

SUMMARY - MEETING NO. 292
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
State of Hawaii
Amended
March 2, 2005 – 9:00 a.m.

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

ATTENDANCE

Members Present: Mark Anderson (for Theodore Liu); Paul Kimura; James Kometani; Gary Kondo; Jonathan Lai; Allan Los Banos, Jr.; Stanley Shiraki (for Georgina Kawamura); Katherine Thomason (for Russ Saito); William Aila, Jr.; Linda Chinn (for Micah Kane); Henry Eng; Evelyn Souza; and Maeda Timson.

Members Absent: Michael Goshi and Rodney Haraga

Others Present: Daniel Dinell; Melvin Nishimoto; Matthew Akamu; Stanton Enomoto; Chong Gu; Arnold Imaoka; Richard Kuitunen; Cal Machida; Deepak Neupane; Susan Tamura; and Jill Sugihara; (also, see Meeting Attendance Record).

I. ROLL CALL

The meeting of the Hawaii Community Development Authority (HCDA) was called to order on March 2, 2005, by Chairperson James Kometani at 9:05 a.m. with the following roll call:

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| Chairperson Kometani | Present |
| Member Anderson | Present |
| Member Kimura | Present |
| Member Kondo | Present |
| Member Lai | Present, Arrived at 9:10 a.m. |
| Member Los Banos | Present |
| Member Shiraki | Present |
| Member Thomason | Present |
| Member Aila | Present, Left at 9:50 a.m. |

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| Member Chinn | Present, Left at 9:50 a.m. |
| Member Eng | Present, Left at 9:50 a.m. |
| Member Souza | Present, Left at 9:50 a.m. |
| Member Timson | Present, Left at 9:50 a.m. |

MATERIALS DISTRIBUTED

1. Agenda for March 2, 2005 Meeting;
2. Summary Minutes of Regular Meeting of February 2, 2005;
3. Summary Minutes of Public Hearing of February 2, 2005;
4. Report of the Executive Director;
5. Kalaeloa Status Report;
6. Approval to Authorize the Executive Director to Solicit Public and Stakeholder Input to the Draft Kalaeloa Strategic Plan;
7. Approval to Authorize the Executive Director to Prepare a Letter in Support of the Salvation Army's Efforts for the Construction of a Community Center in Kapolei;
8. Approval to Revise the Date for the University of Hawaii to Issue a Request for Qualifications for Phase II of the John A. Burns School of Medicine from March 15, 2005 to March 18, 2005; and
9. Approval to Authorize the Executive Director to Expend Funds to Conduct an Environmental Phase I Report on HCDA-owned Lands in Heeia.

II. APPROVAL OF MINUTES

1. Minutes and Summary

Chairperson Kometani asked if Members had any corrections to the minutes of the February 2, 2005 meeting and summary of the Public Hearing of February 2, 2005. There were no corrections and it was moved by Member Anderson and seconded by Member Kondo that the minutes of the regular meeting of February 2, 2005, and summary minutes of the Public Hearing of February 2, 2005, be approved. The motion passed 13 to 0.

III. REPORT OF THE EXECUTIVE DIRECTOR

Mr. Dinell noted that the Executive Director's report was enclosed in the packet distributed to the Authority Members but highlighted and updated the following:

- Mr. Dinell introduced Chong Gu, HCDA's new Administrative Services Officer. Mr. Gu is a CPA who holds a Master of Business Administration (MBA) degree along with a Masters in Economics. He joins HCDA from the Research Corporation of the University of Hawaii where he was the Fiscal and Administration Officer on the Mauna Kea Astronomy Education Center project.
- Mr. Dinell also introduced Deepak Neupane, HCDA's new Project Manager. Mr. Neupane joins HCDA from the Kahoolawe Island Reserve Commission where he was a Senior Program Manager. He has over 15 years of experience in designing and managing architectural engineering projects. Mr. Neupane is a registered professional engineer and architect and is pursuing a MBA.
- HCDA will be renting a portion of the net drying shed to a Kewalo Basin user. This will generate income as well as boost security in the area through increased activity.
- The City Council approved the dedication of Ilalo Street. The dedication documents were recorded at the Bureau of Conveyances on February 10, 2005. The dedication is now complete and the road is now a City street.
- Relative to Improvement District 12 in the Waterfront area, staff anticipates issuing a notice to proceed for Hawaiian Dredging to start in early April.
- HCDA has received a project eligibility application for a condominium development on the corner of Queen and South Streets, behind the Advertiser Building. This project was once known as Queen Emmalani. The new owner indicated that it plans to start presale reservations for the units.
- HCDA has been informed that POSEC Hawaii, the developer of 909 Kapiolani, has approximately 170 non-binding reservations for its 225 unit development. POSEC is now considering its final phase of presales to obtain reservations on the remaining units. The presales would be conducted under its current preliminary public report and thus these reservations would also be non-binding. Once the final plans have been approved and the Planned Development Permit issued by HCDA, POSEC will cease all sales activities and file with the Real Estate Commission to obtain an effective date for a

contingent final public report. At the time that an effective date is obtained for the contingent final public report, all prospective buyers will be given the opportunity to either back out of their reservations or enter into binding agreements.

- A follow up meeting on ID-11 is scheduled with the Governor on March 10, 2005, with Queen Street businesses. Mr. Dinell summarized the three items that HCDA was asked to review: 1) Not taking the two foot strip to expand the right-of-way from 56 feet to 60 feet is not consistent with the Mauka Area Plan and is not prudent for several reasons, namely, the sidewalk area needs to be eight feet wide so that there is enough room for the various necessary street appurtenances while still remaining in compliance with American Disabilities Act (ADA) and narrowing the traffic lanes to less than 10 feet wide is unsafe and not standard with City traffic lane widths; 2) The plans for Queen Street between Ward Avenue and Cooke Street are the same, calling for acquisition of a two foot strip on either side of the existing 56 feet wide right-of-way; and 3) The Governor's Office needs to follow-up with the City on its financial participation. Mr. Dinell sent an e-mail message to the Deputy Director of Budget and Fiscal Services, inquiring as to the status of discussions during the recent meeting he and Chairperson Kometani had with the City. No response has been received to date; however, Mr. Dinell is not optimistic as the City's financial situation looks grim, but he will continue to pursue the matter until an answer is received.
- The Task Force for the Kakaako Waterfront Request for Proposals (RFP) met on March 2, 2005, at 8:00 a.m. and staff gave a status update, namely: 1) a pre-conference meeting was held and an Addendum was issued; 2) that 15 parties submitted Intent to Offer letters; 3) consultants were solicited and selected in the areas of real estate, development, appraisal, and financial analysis; and 4) a second Addendum is about to be issued. The Task Force reviewed the applicable Hawaii Administrative Rules and evaluation/schedule process. Three key external events were discussed, namely legislation that mandates the establishment of a 10-acre cultural public market in the Kewalo Basin area (Senate Bill 1721); a letter from concerned Legislators regarding sharing of Kewalo Basin revenues with Department of Land and Natural Resources (DLNR); and an expression of interest by Office of Hawaiian Affairs (OHA) in the Waterfront Parcel Ewa of the Kakaako Waterfront Park.
- Relative to legislation, Mr. Dinell said that Stanton Enomoto will update Members on the motor sports tax credit bill in the Kalaeloa Status Update. On Kakaako related issues, HCDA, along with the State Department of Transportation (DOT), is testifying against a change in jurisdiction of Piers 1 and 2 from HCDA to DOT. Both DOT and HCDA believe that the bill is

unnecessary because a Memorandum of Agreement is being executed to specify the terms of continued active maritime use for Piers 1 and 2.

- Lastly, Mr. Dinell noted that the Public Hearings on the HCDA calendar of events for the Park Rules and the amendment to the Mauka Area Plan and Rules were slated for April 6, but will now likely be delayed and held in conjunction with the regular Authority meeting on May 4 unless a special meeting is held. The reason is that the staff is awaiting approval to hold a public hearing.

Chairperson Kometani asked if there were any questions for the Executive Director. There were none.

IV. ITEMS FOR INFORMATION

A. Kalaeloa Status Report

Stanton Enomoto summarized the Information Item distributed to the Authority concerning this matter.

Mr. Enomoto reported that staff is working on the Kalaeloa Strategic Plan with the consultant, Townscape, Inc., and more details will follow in the Action Item.

A Request for Proposals (RFP) was issued for consultant services for the broader Kalaeloa Master Plan. A pre-proposal meeting was held on February 7, 2005, and proposals were due on February 14, 2005. At this time, staff is in the process of evaluating the proposals and anticipates that a recommendation will be given to the Executive Director for award within the next week.

Mr. Enomoto has been working with the Salvation Army on its efforts to construct a community center in Kapolei, which is the second Action Item that will be discussed today.

In the legislature, Mr. Enomoto has been tracking a number of bills that relate to tax credits for a proposed motor sports center at Kalaeloa. HCDA's testimony has been primarily for informational purposes and has deferred to the Department of Taxation and the Department of Hawaiian Home Lands regarding the merits and substance of the proposal.

There has been no new information since the last meeting regarding the Kalaeloa housing properties owned by Ford Island Properties. Ford Island Properties is continuing with the sale of its properties at Kalaeloa.

Mr. Enomoto noted that a copy of the response letter to the City's Department of Planning and Permitting on the Draft Environmental Impact Statement for the Kalo'i Gulch drainageway improvement is included in each Member's packet for reference.

Mr. Enomoto concluded that he is continuing to respond to public calls regarding rental housing and landscaping and safety issues in Kalaeloa.

Chairperson Kometani asked if Members had any questions. There were none.

V. ITEMS FOR ACTION

3. Approval to Authorize the Executive Director to Solicit Public and Stakeholder Input to the Draft Kalaeloa Strategic Plan

Stanton Enomoto summarized the Action Item distributed to the Authority concerning this matter and made the staff recommendation.

Mr. Enomoto acknowledged the Kalaeloa Subcommittee Members have been helpful, supportive and committed to this effort over the last several months and thanked them for their time and generous sharing of their expertise in putting together the Strategic Plan.

Mr. Enomoto reviewed the background leading up to the plan. In September 2004, the Authority held a workshop and discussed a need for a Strategic Plan for Kalaeloa. In October 2004, Chairperson Kometani appointed Members to the Kalaeloa Subcommittee to start work on the Strategic Plan. Subsequently, the Subcommittee held a workshop in November 2004, to discuss the scope and content of the Strategic Plan and how best to proceed. A contract with Townscape, Inc. was awarded in December 2004 for the preparation of the Strategic Plan. The Subcommittee met twice in January 2005, with the consultant to discuss the vision concepts, mission, and core values. Three follow-up meetings with the Subcommittee were held in February 2005, to discuss the more detailed key factors, redevelopment strategy and action items.

The Strategic Plan is a five-year action plan that: articulates the vision for Kalaeloa and defines HCDA's mission, as staff works toward that vision; embodies values; identifies issues; and sets the near-term actions and priorities.

Mr. Enomoto explained that in crafting the vision statement, the Subcommittee took into account the entities that are already located there: Barbers Point Elementary School, U.S. Coast Guard Air Station, Youth Challenge, State Airport, University of Hawaii (UH) Aeronautical Training Center, State National Guard, U.S. Department of Veteran Affairs and a variety of other State, County and Federal government agencies as well as the public beach area. They looked for a common thread that ran through all of these activities as well as projected into the future. Looking at Kalaeloa the Subcommittee saw it as a *wahi hookela* or a "Center for Excellence" within the Kapolei region (*wahi* means a place, an area) (*hookela* is a pursuit of excellence -- to excel). The notion of excellence runs through all of these activities whether it is the youngsters at the Youth Challenge program or UH or even through the Coast Guard's mission. The Subcommittee views Kalaeloa as a center where Hawaii's people can come together to share knowledge, develop expertise in their various fields and vocations, and advance themselves both personally and professionally all the while remaining respectful of not only the land at Kalaeloa but its history as well. Through the pursuit of excellence, Kalaeloa can serve as a model of achievement for the surrounding communities, the islands of Hawaii, and the world.

In 2002, HCDA received redevelopment responsibility for Kalaeloa. The Authority and staff has a responsibility to move forward to pursue the vision through a long-term and sustained, public and private commitment. With that effort, a "Center of Excellence" at Kalaeloa can be realized. The primary activities of HCDA would involve, planning, partnerships, advocacy and stewardship.

Several core values and guiding principles were identified by the Subcommittee and staff:

- Acknowledge HCDA's actions – to lead by example, pursue excellence in HCDA's work at Kalaeloa;
- Take into account the importance of Kalaeloa's traditional places and history – the archaeological sites need to be honored and recognized;
- Protection of resources – not only cultural resources but environmental resources, land-based natural resources, and ocean resources;

- Incorporate Native Hawaiian values – the earliest inhabitants of Kalaeloa needed to be resourceful, innovative and creative, HCDA does as well;
- Be respectful and cognizant of the activities of current land owners – U.S. Coast Guard, Federal Aviation Administration (FAA), Department of Education (DOE), etc., they all have a role to play;
- Necessity for financial realism – need to make sure redevelopment efforts are realistic and attainable from a financial perspective;
- Importance of community involvement – redevelopment can't go forward without the community support and involvement; and
- Support diversity of uses in Kalaeloa – there are a variety of uses ongoing at Kalaeloa that should be supported.

The key factors or constraints that need to be taken into account are:

- Existing land owners, uses, and status of conveyances;
- Site conditions – topography, natural resources, and environment;
- Ongoing land development and issues surrounding Kalaeloa;
- Infrastructure conditions – roads, utilities, drainage are all in some state of disrepair or questionable compliance with existing standards; and
- Potential military reuse – the decision should be known within the year on whether an aircraft carrier airwing will be stationed at Kalaeloa.

Regarding redevelopment, several strategies and goals need to be considered:

- Create both economic and social value;
- Designation of appropriate land uses and zoning;
- Find funding for infrastructure to support redevelopment activities;
- Enter public-private partnerships for specific projects; and
- Facilitating private sector investment.

Some of the near-term priorities and actions that will be occurring over the next five-years focus on HCDA's Kalaeloa Mission:

- Preparation of a Master Plan by September 2005. Once that is completed, administrative rules and zoning will be developed.
- Establish partnerships and cooperative agreements with area schools and community organizations.

- Serve as liaison for the remaining conveyances that are still outstanding with the Navy.
- Make small-scale repairs or improvements on infrastructure to improve the area as well as identify long-term solutions.
- Secure grants and other sources of funding.
- Implement a maintenance program for common lands.
- Provide safety for Kalaeloa users.
- Implement these activities through biennial budget as well as integrated six-year fiscal plan.

In March 2005, presentations will be given to the Governor and Mayor, Legislators and City Councilmembers as well as the Navy Region Hawaii. A stakeholder's workshop with Kalaeloa land owners and surrounding land owners will also be scheduled. Community outreach will be through presentations to neighborhood boards and community groups informing them of the broader public workshop that will be conducted in April for the public to give its input and insight into what it considers important actions for HCDA. Everything will then be compiled and brought before the Authority at the May meeting for adoption.

Staff recommends that the Authority authorize the Executive Director to solicit public and stakeholder input to the Draft Strategic Plan.

Chairperson Kometani requested a motion to adopt staff's recommendation for approval. Member Timson moved to adopt staff's recommendation. Member Souza seconded the motion. Discussion ensued.

Member Timson commented that a lot of work, time and effort have gone into creation of the Strategic Plan and it is consistent with what the community was looking at to revitalize the area. She stated that she was happy that HCDA took Kalaeloa under its wing because this was the most it has moved in five years. She highly recommended that the Authority move forward with the proposed action.

Member Aila commented that this was an opportunity for the Authority to help overcome the inertia that has set in at Kalaeloa. He strongly urged the Authority to follow through on the approval of the recommendation.

There being no further discussion, a vote was taken and the motion was approved 13 to 0.

Chairperson Kometani personally thanked Stanton Enomoto and staff as well as the Members that served on the Subcommittee. He stated that everyone agrees that we are finally at a point where we should see some definite improvement and movement at Kalaeloa.

4. Approval to Authorize the Executive Director to Prepare a Letter in Support of the Salvation Army's Efforts for the Construction of a Community Center in Kapolei

Stanton Enomoto summarized the Action Item distributed to the Authority concerning this matter and made the staff recommendation.

Mr. Enomoto stated that the Salvation Army is in the process of applying for a grant to build a community center in Kapolei and has asked HCDA for a letter of support. The proposed center would be located at the intersection of Kapolei Parkway and the to-be-developed North/South Road, at a location approximately an eighth of a mile from the nearest housing units in Kalaeloa.

Staff felt that the community center would be a nice fit for the surrounding area especially since some of the ideas the community center embodies are discussed in the Kalaeloa Strategic Plan. The community center would also serve to draw people into the Kapolei/Kalaeloa area which was seen as compatible with HCDA's proposed vision for Kalaeloa.

Major Dave Hudson, Divisional Commander for the Hawaiian and Pacific Island Division of the Salvation Army spoke on the background of the idea. Major Hudson explained that in 1997, Mrs. Joan Kroc, wife of Ray Kroc the founder of McDonalds Corporation, had a vision to transform an underserved area of San Diego by creating a community center for the area. She asked the Salvation Army for help. The end result was a 12½ acre parcel in San Diego that transformed the community.

The San Diego community center has a performing arts center that seats 625 people; a National Hockey League-size ice skating arena; two swimming pools (one diving pool and the other a Jr. Olympic size pool); a National Basketball Association-size basketball court; soccer field; day care center and obstacle course. There are over 6,000 members of the facility with 3,000 using the facility on a daily basis.

Major Hudson said that Mrs. Kroc was driven by three C's – Children, Community and Class. She believed that if you removed social economic barriers from children, they will have an opportunity to grow and develop into

not only leaders of tomorrow but leaders of today. She also believed that the center should reflect the community in demographics, aesthetics and design. Lastly, Mrs. Kroc believed that the center had to project absolute class, something that would stand out as a beacon in a dark area.

Upon Mrs. Kroc's passing, the Salvation Army discovered that it was the residual beneficiary of her estate which totals \$1.5 billion. The money could be used only for the construction and the endowment of new centers similar to the one in San Diego across the United States. It would be divided into four areas, one of them being the Western United States out of Long Beach, California that serves Hawaii and 12 other States. That money will be divided in two – half for construction and half for partial endowment on these new facilities.

The Hawaii Salvation Army is now in the later stages of the first phase of the application process. There may be five or six centers that will be constructed in the Western U.S. The goal is to have Honolulu be one of those centers. The Salvation Army believes that it will not only transform the area, but the entire island and the State.

The center will include a swimming pool, gymnasium, day care center, after school programs, computer training labs, recreational fields, and a place for the arts. Ten acres in Kapolei has been identified for the site. Major Hudson said that the Salvation Army is requesting HCDA's support in the process of making Mrs. Kroc's dream come true for the island of Oahu.

Mr. Enomoto stated that the action item requests the Authority's approval to authorize the Executive Director to prepare a letter of support for Salvation Army's efforts in construction of a community center in Kapolei.

Chairperson Kometani asked if there were any questions.

Member Chinn added that the Department of Hawaiian Home Lands (DHHL) welcomed and supported the Salvation Army's use of its property in East Kapolei. She stated that they have 160 acres there, and that the DHHL Commission authorized a 65 year general lease of that 10-acre site.

There being no further comments, a vote was taken and staff's recommendation was approved 13 to 0.

Chairperson Kometani called a recess at 9:50 a.m. to allow the Kalaeloa Members (Members Aila, Chinn, Eng, Souza, and Timson) to depart as the rest of the agenda was related to Kakaako issues.

The meeting reconvened at 9:55 a.m.

5. Approval to Revise the Date for the University of Hawaii to Issue a Request for Qualifications for Phase II of the John A. Burns School of Medicine for March 15, 2005 to March 18, 2005

Daniel Dinell summarized the Action Item distributed to the Authority concerning this matter and made the staff recommendation.

Mr. Dinell stated that on December 1, 2004, the Authority granted approval to enter into exclusive negotiations with the UH for the Cancer Research Center of Hawaii (CRC) on a designated site in the Kakaako Waterfront. The approval would extend until July 31, 2005, subject to several conditions: 1) the commitment to relocate the Pacific Biosciences Research Center (PBRC) on a date certain and work cooperatively with HCDA on that relocation; 2) requirement of UH to select a developer for the CRC by March 31, 2005; and 3) requirement of UH to issue a Request for Qualifications (RFQ) for Phase II of the John A. Burns School of Medicine (JABSOM) no later than March 15, 2005.

Mr. Dinell explained that the regular March meeting of the UH Board of Regents is scheduled for March 17 and 18. Depending on the length of the agenda, the item to authorize the UH staff to issue the RFQ would either be on the 17th or the 18th.

Therefore, staff recommends the Authority authorize the Executive Director to modify the date for the requirement of the issuance of the Request for Qualifications from March 15, 2005 to March 18, 2005, to allow for the approval of the issuance of the RFQ for Phase II of the JABSOM at the UH Board of Regents March 17-18, 2005 meeting.

Mr. Dinell stated that Ms. Jan Yokota, Director of Capital Improvements for UH would be available for questions.

Chairperson Kometani requested a motion to adopt staff's recommendation for approval. Member Los Banos moved to adopt staff's recommendation. Member Lai seconded the motion. Discussion ensued.

Member Shiraki asked Jan Yokota the status of both projects.

Ms. Yokota responded that the RFQ is on the Board of Regents agenda for March 17 and 18 and the University plans to issue the RFQ on the 18th. Developers will also be submitting their proposals on the CRC to the University by the 18th. A developer presentation to the University's evaluation committee is scheduled for March 22 and 23. A special meeting of the Board of Regents will be called to select a developer in the last week of March. So the University is on track with the schedule.

Ms. Yokota clarified that the University did a short list of developers after the RFQ was issued for the CRC. The developers on the short list were then issued a request for proposals, which they are in the process of preparing. The evaluation committee will then evaluate and hear the presentations in March and recommend to the Board of Regents selection of a developer based on the proposals reviewed.

There being no further questions, a vote was taken and the motion was approved 8 to 0 excluding Kalaeloa Members.

6. Approval to Authorize the Executive Director to Expend Funds to Conduct an Environmental Phase I Report on HCDA-owned Lands in Heeia

Richard Kuitunen summarized the Action Item distributed to the Authority concerning this matter and made the staff recommendation.

Mr. Kuitunen stated that the subject meadowlands were acquired in 1991 as part of a land exchange. HCDA assumed the buyer's obligation that Kamehameha Schools entered into at the request of the Governor's Office to not have the land developed. The total property comprises 385 acres. Another 80 acres that was added in the exchange was subsequently returned to Kamehameha Schools by terms of the contract after the State's Housing Finance and Development Corporation declined to use it for affordable housing.

Since the meadowland property was acquired, discussions with Department of Land and Natural Resources (DLNR) staff over the transfer to DLNR have taken place with no success. Staff is now at a point where DLNR has indicated a willingness to take title to the property. However, DLNR first requires an Environmental Phase I assessment.

The purpose of transferring the land to DLNR is that HCDA does not have the expertise, or funding to lease or to maintain the area. DLNR does have the

capability to act as a custodian of the land and would like to establish trails and other recreational use.

The Environmental Phase I assessment would include: review of historical documents; a site reconnaissance visit; an evaluation and recommendation for further environmental investigation; and a written report of findings.

Staff recommends the Authority to authorize the Executive Director to expend funds up to \$20,000 to conduct an Environmental Phase I Report on HCDA-owned lands in Heeia in anticipation of transferring the property to the DLNR.

Chairperson Kometani requested a motion to adopt staff's recommendation for approval. Member Anderson moved to adopt staff's recommendation. Member Lai seconded the motion. Discussion ensued.

Member Shiraki questioned if HCDA got a good deal for the land.

Mr. Kuitunen responded that the Heeia land was part of a land exchange with Kamehameha Schools in which HCDA received the land that now constitutes the mauka portion of the Makai Gateway Park and the Heeia property, and Kamehameha Schools received the Board of Water Supply site adjacent to the Army and Air Force Exchange Services (AAFES) Building and \$11,667,917 in public facility dedication credits. Mr. Kuitunen noted that the explanation of the land exchange in 1991 was also included in the Authority packets.

Member Shiraki asked what the zoning on the land was.

Mr. Dinell responded that the State Land Use Commission designation is "urban" but the City zoning is preservation. In the 1990's, the community voiced concerns over the possibility that the land would be developed and include a golf course. The "preservation" classification became the City government's way of preserving the land as conservation-type land.

Member Shiraki commented that it is prime land.

Member Thomason asked what would be the options if DLNR's Chairman Peter Young does not accept the property after the environmental study is conducted.

Mr. Dinell replied that Chairman Young said that he wants to take the property but wants HCDA to prove that there is no environmental liability with the land. If the Phase I study shows further study is needed, staff will have to come back to the Authority for authorization for a Phase II study.

Mr. Dinell said that he is counting on DLNR to honor its word that it will take the property if no problems are identified. He said that when the transfer was proposed in 1991, the question was raised as to whether HCDA would be able to get DLNR land in exchange. Mr. Dinell speculated that such issues may have been part of the reason the transfer never happened. But, he noted, there is a possibility of doing a land exchange.

Chairperson Kometani asked if DLNR has any lands under HCDA's control.

Mr. Dinell responded the Pohukaina School site is owned by DLNR. The site would be good for a school and affordable housing, so that might be a possible land exchange. The attractiveness of the meadowlands site to DLNR is that Heeia State Park is just makai of the meadowlands. The Heeia Fish Pond is owned by Kamehameha Schools. There have been discussions about doing an educational Ahupuaa with all these lands because along with other undeveloped parcels they run all the way from the Koolau mountains to the ocean.

Mr. Kuitunen added that in the Executive Director's report staff mentions the Heeia workshops. In addition to HCDA staff, the City representatives, and DLNR representatives, there are a lot of community groups that have interest in the area; one of the groups maintains the fishpond and another group is trying to put hiking trails throughout Kaneohe including the Ahupuaa that the meadowlands is part of.

Member Shiraki asked if there were houses in the area.

Mr. Kuitunen responded in the affirmative.

Member Shiraki commented that he didn't have a problem with moving this item along if HCDA could approach the Housing and Community Development Corporation of Hawaii (HCDCH) or another appropriate party to see if there are other possible uses for this land.

Mr. Dinell believed that even if the property were to go to HCDCH, the intermediate step would be to transfer title to DLNR so it would be State land. He asked Deputy Attorney General Mel Nishimoto if that was correct.

Mr. Nishimoto responded that he assumed that DLNR wanted the property.

Mr. Dinell pointed out that DLNR wants the property for recreational purposes and not for housing or other purposes as Member Shiraki is

suggesting. He was not aware whether the land would be suitable for housing development.

Mr. Nishimoto responded that the Phase I study would still be necessary whether the property would be used for residential or conservation/recreational purposes.

Member Shiraki responded that he didn't have a problem with that so long as HCDA did an outreach to the departments.

There being no further questions, a vote was taken and the motion was approved 8 to 0 excluding Kalaeloa Members.

VI. ADJOURNMENT

There being no further business, it was moved by Member Kondo and seconded by Member Thomason to adjourn the meeting at 10:10 a.m. The motion passed 8 to 0 excluding Kalaeloa Members.

Respectfully submitted,

/s/

Paul Kimura
Secretary