

SUMMARY - SPECIAL MEETING

HAWAII COMMUNITY DEVELOPMENT AUTHORITY
State of Hawaii

April 16, 2008 – 9:00 a.m.

Honolulu Design Center
Cupola Room, Located on the 2nd Floor
1250 Kapiolani Boulevard
Honolulu, Hawaii 96814

ATTENDANCE

Members Present: Mark Anderson (for Theodore Liu, DBEDT); C. Scott Bradley; Amanda Chang; Joseph Dwight, IV; Michael Formby (for Brennon Morioka, DOT); Paul Kimura; Christopher Kobayashi; Jonathan Lai; Kay Mukaigawa; Dexter Okada; and Russ Saito (DAGS).

Members Absent: Grady Chun; and Georgina Kawamura (B&F).

Others Present: Anthony Ching; Sandra Ching (Deputy AG); Eugene Won (Deputy AG); Matthew Akamu; Arnold Imaoka; Annette Kawasaki; Cal Machida; Craig Nakamoto; Deepak Neupane; Jill Sugihara; and Teney Takahashi (also, see Meeting Attendance Record).

I. ROLL CALL

The meeting of the Hawaii Community Development Authority (HCDA) was called to order on April 16, 2008, by Chairperson Lai at 9:06 a.m. with the following roll call:

Chairperson Lai	Present
Member Anderson	Present
Member Bradley	Present
Member Chang	Present, arrived at 9:12 a.m.
Member Dwight	Present, left at 11:30 a.m.
Member Formby	Present
Member Kimura	Present
Member Mukaigawa	Present

Member Okada	Present
Member Saito	Present

MATERIALS DISTRIBUTED

1. Agenda for April 16, 2008 Special Meeting;
2. Report of the Executive Director;
3. Information: Proposed Master Plan by General Growth Properties (MP 1-08); and
4. Action: Shall the Authority Authorize the Executive Director to Expend Revolving Funds to Execute a Professional Services Contract with M&E Pacific, Inc. to Prepare the National Pollutant Discharge Elimination System Permit Requirements for Drainage Structures?

Chairperson Lai introduced Deputy Attorney General Eugene Won who would be providing the Authority legal counsel and Deputy Attorney General Sandra Ching as an observer.

II. REPORT OF THE EXECUTIVE DIRECTOR

Anthony Ching noted that the full Executive Director's report was enclosed in the packet distributed to the Authority Members and presented the highlights in a PowerPoint presentation, which is attached (see Exhibit A).

Chairperson Lai asked the Members whether they had any questions for Mr. Ching. There were none.

As the next item for information was the General Growth Properties (GGP) presentation on its Master Plan, Chairperson Lai recused himself from this portion of the meeting as his law firm is providing legal counsel to GGP. The chair's gavel was turned over to Vice Chairperson Paul Kimura, who then presided over the proceeding.

III. ITEM FOR INFORMATION

A. General Growth Properties Presentation on its Master Plan

Deepak Neupane briefly described the objectives and benefits of a master plan and reviewed the application and approval process in a PowerPoint presentation which is attached (see Exhibit B).

Vice Chairperson Kimura invited any member of the public to provide public testimony on the matter.

Michelle Matson, Secretary to the Kakaako Makai Community Planning Advisory Council (CPAC), mentioned that currently in the Legislature, there is a resolution advising HCDA to defer decisions on any applications for adopting area-wide master plans until the Draft Mauka Area Plan is adopted. CPAC is going through a visioning process for Kakaako Makai and if another plan comes through before the planning process is completed it would set a dangerous precedent.

Chuck Heitzman, President of Nauru Tower Board of Directors, commented that a great amount of effort had been put into the plan, lot of talented designers and a lot of community input. Thus, he was supportive of the project.

Jan Yokota, Vice President of Development for the Hawaii region for General Growth Properties presented their master plan for the area. The master plan can be found on GGP's website at: www.wardneighborhood.com and at HCDA's website at: www.hcdaweb.org/ward-neighborhood-master-plan.

Following her presentation, Ms. Yokota fielded questions from the audience and the Authority Members.

Member Okada expressed his concern about balancing commercial and industrial users in the master plan. He also expressed his concern about the transit route and the location of the station located in the vicinity of Queen Street.

Ms. Yokota responded that there are a wide range of commercial users. GGP is in discussion with the City on the alignment of the rail transit in the vicinity of Queen Street.

Member Anderson commented that people want to live in urban places. The plan talks about the public benefits, but he wanted to know what the environmental benefit was.

Vice Chairperson Kimura asked if relocation of existing tenants would be addressed.

Member Okada commented that the project should look at how it relates to Kakaako such as the traffic flow in the whole area and how the implementation of development would be coordinated with the rail transit

project. He also was concerned that HCDA is currently in the process of amending the Mauka Area Plan and Rules; consequently how does GGP's master plan relate to the proposed amendments?

Member Saito commented on the proposal for a Mauka - Makai connection from GGP lands to the Makai Area and the fact that Ala Moana Boulevard is a barrier. He asked how that barrier would be overcome and a connection designed.

Ms. Yokota responded that they are working with DOT and have discussed both an underground and overhead passage, but at this time she does not have an answer. They would like to make a connection to the waterfront area.

Member Bradley asked whether an inventory on buildings that are 50 years or older had been conducted to see whether there were any historic or cultural significance and whether there was a plan to preserve those types of properties within GGP's master plan such as the IBM Building.

Ms. Yokota responded that most of those buildings are in the industrial area are of the Quonset hut variety and that is more of a temporary structure. However, GGP has not done a detailed inventory. Ms. Yokota stated that the IBM building was 47 years old and is scheduled to be replaced.

Member Formby made an observation that there are differences between the proposed Mauka Area Plan and the proposed master plan. With respect to the parking structures, would parking be mixed together or would public and private parking be separated.

Ms. Yokota responded that the parking would be public/residential. They are looking at sharing the parking. For example, the industrial tenants use the parking during the day and the same parking is used at night for the Ward Entertainment Center. Thus, GGP is looking to share the parking among the various mixed uses.

Ms. Matson asked how tall the towers would be along Ala Moana Boulevard and asked whether it would be 400 feet.

Ms. Yokota responded that they are still working on the design; it is still undetermined. Each individual project would still need to come back to HCDA for approval.

Christine Kaneshiro asked whether the master plan followed the proposed Mauka area plan and rules or the current rules.

Ms. Yokota responded that it follows the current rules.

Mr. Ching stated that comments could be sent directly to HCDA as staff would be collecting comments and documenting it for the public hearing. Comments can be received at HCDA's website at: www.hcdaweb.org. He emphasized that the Master Plan would have to go through a public hearing process.

Mr. Neupane commented that individual projects in the Master Plan would also still need to come to HCDA for approval.

Vice Chairperson Kimura called for a recess at 10:10 a.m. to allow the presenters to gather their displays and for Chairperson Lai to rejoin the meeting.

Chairperson Lai reconvened the meeting at 10:22 a.m.

V. ACTION ITEM

1. Shall the Authority Authorize the Executive Director to Expend Revolving Funds to Execute a Professional Services Contract with M&E Pacific, Inc. to Prepare the National Pollutant Discharge Elimination System Permit Requirements for Drainage Structures?

Deepak Neupane summarized the staff report distributed to the Members on this subject matter.

The State Department of Health requires HCDA to obtain coverage under the National Pollutant Discharge Elimination System General Permit authorizing discharges of storm water and certain non-storm water discharges for its drainage structures in Kakaako pursuant to State and Federal regulations. Most of these drainage structures consisting of catch basins, pipes and culverts were constructed during HCDA's improvement district projects and are located in roadway parcels owned by HCDA.

To meet the DOH requirement, an outside consultant needs to be engaged to prepare the necessary permit application and Storm Water Management Plan. Staff had already completed the selection of an engineering consultant in accordance with State procurement rules.

Mr. Neupane stated that the staff recommendation was for the Authority to authorize the Executive Director to expend HCDA Revolving Funds in an

amount not to exceed \$300,000 to execute a professional services contract with M & E Pacific, Inc. to prepare the National Pollutant Discharge Elimination System and comply with permit requirements for drainage structures owned by the Hawaii Community Development Authority.

Chairperson Lai asked Members whether they had any questions.

Member Saito asked for clarification purposes whether it would be a professional services contract.

Mr. Neupane responded in the affirmative.

There being no further questions or discussion, Chairperson Lai entertained a motion by the Authority. Member Anderson moved to accept staff's recommendation. Member Bradley seconded the motion.

Chairperson Lai conducted a roll call vote.

Ayes: Members Anderson, Bradley, Chang, Dwight, Formby, Kimura, Kobayashi, Mukaigawa, Okada, Saito and Chairperson Lai.

Nays: None

The motion carried 11 to 0.

IV. EXECUTIVE SESSION

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

2. Discussion of Acquisition of Land in Kakaako; and
3. Discussion on Matters Pertaining to the Termination Agreement, dated September 8, 2006, between Kamehameha Schools and the Hawaii Community Development Authority

The above items would be deliberated in Executive Session pursuant to Section 92-5(a)(3) and 92-5(a)(4), Hawaii Revised Statutes, regarding the authority of persons designated by the board to conduct negotiations involving the acquisition of public property, and/or to consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities.

Chairperson Lai noted for the public that they would be asked to vacate the room while the Authority conducted deliberations on the above matters. He estimated that the discussion would take approximately one and half hours after which time the Authority would be adjourned.

Since there were no questions regarding the procedures, Chairperson Lai entertained a motion to convene into the Executive Session. It was moved by Member Anderson and seconded by Member Kimura to enter into Executive Session. The motion carried 11 to 0.

Chairperson Lai requested that Executive Director Anthony Ching; Deputy Attorney General Sandra Ching; Deputy Attorney General Eugene Won; Director of Planning and Development for Kakaako Deepak Neupane; Director of Communications Craig Nakamoto; and Secretary Jill Sugihara join the Executive Session.

The Hawaii Community Development Authority entered into Executive Session at 10:30 a.m.

It was moved by Member Anderson and seconded by Member Kimura to reconvene the regular meeting. The motion was carried 10 to 0 with 1 excused (Member Dwight).

The meeting was reconvened at 11:40 a.m.

VII. ADJOURNMENT

There being no further business, it was moved by Member Anderson and seconded by Member Mukaigawa to adjourn the meeting at 11:40 a.m. By a show of hands, the motion passed 10 to 0, with 1 excused (Member Dwight).

Respectfully submitted,

/s/

Amanda Chang
Secretary