

**MINUTES OF A REGULAR MEETING
OF THE MEMBERS OF THE
HAWAII COMMUNITY DEVELOPMENT AUTHORITY,
STATE OF HAWAII**

AMENDED
MEETING NO. 330
Wednesday, June 4, 2008

Members Present: C. Scott Bradley (9:16 a.m.)
Amanda Chang
Grady Chun
Joseph Dwight, IV
Michael Formby (9:23 a.m.)
Paul Kimura
Jonathan Lai
Theodore Liu (9:29 a.m.)
Dexter Okada
Russ Saito

Kalaeloa Members: Henry Eng
Stanton Enomoto
Evelyn Souza
Maeda Timson

Members Absent: Linda Chinn
Christopher Kobayashi
Kay Mukaigawa
Robert Piper

Others Present: Anthony Ching, Executive Director
Eugene Won, Deputy Attorney General
Tessa Malama, Director of Planning and Development for Kalaeloa
Craig Nakamoto, Director of Communications
Deepak Neupane, Director of Planning and Development for Kakaako
Patricia Yoshino, Secretary
Loretta Ho, Secretary

I. ROLL CALL

A regular meeting of the members of the Hawaii Community Development Authority (“Authority”), a body corporate and public instrumentality of the State of Hawaii, was called to order by Mr. Jonathan Lai, Chairperson of the Authority, at 9:04 a.m. on Wednesday, June 4, 2008, at the Authority’s principal executive offices at 677 Ala Moana Boulevard, Suite 1001; Honolulu, Hawaii 96813 pursuant to article IV, section 1 of the Authority’s Bylaws.

MATERIALS DISTRIBUTED

1. Agenda for June 4, 2008 Meeting;
2. Summary Minutes of Authority Meeting of May 14, 2008 (distributed at the meeting)
3. Report of the Executive Director;
4. Kalaeloa Status Report;
5. Executive Session: Hunt Development and Ford Island Properties (Confidential Material distributed at the meeting)
6. Executive Session: Development and Lease Agreement with the University of Hawaii for the Cancer Research Center of Hawaii (Confidential Material distributed at the meeting)
7. Information: Kewalo Keiki Fishing Conservancy (distributed at the meeting)

II. APPROVAL OF MINUTES

Member Timson requested and Chairperson Lai agreed to defer approval of the minutes to a later time on the agenda to allow Members time to read the content.

III. REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Anthony Ching noted that the full Executive Director’s report was enclosed in the packet distributed to the Authority members and presented a summary of his report via a power point presentation.

Mr. Ching announced that the July meeting would be held at Kalaeloa at the new Department of Hawaiian Home Lands (DHHL) headquarters building and conference room. Members would need to allow additional travel time to commute to the meeting and a van pool would be organized. A lengthy agenda was anticipated and would include discussion on the Kakaako Revolving Fund projects as well as Kalaeloa jurisdiction issues.

Chairperson Lai asked the Members if they had any questions for Mr. Ching.

Member Saito noted that the correct location for the July meeting is Kapolei and not Kalaeloa. Mr. Ching stated that Member Saito was correct and the location of DHHL building is Kapolei; however, he was just generically thinking the meeting would be in the area of the Kalaeloa District.

Member Timson recommended that a tour of Kalaeloa should also be planned. Since the Authority last went out to Kalaeloa, there have been many changes as well as new members on the Authority. She also suggested a joint reception with the two Kalaeloa advisory groups.

Mr. Ching noted that Member Timson's points were well taken. He indicated that both July and August meetings of the Authority would be held in Kapolei, and that a tour of Kalaeloa would be included in the August meeting.

Member Timson requested clarification on why the assertion letter to Hunt was signed by Member Liu in his capacity as Director of DBEDT, instead of just Chairperson Lai for HCDA.

Mr. Ching stated that the time between the Authority's direction to have the Chair issue a letter asserting jurisdiction, there had been time given to update the Governor's office as to what was happening. Subsequently, it was determined that with Member Liu's signature, it would demonstrate that both Administration and the Authority were in agreement and give added weight to the assertion of jurisdiction.

Member Liu stated that it was important to indicate that HCDA's assertion of jurisdiction was not done lightly. It was important for Hunt and the Navy to understand that, as important as the Authority's assertion is, it was also the position that their activity was subject to jurisdiction of this Authority.

Member Timson asked what steps would be taken after the assertion letter.

Mr. Ching stated that he would be seeking the Authority's guidance during the Executive Session on how to proceed.

Member Okada noted that someone had been working with City to remove abandoned cars on Queen Street. While some of the cars had been removed, there were still more remaining. When HCDA approached the City to finish up, the response was that the Attorney General stopped it on the basis that vehicles could not be removed if someone was living in it. Member Okada posed a question as to whether it was true that the cars parked in our District could not be removed if someone lived in it.

Mr. Ching responded that there has been an inquiry to the City by our Counsel on that matter. It had previously documented that the particular stretch of street in that area

was privately owned by an out of state concern. HCDA's engineering staff has been asking their contacts at the City as to their intentions to determine what the issues are with respect to towing cars, and if we can provide any support.

Member Okada stated he would be surprised if the Attorney General were to advise that the City could not tow cars or repair public roadways which were not owned by the City.

Chairman Lai noted for the record as of 9:40am that Members Bradley, Formby and Liu were also present.

IV. ITEM FOR INFORMATION

A. Kalaeloa Status Report

Tesha Malama, Director of Planning and Development for Kalaeloa summarized her written report enclosed in the packet distributed to the Authority members.

B. Navy Report.

Ms. Malama noted that no report from the Navy had been filed with the Authority.

C. Hawaii Public Housing Authority Status Report

Ms. Malama noted that no report from the Hawaii Public Housing Authority had been filed with the Authority.

Chairperson Lai asked the Members whether they had any questions for Ms. Malama.

Member Timson offered congratulations on the Kalaeloa Public Safety group and its second anniversary. She commended the group for doing a lot of volunteer work. Member Timson inquired as to the status of the Townscape contract. She noted that there had been a lot of momentum going but it now appeared to be in recess. She asked if the contract was going to be extended.

Ms. Malama responded that Townscape is an in-house contract. She hoped that the extension of the contract would be approved by Member Saito's DAGS group. She stated that the intention of the Authority as reported in June, July and October 2007 had been to seek an extension of that contract. However, the necessary paperwork had not been filed on a timely basis. Staff was attempting to appropriately resolve that issue.

Member Timson commented that Ms. Malama should move quickly on seeking an extension of the contract so that the previous momentum would not be lost.

Member Timson stated concerns that the Authority has requested reports from the Navy, but the requests seem to be ignored. The Navy representative has not attended the meeting for a couple of months. She noted that an update or copy of the Environmental Impact Statement (EIS) prepared by the Navy had been previously requested, but no report had been submitted by the Navy to date.

Ms. Malama responded that the environmental assessment was completed, but is pending legal analysis before it can be released to the public.

Chairperson Lai noted that Member Timson had made previous inquiries about the EIS. He asked Ms. Malama to transmit it immediately to Members if it comes in before the next meeting.

Member Timson noted that DHHL had been asked to provide an update on the racetrack, but no one had responded. Ms. Malama stated that she had received DHHL's new contact information for their new headquarters and her intention to work with them to get feedback on the subject.

Member Timson further noted that the Authority had asked DHHL to submit a biannual report. She suggested that DHHL should submit a report as often as they are doing an activity. She felt a monthly report would be more advantageous than a biannual report, so the Authority would keep in touch with the community and be better informed about its activities.

Member Timson stated that she is Chair of the neighborhood board and described a past meeting in which Safe House wanted to do a presentation on a proposed facility in Kalaeloa on DHHL land. She felt that HCDA should be the first to be informed about proposals for projects in Kalaeloa, before a presentation requesting support from the community is made to the neighborhood board. The neighborhood board took the position that although they thought it was a good program, they could not fully support it until a presentation is made to HCDA. She commented that one community or agency should not be pitted against another.

Ms. Malama stated that her request for a status report from DHHL included the raceway park and the Safe House concept that was going to be presented to the Kapolei Neighborhood Board. She stated that the Department of Human Services Safe House project is targeted for DHHL property adjacent

to where HCDA Kalaeloa offices are currently located and part of the Resolution for the project included a presentation to the HCDA.

Member Eng commented that the Navy and DHHL should provide written reports when they are unable to attend the meeting. He noted that other parties who participate in the meeting provide reports which give the Authority an update on their projects.

Ms. Malama stated that she requests a written report 2 weeks after the previous month's meeting and sends out a reminder email a week prior to the mail out of materials to the Authority. She stated that she would continue to try to request status reports from these agencies.

Ms. Malama discussed Member Timson's suggestion for tour of Kalaeloa. She noted that a lot of infrastructure would be feeding into the Kalaeloa district. She recommended points of interest for the tour include the North-South road coming down DHHL's property that will feed into the Kalaeloa; Kapolei Property Development projects, Fort Barrette, the widening of Fort Weaver Road, Campbell Industrial Park, Ocean Pointe, and a ride on the Kalaeloa shuttle bus. She noted that the tour would take about 1-1/2 hours to complete.

A recess break was taken at 9:55 a.m. Member Eng exited the meeting at 9:55 a.m. The meeting reconvened at 10:02 a.m.

Chairperson Lai proposed altering the order of Items for Information. The Kewalo Keiki Fishing Conservancy presentation by Mr. Scott Furushima listed as agenda item D was grouped at the end of the agenda with other Kakaako specific items. Due to constraints in Mr. Furushima's schedule and that of some of his party, the informational item was moved forward in the agenda. Chairperson Lai thanked the Kalaeloa members for their indulgence of the change in the agenda.

V. ITEM FOR INFORMATION – CONTINUED

D. Kewalo Keiki Fishing Conservancy Presentation

Chairperson Lai noted that written testimony in support of the Kewalo Keiki Fishing Conservancy (KKFC) had been received from the following 14 persons: Laura R. Dang, Scott Furushima, Chad Durkin, Emily Kuraoka, Alison T. Masutani, Gavin Morisada, Myrna Murdoch, Lena Omura, Annette Tagawa, Clay Tam, Kitty M. Simonds, James E. Drorbaugh, M.D., Senator Clayton Hee and Michelle Matson. (Note: written testimony from Senator

Carol Fukunaga and Senator Donna Mercado Kim, received by HCDA on June 4, 2008 after adjournment of the meeting, is included in the exhibit)

Mr. Furushima introduced himself as the Executive Director of KKFC. He stated that he started fishing in Kewalo Basin in 1968, and has seen a lot of changes in the past 40 years. The biggest observation has been the decline in fishing industry from a complement of at least 30 tuna boats that is now down to 2. He described the incident that sparked his idea to create the conservancy at its present location. He had invited a friend and children to go fishing, but the children stayed in their passenger van playing computer games. At that point, Mr. Furushima realized that there was a disconnect with the keiki and the ocean. From there, the Conservancy was born.

Mr. Furushima presented his plan for KKFC via a power point presentation.

Chairperson Lai solicited any public testimony on this subject.

Senator Clayton Hee stated that he is Chair of the Senate Committee that has jurisdiction over HCDA and was present to support the program. Senator Hee stated that regardless of the opinion written by the Attorney General, the law required HCDA to take action. He noted that when the Governor vetoed the bill and listed objections, the Legislature with 42 votes in the House, and 22 votes in the Senate overrode the veto by an overwhelming majority. He noted that the 3 Senators who did not vote to override the veto were absent. He stated that with all due respect to the opinion of the Attorney General, the separation of powers mandate and the Legislature's position were very clear. He noted the law explicitly used the word "require" and explicitly used the word "shall". He added that it would be a reasonable expectation that the Legislature would want to know why HCDA did not take action when the law was clear.

He commented that if HCDA believed that the Legislature needed to clarify the existing statute, HCDA should make very clear its reservations with the law. He stated that HCDA could consider a judicial remedy, but he would not counsel that action, and would support cooperative and collaborative discussions to be held.

He remarked in closing that for various reasons, as we move forward to the new millennium, our local children are being disenfranchised from the opportunities that our ancestors and not just Hawaiians, had the privilege of experiencing. He stated that HCDA has the opportunity to restore that connection for future generations with what their ancestors had long taken for granted.

Chairperson Lai asked if anyone had questions for Senator Hee.

Member Saito asked Senator Hee to state what it is that HCDA needs to do.

Senator Hee responded that HCDA needs to follow the law. He stated that, contrary to the opinion of the Attorney General, the law required HCDA to set aside a specific parcel, and the law appropriated funds for HCDA to proceed with any necessary environmental remediation.

Member Saito noted that the opinion of Attorney General was formulated before the veto was executed. Senator Hee agreed, but stated that the Legislature subsequently overrode the veto.

There were no further questions posed for Senator Hee.

Senator Suzanne Chun Oakland introduced herself and expressed her appreciation of the Board's time to consider this project. She stated that Mr. Furushima was doing a wonderful job in working with community, instilling skills that our children are fortunate enough to grow up with, and providing opportunities for families, parents, grandparents, friends and neighbors to actually work with the children. She noted that this particular parcel was very critical, since out of the whole area, that is where the baby fish go and, therefore, the program needed to be located at this site. She commented that there is a lot of interest in sustainability and we would want to make sure we are able to teach generations to come how to be able to take care of themselves.

Member Okada asked for clarification in terms of where the discussion would be headed.

Senator Chun Oakland responded that HCDA would have to make a decision in terms of providing a site for KKFC.

Member Okada asked if this discussion will that lead to an action item. Chairperson Lai clarified that it is an information item at this point in time and was one step removed from an action item.

Ms. Michelle Matson introduced herself and explained that she has been engaged in Kakaako Makai issues for several years. She commended HCDA for reinstating KKFC at its original Kewalo Basin Cove location to resume the site-dependent marine conservation program. She felt that the past two years during which KKFC was displaced by HCDA had been a loss of keiki fishing instruction with family participation and marine tagging for marine conservation purposes. She urged the Authority to expedite KKFC's right of

entry permit and lease agreement and felt KKFC's site-specific program must continue in the future to benefit Honolulu's families and marine conservation practices in Hawaii.

Member Saito asked whether Ms. Matson was a member of the Community Planning Advisory Council (CPAC). Ms. Matson replied in the affirmative. Member Saito inquired about the position of CPAC since its role was to have meaningful input to any proposed plan that would affect Kakaako under HCDA jurisdiction.

Ms. Matson stated that while she was not testifying on their behalf, CPAC did receive a presentation by KKFC which had been well received. She noted that many CPAC members were very familiar with the program's activities and the historical aspect of the site.

Member Chun requested clarification on the issue surrounding the Attorney General's opinion.

Senator Hee stated that the Attorney General's opinion was that laws passed by the Legislature are general laws, and earmarking this specific site was a violation of the Constitution.

Member Liu asked whether there were concerns about liability issues at that particular site and whether those issues had been addressed.

Mr. Ching stated that the concerns involved safety and environmental remediation. The precondition for granting the Right of Entry (ROE) would be that the environmental remediation would have to be addressed. The State Department of Health (DOH) was aware of the ROE that was being granted and their assurance had been given that the course of action being undertaken would satisfy them in terms of the type remediation which was required.

The DOH had qualified to HCDA that certain hot spots on the parcel did not rise to requiring action. The hot spots that were identified as requiring action were primarily limited to the driveway going in and under the fence fronting Ahua Street, which would be covered by 6 inches of dirt. The DOH had initially specified 6 inches of gravel but then allowed that the existing dirt stockpiled on the site would be sufficient and just needed to be spread out. The bottom line was they did not want people picking up the contaminated dirt and swallowing it, and the cover would satisfy the environmental and safety considerations that had been raised. Mr. Ching explained that the former site had some releases of arsenic and lead into the ground. Much of the site is covered by concrete and paved areas, so the areas of concern were those where there was just plain dirt.

Member Bradley asked if there was a written report stating what should be remediated and whether enough remediation to prevent any health hazards to children who would be on the site had been effected. He stated his surprise that putting a little bit of topsoil over the arsenic would be sufficient remediation.

Mr. Ching stated that there had been a number of meetings with DOH personnel. The most recent meeting was on site and DOH had a map that showed the areas of concern. They discussed the specific actions that would be taken and indicated their satisfaction with a dirt covering. Mr. Ching noted that he would be requesting from DOH written documentation saying that the remediation plan is to their satisfaction.

Member Chun asked for clarification on who holds liability if a child gets injured on the site. Mr. Ching responded that since ownership of the land is with HCDA and the State, ultimately HCDA would have liability.

Member Liu inquired whether a written letter from DOH stating its satisfaction with remediation would mitigate HCDA's liability in the event of a claim that a child had ingested arsenic or other toxic chemical.

Mr. Ching stated that he could not speculate on the limits of HCDA's liability. However, the DOH seemed comfortable that the activity can take place if their specified remediation plan was executed.

Member Bradley asked whether the ROE agreement specified that KKFC indemnified HCDA. Mr. Ching responded in the affirmative and added that the ROE also specified that before public activity can take place if their specified remediation plan was executed.

Member Liu asked whether KKFC was going to indemnify HCDA in the event there is any claim made against the State. Mr. Ching responded that there is a general indemnity clause that HCDA requires that is in place in the ROE. Mr. Ching stated that while it did not provide 100% assurance of indemnity, HCDA had exercised all reasonable means to protect its position.

Member Dwight asked if there was an insurance requirement for KKFC. Mr. Ching replied in the affirmative.

Mr. Ching stated that the Legislative direction with respect to Makai was that before permanent or long term leases are made, CPAC has to go through its process, provide direction, and a new plan for the Makai area would have to be developed. For KKFC, the ROE already given to the KKFC would appear

to be appropriate to allow for resumption of the activity. Activity had been previously conducted at that site without the 6 inches of cover. Mr. Ching stated his belief that in the spirit of the legislative act, HCDA is acting in a responsible manner to safeguard the general public health and safety, but yet allow a beneficial activity to take place.

Member Saito posed a question regarding the “setting aside” language in the law and whether it meant a lease, ROE or transfer of title. Mr. Ching responded that the ROE would allow activities to resume in much the same function that existed previously until other provisions of law could be satisfied.

Member Kimura questioned whether 6 inches of cover was sufficient. He noted that if HCDA is responsible for the remediation, it should be done so there would be no chance of the issue coming back. Member Kimura suggested that the area should be paved.

Member Formby commented that it would be beneficial to have more background material, such as the Attorney General’s opinion, and a report from the DOH. He noted from his Department of Transportation experience that hazardous materials may be somewhat low in the ground and are not necessarily near the surface. He stated that more information would be needed before the Authority could make decisions about what money should be spent to remediate or what level of remediation is required.

Member Liu stated that the conclusion as to the hazards was the result of an independent analysis done on the toxicity of several areas at the site, and that analysis became the driving factor in the reluctance of the HCDA to restart the KKFC program. He noted that the reluctance was not about the merits of KKFC’s program (which is laudable, commendable, and supportable), but rather a concern for public health and safety.

Member Formby stated his concern about arsenic on the site. He commented that it would be possible to put a barrier down over the existing soil versus a more expensive remediation effort. He noted that the Authority needed to know the extent of the toxicity in order to discuss it.

Member Dwight stated his agreement with comments made by Member Formby. He stated that he did not feel it was clear what the Authority was being asked to do since he did not have any of the history in terms of the different statutes being referenced, how this issue was connected to the CPAC and why HCDA stopped the program.

Chairperson Lai stated that this item was predispositional, and for information only. Members would not be making a decision based on the materials provided with the presentation.

Mr. Ching stated that the area had been mapped extensively and the levels of toxicity documented. He stated that he could bring back more information to the Authority on the matter, including written assurance from the DOH that interim procedures are being followed. The DOH in general had indicated throughout the area that the 6 inch cover is sufficient for this kind of activity. He noted that some of the later phases of KKFC's operation would disturb the ground and would require an entirely different set of remediation at that point. He stated that, for the purpose of the ROE, most of the activity was not on that driveway area and was actually on the shoreline area which is covered by concrete.

Chairperson Lai suggested that at some future meeting, more information and an appropriate Action item would be brought to the Authority.

Mr. Ching stated that the ROE had been signed and was waiting for final distribution, and the remediation activities were already under way. He stated that there was no action specifically requested at this time of the Authority, although there is an intention to seek long term commitment or lease from the Authority at a later time.

Member Saito inquired whether the remediation would be approved in order for the ROE to be in effect. Mr. Ching stated that the DOH Hazard Evaluation Emergency Response Office would approve the remediation work. Member Liu emphasized that the remediation work must be completed before public entry would be allowed.

Member Saito stated his concern that he first learned that the ROE had been executed at this meeting. He posed the question whether an ROE for a project like KKFC should be the decision of the Authority rather than the Executive Director.

Member Ching stated that the Executive Director issues an ROE on a routine basis to people for various items within the threshold of activities done administratively, and it would seem to be covered by past practice. He noted that the Executive Director does not make long term commitments on use of lands because that is the Authority's decision. He stated that he had strongly suggested to Mr. Furushima to make this presentation so that the Authority would have the benefit of understanding his program. He noted that it was made clear to Mr. Furushima that any request and application for long term commitment of lands would be an Authority decision. With any action item,

there would be an appropriately vetted staff report and the Authority would be given as much information and analysis as appropriate.

Member Saito agreed with Mr. Ching that issuance of ROEs is normally routine. He stated further that judgment should be applied when issuing an ROE for a project like this that is significant and visible enough to catch the attention of the Legislature. He commented that the decision to waive the right of entry for an established program should have been a policy decision of the Authority, and he would have liked to have had the opportunity to review the issue and vote on whether to waive the ROE.

Mr. Ching stated that he will take the direction of the Authority. He noted that this was actually the second ROE issued administratively for this project. The first ROE has been granted in 2007.

Member Kimura posed questions regarding the things that would be required of Mr. Furushima to resume KKFC activities. Mr. Furushima responded that he would need basic things that he could accomplish on his own, such as connection to utilities, and fish tanks, pumps to bring in water, and other equipment.

Ms. Matson briefly discussed the remediation program. She stated that she had reviewed the DOH files which contained specific maps showing the areas of contamination. She noted that the KKFC site is not near the hot spots and the biggest hot spot was on Ahui Street near the fence. She stated that the remediation involved very precautionary measures. Of the three types, dirt, gravel, and concrete, DOH was recommending dirt, which is the lesser of the 3. She further commented that the site was not going to be a major threat to children or we wouldn't even be talking about this.

Member Saito asked whether the DOH was going to specific or approve remediation. Mr. Ching responded that DOH had already approved it.

Member Saito requested that the remediation plan be presented at the next Authority meeting. Chairperson Lai requested that all the background information be included for the Authority to review.

There being no further discussion, Chairperson Lai thanked Mr. Furushima for his presentation.

II. APPROVAL OF MINUTES – CONTINUED

1. Minutes of the Regular Meeting of May 14, 2008

Chairperson Lai asked whether there were any corrections to the minutes of the May 14, 2008 meeting. There were no corrections offered. It was then moved by Member Saito and seconded by Member Souza to approve the minutes. By a show of hands, the motion passed 13 to 0 with 5 excused (Members Kobayashi, Mukaigawa, Piper, Chinn and Eng).

IV. EXECUTIVE SESSION

Chairperson Lai asked for a motion to enter into Executive Session to discuss the following items:

- (1) Advice of Counsel as to the Application of the “Sunshine Law”, Chapter 91, Hawaii Revised Statutes, Regarding Communications between Authority Members;
- (2) Advice of Counsel as to the Authority’s powers, duties, privileges, immunities and liabilities with respect to negotiations with Hunt Development and Ford Island Properties pursuant to Section 92-5(a)(3) and 92-5(a)(4), Hawaii Revised Statutes;
- (3) An Evaluation of the Performance of our Executive Director pursuant to Section 92-5(a)(2), Hawaii Revised Statutes; and
- (4) Advice of Counsel as to a Development and Lease Agreement with the University of Hawaii for the Cancer Research Center of Hawaii pursuant to Section 92-5(a)(3) and 92-5(a)(4), Hawaii Revised Statutes.

Chairperson Lai noted for the public that they would be asked to vacate the conference room while the Authority conducted their deliberations on the above matters. He estimated that the discussion would take approximately 2 hours at which time the Authority would reconvene and then adjourn the meeting. He also noted that HCDA staff had asked to defer the Authority’s consideration and action on agenda item No. VI regarding the acquisition of a Hosted and Web-Based Application that provides public collaboration, document publishing, project management and public consultation functions. It was his understanding that certain matters relating to procurement have just arisen which need to be resolved before any action is taken by the Authority.

There were no questions regarding the procedures. Member Saito moved to have the Authority enter into Executive Session. The motion was seconded by Member Enomoto. The motion carried 13 to 0 with 5 excused (Members Kobayashi, Mukaigawa, Piper, Eng, and Chinn).

The Hawaii Community Development Authority entered in Executive Session at 11:06 a.m.

Members Enomoto, Souza and Timson exited the Executive Session at 12:58 p.m.

Member Chang exited the Executive Session at 1:17 p.m.

It was moved by Member Dwight and seconded by Member Saito to return to the regular meeting. The motion was carried 9 to 0 with 9 excused (Members Kobayashi, Mukaigawa, Piper, Chinn, Eng, Enomoto, Souza, Timson and Chang).

The meeting was reconvened at 1:25 p.m.

VI. ITEM FOR ACTION

Upon the reconvening of the meeting in open session, following the members' discussion in executive session of potential discussions with Hunt Development and Ford Island Properties, LLC, Chairperson Lai proposed that the members authorize the formation of a committee. The committee would consist of all members of the Authority representing the Kalaeloa Community Development District and the Chairperson, who would serve as the chair of the committee. The committee and its members would be authorized to review and analyze potential memorandum of understanding or agreements with the foregoing companies respecting the development of any lands leased by them from the U.S. Government in the Kalaeloa Community Development District in accordance with preliminary or final zoning and land-use plans and rules developed or to be developed by the Authority. The committee would report to the members from time to time on the progress of their review and any preliminary findings for the members' consideration. The Chairperson's proposal was accepted without objection.

Chairperson Lai noted as he had indicated earlier that agenda item number 6 was deferred.

VII. ADJOURNMENT

There being no further business, it was moved by Member Chun and seconded by Member Dwight to adjourn the meeting. The motion passed by a show of hands vote 9 to 0, with 9 excused (Members Kobayashi, Mukaigawa, Piper, Chinn, Eng, Enomoto, Souza, Timson and Chang).

The meeting adjourned at 1:26 p.m.

Respectfully submitted,

/s/

Amanda Chang
Secretary