and County, so the jurisdiction for taking care of the areas right along the roadways would need to be referred to them because the Navy's jurisdiction does not extend to those areas.

Member Timson inquired about the park areas that the Navy still owns such as the ball fields.

Mr. Hoffman responded that these fields are not being maintained and that the Navy is not using these fields at this time.

Member Timson asked whether it was the Navy's intention to ignore these fields.

Mr. Hoffman responded that he was not able to answer the question because his responsibility was to take care of the BRAC property. However, he said that he would try to find out what the Navy's plans were, and that these issues could be addressed directly to the Navy at the upcoming informational meeting in November.

Ms. Pfund added that HCDA is also seeking to implement a proposal to get two positions funded under the General Fund, an office secretary and an Asset or Land Manager for Kalaeloa, with the understanding that General Fund positions could be used for both Kalaeloa and Kakaako projects.

Ms. Pfund then thanked Member Timson for her input in the upcoming Aviation Celebration scheduled for December 2003 to commemorate the 100th Anniversary of the Wright Brothers' Flight. The lead state agency on that project is the Department of Transportation (DOT). HCDA attended a planning meeting on this event, which is still in its initial planning stage.

Member Timson added that the event is coordinated with the City as well. She said that part of the Sunset on the Plains program is a way of creating more awareness, and to involve the community. Additionally, some community members are planning a separate event in Kapolei to coincide with the Aviation Celebration.

Member Timson expects that approximately 300,000 people will attend the event, and that many of those people may end up visiting Kalaeloa for the first time.

Chair Lum asked the Members if they had any questions.

Chair Lum requested that the record reflect that both Members Kubota and Liu have joined the meeting.

B. Presentation on the Aviation Museum at Kalaeloa

Ms. Pfund introduced Mr. Brad Hayes from the Aviation Museum to the Authority Members.

Mr. Hayes stated that his non-profit organization, founded in 1999, calls itself the "Hawaii Museum of Flying". The organization is focused on Naval Aviation and the preservation of its history. It is certified by the Naval Air Museum to receive property, mainly airplanes and helicopters; it is dedicated to preserving the aviation industry, not only with Naval aviation, but the State of Hawaii in general, specifically Barbers Point and the Marine Corps Station.

Mr. Hayes mentioned that the Museum is located at Building #1792, which the organization is leasing from the State Department of Transportation (DOT) Airports Division. Mr. Hayes added that the organization operates with a staff of volunteers.

Mr. Hayes used a series of slides to illustrate the diversity of aircrafts on display at the Museum. Each piece is rich with history and unique features. Mr. Hayes also stated that some of the aircrafts on display at the Museum are quite rare and worth preserving, and that the support equipment for each aircraft corresponds to the era when each particular piece was in operation.

Mr. Hayes added that, since the Museum is located next to the Challenger Center, both entities are visited on a regular basis by local school groups. The Museum's unique location allows the students to get a feel for both space and aviation during the same field trip.

Mr. Hayes said that the Museum and its volunteers are involved with community programs. Examples of their assistance include providing Kapolei's Cruise Night Event with a helicopter; bringing several military vehicles and coordinating the Military Vehicle Preservation Association Expo; helping the University of Hawaii with its Aviation Expo; and sitting on the committee for the Barbers Point Flight Celebration Anniversary with the State DOT.

Mr. Hayes stated that the Museum operates mostly on donations. Occasionally, the Museum receives money from the motion picture industry. Mr. Hayes said that the public could get in touch with the Museum and its staff of volunteers by e-mail to thmoflying@hotmail.com

or by calling 682-4041. He asked the Members if they had any questions.

Member Liu inquired whether the Kalaeloa Museum was the same as the Military Aviation of the Pacific Museum. Mr. Hayes responded that they were two different museums: the Kalaeloa Museum concentrates specifically on Hawaii, and the other one features mostly military aviation throughout the Pacific region.

Member Timson thanked Mr. Hayes for his presentation and reiterated how unique the Kalaeloa Museum is, and that the general public is unaware of this interesting facility.

Mr. Hayes added that this small town is rich with such cultural treasures as the air museum and the historic railway, as well as others. Mr. Hayes also said that the Aviation Museum is considering approaching Hawaiian Home Lands (HHL) for use of Building I, which is across the street from the Museum's current location. He added that the Museum would like to adopt the front gate at Barbers Point and restore it to what it once was.

Member Liu inquired about the Museum's annual operating budget.

Mr. Hayes responded that they pay \$1,500 for insurance; \$500 per month in rent; plus any restoration costs. Mr. Hayes said that he would like to see more money available for the aircrafts, but that after paying for the basic expenses, there was little left.

Member Liu suggested that Mr. Hayes contact a newly formed division at DBEDT called Arts, Culture and Entertainment for potential support. Member Liu added that DBEDT recognizes that Hawaii has lots of art and historical assets. DBEDT is also looking at expanding the definition of "public places" for educational purposes.

Member Liu noted that Governor Lingle and Mayor Harris were concurrently planning to establish a "Capitol Historic and Cultural District", encompassing all of the very interesting historical and cultural assets located in downtown Honolulu. Member Liu admitted that many areas could easily be overlooked, given the uniqueness of our history.

Member Crispin also suggested that Mr. Hayes contact the City's Film Office to be sure that they are aware

of the resources available at Kalaeloa and the Aviation Museum.

Mr. Hayes added that Kalaeloa's unique location and landscape could supply a likeness to a variety of locations for the film industry, ranging from Vietnam to the Mid-East.

Chair Lum thanked Mr. Hayes for his presentation.

Chair Lum requested that the record reflect that Members Kometani and Kane have joined the meeting.

C. Presentation on the Final Draft of the Primary Urban Center Development Plan by the Department of Planning and Permitting, City and County of Honolulu

Member Crispin thanked the Members for the opportunity to present the plan, which will be unveiled to the Planning Commission and to the City Council. He added that the Primary Urban Center Development Plan (PUCDP) is the last of 8 plans on Oahu, mandated by the City Charter.

Member Crispin explained that the PUCDP is a monumental effort that's been undertaken by four consecutive directors who have all tried to get this plan passed through the Planning Commission and City Council.

Member Crispin added that previous plans contained recommendations that created a lot of controversy, primarily because they were so focused on designating specific land uses within the Primary Urban Center. Therefore, different factions and interest groups had debated details that really were not appropriate at the general plan level. What the PUCDP is intended to be is a policy-level type of plan that sets the tone and direction for how to direct growth in the Primary Urban Center (PUC).

Member Crispin introduced Ms. Kathy Sokugawa, Acting DPP Deputy Director, and Mr. Lowell Chun, Branch Chief, and mentioned that they have both worked very hard on this project. Member Crispin stated that his department would like to coordinate its efforts with HCDA. He referred to a statement made by Department of Transportation Services Director, Cheryl Soon, that Kakaako was like a "hole in a donut", the donut being the rest of the city that surrounds Kakaako. Therefore, the City wants to be sure to work with HCDA in guiding development both within and outside Kakaako, so the end product is a cohesive one.

Member Crispin mentioned that, after the presentation, the City would keep HCDA informed of the actual voting process with the Planning Commission and the City Council. Member Crispin added that, assuming that the City has HCDA's support, written testimony would be helpful.

Mr. Chun began the PUCDP presentation by thanking the Authority for including this item on the agenda. He explained that the presentation is a summary preview of what the City Department of Planning and Permitting is proposing, including a summary of potentials for the vision that the PUC offers.

Mr. Chun reminded the Members that Oahu is divided into 8 planning regions. Each region has its own regional plan which is the principal land use policy for that particular region. The Primary Urban Center is the last one of these plans to be offered.

Mr. Chun explained that the way these plans relate to the City's entire planning system is that each of the regional plans is the first physical interpretation of City's General Plan which covers the entire island. The regional plans, including the PUCDP, are intended to give guidance to community-based plans at the neighborhood level, so that communities can begin to define the details of their future, within the umbrella of the regional plan. The PUCDP also provides guidance for the functional plans such as water, sewage, transportation, etc.

Mr. Chun stated that it has been a long journey for the PUCDP involving four Planning Directors and three project managers. The PUCDP was started back in 1995, and it has been an exploratory process because the PUCDP is very extensive and diverse.

Mr. Chun noted that in 1999, a very detailed and descriptive public review draft was generated by the consultants. The large number of public comments received had one point in common, that the PUCDP was too detailed.

Mr. Chun said that, as a result of public feedback, the PUCDP was reconceptualized and recomposed, and the final draft emerged last spring. This final draft emphasizes a strategic policy framework that supports and enables community-based planning.

Mr. Chun stated that his Department held public meetings last Fall, and public feedback was accepted

until Spring of this year. Those comments were compiled and included in the final document. It is hoped that this version of the PUCDP will be presented to the Planning Commission this month, and to the City Council by the end of November 2003.

Mr. Chun noted that the PUC is Oahu's most extensive, most intensely developed and most diverse planning region. It represents over half of our population, three quarters of the island's jobs, is home to Hawaii's main financial, commercial and political districts, and has our most diverse mix of communities.

Mr. Chun added that, ironically, the PUC is one of three regions that are slated to accept growth in the next 25 years. Unlike any of the other seven regions, the PUC has no large tracts of vacant lands to accommodate future development. Therefore, the City needs to be inventive, and work through partnerships, in order to make the PUC a place of choice for the future, that can accept growth, and will be attractive.

Mr. Chun described the "tower in the park" concept, one that was developed at the beginning of the last century in both Europe and the United States. The theory was to house people in slim towers, leaving a lot of free open space at the bottom, open space that could be used for parks. Mr. Chun said that everyone is familiar with the fact that high-rise buildings are not cheap to build, and therefore the "tower in the park" model is one that is high risk for developers.

On that subject, Mr. Chun first noted that, in Honolulu, the "tower in the park" concept has frequently become a "tower in a parking lot". He said that the streets tend to be unfriendly, and there is no real sense of community in districts that are dominated by residential towers.

Secondly, Mr. Chun said that there is value in low-cost rentals. Because low-cost rentals usually conjure the image of unattractive walk-up apartment buildings, many people would like to see them disappear. However these buildings are really valuable to a certain market segment. Therefore, there may be value in orienting some of the City's regulations and standards to refurbishing walk-up residential buildings to make them more attractive, and to create more livable communities for that segment of the market.

Thirdly, Mr. Chun stated that, because it is now the 21st century, and the PUC is going to be a place of choice for living in the future, it will be necessary

to have housing types and communities that meet varying lifestyle needs. In order to accomplish that, it will be necessary to examine and make appropriate adjustments to the City's regulations, the formula by which the City operates, the permitting process, zoning codes, development standards, and our infrastructure system, so that desired development can occur.

Mr. Chun noted that there is ample space for office and retail development, so that if the economy improved and businesses need to grow and expand, the space is available. Mr. Chun said that, on the Mainland, various cities have been successful in attracting some of the cutting-edge industries by providing attractive places to live. Honolulu has the opportunity to learn from other cities by adapting those principles. Therefore, the emphasis is on making the PUC tomorrow's place of choice: to enhance the livability of our neighborhood commercial and residential districts, to encourage compatible mixtures of uses, to accommodate moderate amounts of growth with efficient and attractive use of land, to support neighborhood level planning, to evaluate regulations that will make this happen and to provide the adequate support services, so that we can live in convenience and efficiency.

As Mr. Chun concluded his slide presentation, he distributed two handouts to the Members, which highlight the Primary Urban Center Development Plan.

Chair Lum asked the Members if they had any questions concerning Mr. Chun's presentation.

Member Goshi stated that for a lot of these urban plans, the real drivers are parking, transit, and floor area ratios (FARS); he inquired whether there is any cost-modeling or economic modeling, to determine how these issues relate to the code.

Member Crispin responded that there was so much information packed into this general, brief overview, that when Mr. Chun talked about rolling up our sleeves and working on the implementation, these are the kinds of things that the City will have to do. At this time, what the PUC intends to be is really an overall vision of "where do we want to go" and "what kind of city do we want to be?"

Member Crispin added that the City plans to develop parking incentives and focus on other modes of transportation. He stated that the PUCDP, in itself, is really simple, and that other cities have figured out that parking consolidation and aggregation into one

centralized area eliminates parking requirements for individual projects, allowing retailers to develop pedestrian-friendly storefronts that are located directly adjacent to sidewalks.

Member Goshi stated that small landowners, especially in Kakaako, could not afford to provide parking and develop a building at the same time.

Member Crispin agreed, and stated that surface parking costs between \$5K to \$8K a stall, while structure parking costs between \$12K and \$25K a stall, assuming the optimal configuration. Any inefficient lot would bring the cost of a parking stall to the \$30K-\$35K range, at which point it becomes cost prohibitive.

Member Crispin stated that outside Kakaako, for example in the Kapahulu area, there are existing retailers who are struggling due to a lack of adequate parking. He said the solution is to provide aggregate parking so that people can walk a reasonable distance and still frequent the shops.

Member Crispin added that there are other issues to consider, including density. For example, Mother Waldron Park could become similar to the "tower in the park" model, but if a 50-foot parking podium is required with a building on top of that, it becomes a dreary pedestrian experience. Member Crispin stated that a pedestrian could walk 4 miles in San Francisco, or 5 miles somewhere in Boston, and not realize the distance walked because of the variety and number of stores situated alongside of each other.

As an example, Member Crispin stated that walking from the Honolulu Municipal Building to the HCDA office offers an experience of hot sidewalks with concrete walls adjacent to the sidewalks.

Member Kimura inquired about the plan for the industrial component. He mentioned that, in Kakaako, there were a lot of small industrial businesses.

Member Crispin responded that Kakaako was in a special district of its own and that it would be up to HCDA to decide what direction the district would take.

Member Kimura asked if, within the PUC, there was any component for industrial.

Member Crispin responded that, within the PUC, the idea was to have the largest variety of mixed uses.

Mr. Chun added that there were industrial zones within the PUC, and that this information could be found in the report circulated to the Members.

Member Crispin said that the light industrial uses, such as the automobile repair shops and gas stations, are part of life, and they have to be integrated into the neighborhoods. Member Crispin added that he would like to see this preserved as much as possible.

Member Crispin stated that Ms. Sokugawa would be temporarily acting as Deputy Director of DPP during Ms. Barbara Kim Stanton's recovery from injuries sustained in a car accident.

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

V. EXECUTIVE SESSION

Chair Lum indicated that the Authority would be going into two Executive Sessions.

The first Executive Session:

Status of the Executive Director Search

It was moved by Member Kometani and seconded by Member Kondo to go into Executive Session to Discuss the Status of the Executive Director Search. The motion passed unanimously. Note: There were fifteen (15) affirmative votes.

The second Executive Session:

Status of Exclusive Negotiations with KUD International, LLC

It was moved by Member Los Banos and seconded by Member Shiraki to go into Executive Session Relating to the Status of Exclusive Negotiations with KUD International LLC. The motion passed unanimously. Note: There were fifteen (15) affirmative votes.

The following people were asked to join the second Executive Session: Ms. Pfund, Mr. Nishimoto, Mr. Takahashi, and the KUD representatives.

The Hawaii Community Development Authority convened in Executive Session at 10:15 a.m.

It was moved by Member Kubota and seconded by Member Haraga to reconvene the regular meeting at 11:35 a.m. The motion passed unanimously.

V. 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 Haraga and seconded by Member Los Banos to adjourn the meeting at 11:40 a.m. The motion passed unanimously.

Respectfully submitted,

/s/ Michael Goshi

Michael Goshi
Secretary