

**STATE OF HAWAII**  
**OFFICE OF HAWAIIAN AFFAIRS**  
560 N. NIMITZ HIGHWAY, SUITE 200  
(VIRTUAL MEETING - VIA ZOOM WEBINAR)

Due to COVID-19, the OHA Board of Trustees and its standing committees will hold virtual meetings until further notice. Pursuant to Governor Ige's January 26, 2022 Emergency Proclamation Related to COVID-19 (Omicron Variant), there will be no in-person location for this meeting that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA's website at [www.oha.org/livestream](http://www.oha.org/livestream) or can be listened to by phone via the phone number and Webinar ID listed at the beginning of this agenda.

**Minutes of the Office of Hawaiian Affairs**  
**Board of Trustees**  
**MINUTES**  
**February 10, 2022**

**ATTENDANCE:**

Chairperson Carmen Hulu Lindsey  
Trustee Leina'ala Ahu Isa  
Trustee Dan Ahuna  
Trustee Kaleihikina Akaka  
Trustee Keli'i Akina  
Trustee Luana Alapa  
Trustee Brendon Kalei'āina Lee  
Trustee John Waihe'e, IV

**ADMINISTRATION:**

Sylvia Hussey, CEO  
Casey Brown, COO  
Robert Klein, Board Counsel  
Everett Ohta, Interim General Counsel  
Nietzsche Ozawa, Interim Sr. Legal Counsel  
Kalani Fronda, Land Director  
Ryan H. Lee, Interim Inv. Mgr.  
Erin Nakamura, IT Support  
Arlene Aguinaldo, IT Support

**BOT STAFF:**

Colin Kippen, COS  
Amber Kalua, Trustee Aide  
Kanani Iaea, Trustee Aide  
Lehua Itokazu, Board Secretary

**GUEST:**

Keani Rawlins-Fernandez  
Veto Baker, Kuilei Consultant  
Michael Yee, Kuilei Consultant  
Peter Gilpatric, Kuilei Consultant  
Linda Schatz, Kuilei Consultant  
Sam Chung, Financial Advisor to the Board

## **Call to Order**

**Chair Hulu Lindsey** Calls the Board of Trustees Meeting to order for Thursday, February 10, 2022 at 10:01 a.m. Board Secretary, please do a roll call.

MEMBERS			Present	TIME ARRIVED
TRUSTEE	LEINA‘ALA	AHU ISA	X	
TRUSTEE	DAN	AHUNA	X	Leaves mtg at 11:32 am
TRUSTEE	KALEI	AKAKA	X	
TRUSTEE	KELI‘I	AKINA	X	
TRUSTEE	LUANA	ALAPA	X	
TRUSTEE	BRENDON KALEI‘ĀINA	LEE	X	
HAWAI‘I	ISLAND TRUSTEE SEAT	VACANT		Trustee K. Lindsey resigned on 2/1/2022
TRUSTEE	JOHN	WAIHE‘E		Joins mtg at 10:15 am
CHAIRPERSON	CARMEN HULU	LINDSEY	X	
			7	

At the Call to Order, **seven ( 7 )** Trustees are PRESENT, thereby constituting a quorum.

**Chair Hulu Lindsey** Due to the threat of COVID-19, the Board of Trustees and Standing Committees will hold virtual meetings until further notice pursuant to Governor Ige’s January 26, 2022 Emergency Proclamation related to COVID-19 (Omicron Variant), there will be no in-person location for this meetings that is open to the general public. The virtual meeting can be viewed and observed via livestream on OHA’s website at [www.oha.org/livestream](http://www.oha.org/livestream)

Before we begin, I would like to note that items IV.B and IV. E were recieve under the 72 hour deadline. Let me go over some quick announcements. Please mute your mics when you are not speaking. We are recording today’s meeting for the sole purpose of producing written minutes, which will become the official record of this meeting.

Joining the Trustees today is my staff Colin Kippen-COS, my Aides-Kanani Iaea and Amber Kalua, and our Board Secretary-Lehua Itokazu. With us today is Robert Klein, our Board Counsel, and Sylvia Hussey, our CEO. I will now call on Sylvia, our Pouhana, to announce our Administration who is joining us today.

**Sylvia Hussey, CEO** Thank you Chair and good morning, Trustees. We have from Administration our COO- Casey Brown, CFO-Ramona Hinck, Land Director-Kalani Fronda, Interim Investment Mngr. – Ryan Lee, Interim General Counsel-Everett Ohta, Interim Senior Legal Counsel Nietzsche Ozawa, and we are always supported by our IT staff-Arlene and Erin. We also have additional guest that are here for various agenda items that will be introduced at that time. Thank you.

## **Public Testimony**

**Chair Hulu Lindsey** As a reminder, you will be given five minutes to share your mana‘o. Your name will be called and your microphone will be unmuted when it is your turn to testify. If you are not audible, you will be muted and the next testifier will be called. Your name will be called again before the conclusion of the public testimony and the community concern section. We will take you one at a time.

**Keani Rawlins-Fernandez** Aloha Kakahiaka Chair Lindsey and honorable Trustees, mahalo for this opportunity to testify this morning. E kala mai, I do not have the agenda item in front of me, I am testifying

on the item to replace Trustee for Hawai‘i Island. I am Keani Rawlins-Fernandez, I am the Maui County Council Vice Chair and I am testifying in strong support of Lanakila Mangauil for the replacement for the Hawai‘i Island Trustee. I am testifying in strong support of Lanakila because I have seen him demonstrate time and time again, his fierce love for our lāhui and our ‘āina. He is transparent, inclusive, and because of this, he has instilled trust and confidence on behalf of our community. I believe that him becoming Trustee will help to contribute the trust and confidence of the institution and in the decision making that will be reflecting in the best interest of the collective. I believe that the public needs to see themselves in our leaders and leaders need to be effective. I believe Lanakila possess those qualities. That concludes my testimony and I mahalo you again for the opportunity to testify in strong support of Lanakila.

## **New Business**

**Chair Hulu Lindsey** Thank you Keani. Moving on to new business, item IV.

### **A. Nominations for replacement of the Hawai‘i Island Trustee**

**Chair Hulu Lindsey** Each OHA Trustee will have the opportunity to nominate one individual for consideration as the replacement Hawai‘i Island Trustee by sending an email with a nominee’s name, phone number, and an email to the CEO by 4:30 pm today. The CEO will compile a list of the Trustees’ nominees and send the Board a list of nominees to confirm that the list reflects each of the nominees submitted by the Trustees. OHA Administration will email an attestation form to each of the nominees to determine eligibility to serve as the Hawai‘i Island Trustee. Nominees must be a resident of Hawai‘i Island supported by the documentation, registered to vote in Hawai‘i, and must hold no other public office. Friday, tomorrow, the deadline for nominees to submit the Hawaii Island attestation form is 4:30 pm. If a nominee does not submit the attestation form by the deadline or if the nominee is determined ineligible, the nominated Trustee or Trustees will be provided the opportunity to offer a replacement nominee. We want to thank the many people who have put their names in, very impressive people; unfortunately, we only have one seat. Mahalo nui, I will ask the Trustees if they have any questions on the instructions given us by our Corp. Counsel, our Board Counsel, and our CEO? If no questions, we will move on to the next item on our agenda, item B.

### **B. Committee on Beneficiary Advocacy and Empowerment**

#### **1. 2022 OHA State Legislative Bill Package Updates – SB2122/HB1474, SB2121/HB1473, coordinated advocacy - Matrix 1†**

**Trustee Akaka** Your Committee on Beneficiary Advocacy and Empowerment, having met on February 8, 2022 and after full and free discussion, recommends approval of the following motion to the Board of Trustees

to approve OHA Administration's recommendations on new bills listed on the nine-page Matrix 3 (green header), items 1-48 on the OHA Legislative Positioning Matrix dated February 8, 2022. with the following revisions:

**Add bills:**

- HB2136, as COMMENT

**Change bill position:**

- 6, HB1638, from SUPPORT to COMMENT;
- 34, SB 2465, from COMMENT to OPPOSE

**Trustee Ahu Isa** Seconds the motion.

**Chair Hulu Lindsey** Is there any discussion?

**Trustee Akina** Consistent with my votes in the BAE meeting of February 8<sup>th</sup>, I will be voting kanalua. I just wanted to explain, for the record, that I affirmed most positions that my colleagues have taken on this legislation and stand with my colleagues, but there were some particular items where I did differ, just for the record. I want to note that they include HB 1473/SB 2121 on environmental impact statement and HB 1958/ SB 2018 on minimum wage. With the exception of those two where I cannot agree to endorse, I am in agreement with the matrix. Thank you and I'll be voting kanalua. Thank you Madam chair.

**Trustee Ahu Isa** In light of what's going on, I've been a Government elected official for almost thirty years now, I'm not accusing or anything but, Justice Klein, as the Board Counsel, do you think we should disclose if there is any kind of conflict of interest? Let me be more specific, I am referring to Trustee Akina as his CEO position of Grassroots. We are talking about the minimum wage bill and not only small business but big business, it affects everyone in the whole State. So, you represent a group, a grassroots conservative, Think Tech that sometimes advocates for business. Is it proper or am I off the wall here, saying that we should disclose that we are the CEO of an organization? I am asking Justice Klein.

**Robert Klein, Board Counsel** I think the disclosure should be made. Every Trustee should take that to heart too on other matters, not just Trustee Akina, but other matters where you may feel that little tug at your heart strings about what is affecting the way you vote. If it is some influence that is not known to the other Trustees or the beneficiaries that may be pulling you in one direction, then I think it would be ethical to let the Board know. I don't think it's legally required but ethical standards are a little higher than legal standards. That's the way I have always seen it and most of the time Trustees will let the other Trustees and the public know if they have an internal conflict.

**Trustee Ahu Isa** Thank you.

**Trustee Akina** I do want to extend my thanks to Trustee Ahu Isa for her comment and to Justice Klein for his. I am in agreement, I do think that we should be forth right and disclose any issues whatsoever. I have therefore made it a point and did so immediately after being elected to bring before the Board that I am an employee of an organization, the Grassroot Institute of Hawaii, which does have opinions on legislation and in addition to that, I would refer to anyone to the ruling of the ethics commission regarding that. Shortly after my election, beyond that I do want to express this, today I merely express my personal opinions using free speech as a Public Official on the matter being addressed and that's all that it is. If there is an appearance of a conflict of interest, I absolutely want to be forth right and indicate that there is no conflict of interest and that I am simply expressing my opinion on these matters, as we as Trustees are free to think and speak one way or the other. Thank you for the opportunity to make full disclosure and support openness and transparency completely, thank you very much Madame Chair.

**Chair Hulu Lindsey** Any more comments? If not, roll call vote.

<b>Trustee Akaka Moves</b>						
to approve OHA Administration's recommendations on new bills listed on the nine-page Matrix 3 (green header), items 1-48 on the OHA Legislative Positioning Matrix dated February 8, 2022. with the following revisions:						
Add bills: • HB2136, as COMMENT						
Change bill position: • 6, HB1638, from SUPPORT to COMMENT; • 34, SB 2465, from COMMENT to OPPOSE						
<b>Trustee Ahu Isa Seconds the motion.</b>						
	1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI AHU ISA		X	X			
TRUSTEE DAN AHUNA			X			
TRUSTEE KALEI AKAKA	X		X			
TRUSTEE KELI'I AKINA					X	
TRUSTEE LUANA ALAPA			X			
TRUSTEE BRENDON LEE			X			
<i>HAWAII ISLAND TRUSTEE SEAT VACANT</i>						
TRUSTEE JOHN WAIHE'E			X			
CHAIRPERSON HULU LINDSEY			X			
<b>TOTAL VOTE COUNT</b>			<b>7</b>		<b>1</b>	
<b>MOTION:</b> [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED						
<b>Motion passes with a seven ( 7 ) YES votes and one (1) Abstention vote</b>						

**C. Action Item BOT#22-02: Accept and Implement the Report of the Permitted Interaction Group re: to investigate the activation of OHA Kaka'ako Makai Site A, 1011 Ala Moana Blvd., HRS§92-2.5(b)(1)(B).**

**Chair Hulu Lindsey** Moving on to item C., I will call on Vice Chair Ahu Isa.

**Trustee Ahu Isa** Accept and Implement the report of the Permitted Interaction Group to investigate the activation of Kaka'ako Makai Site A, 1101 Ala Moana Blvd, including the recommendation to implement the Business Plan, as attached.

**Trustee Waihe'e** seconds the motion.

**Chair Hulu Lindsey** Any discussion?

**Trustee Lee** If I could refer the BOT to page 11 of the report, the projection of the budget and the returns. I have questions.

**Chair Hulu Lindsey** Okay, we have Administration on to answer questions.

**Trustee Lee** So according to this budgeted plan, we are being asked to approve \$2.7 million dollars for activation of this site. If I recall correctly, the initial presentation by Kuilei, this is a proof of concept, in other words, this was not meant to be permanent structure or permanent entity sitting on this site. According to these financials at \$2.7 they're estimating and a monthly income of \$34,000 and I would like explanation of how they came up with that number, and I'll get back to that in a second Madam chair, but they're estimating just under 9% return. On their notes, it states the projected return on this \$2.7 million dollar investment is a little over ten years. That doesn't sound temporary to me, or is it, that we're going to spend \$2.7 million for something that's not going to be there long enough for us to realize the recouping of these funds. Back to the \$34,000 monthly income, I know that they used a venue in Washington D.C. as their case study, I don't really understand that; I get that it's on the water but we have just within a stone throw of this site, we have the Blaisdell facilities, the Convention Center, Bishop Museum, the Aquarium, and Sea Life Park. All these places that put on these types of events, but none of them are used to see what kind of revenues are realistic for Hawai'i. I don't believe any of these venues bring in \$34K a month in revenue. With so much competition in that area, how is it we're going to bring in this amount?

**Casey Brown, COO** Mahalo Trustee Lee for your question. We have with us today members from our in-house development consultant team. They are prepared to present, if necessary, but as we are going into questions, we can take the first question that speaks directly to the returns, how the income was estimated and the second one about using the right kind of comparable to work up these returns. This is a question that I will ask Kuilei to answer. Online now, we have Veto and Linda from Kuilei.

**Trustee Lee** Point of clarification Madame Chair, I don't believe that any of the Trustees were aware that Kuilei was prepared to present for us. We were going directly to a vote. I would love to hear their presentation and maybe that will answer my questions but that wasn't offered to us, it was going straight to a vote. I would be happy to defer my questions and allow Kuilei to present to the rest of the Board.

**Casey Brown, COO** We are trying to time this agenda the way it would flow today. I know we were expecting more, two more of the Kuilei members. Linda, you are here with Veto, are you comfortable with going through your presentation?

**Linda Shatz, Kuilei** We can go ahead with the presentation. The others will join us shortly. Again, this presentation is specifically for Lot A.

**Veto Baker, Kuilei** Good Morning Madame Chair, Trustees, and Administrators, thank you for allowing time to let Kuilei make this presentation regarding activating Lot A. Today, through the activation of Lot A, we celebrate OHA's mission and vision for our lāhui. An exchange of mana by inviting our people back to Kaka'ako, they will exchange their mana with our lands and our lands then reciprocate by giving back mana of it's own just like it was done i ka wā kahiko, inviting our 'ohana to come and ulu to grow. From the day we have its grand opening, Kaka'ako Makai and our people will start this exchange of energy and my na'au tells me nothing will be able to stop this revolution of energy. I believe, through OHA's guidance, Kaka'ako Makai (KM) becomes a catalyst for our lāhui going forward. Aloha 'āina, this exchange



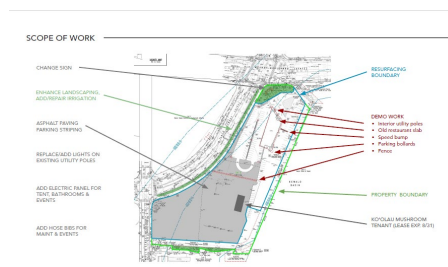
#### Celebrating the OHA's mission through the activation of Lot A

- **An Exchange of Mana** – Bring people Kaka'ako Makai to engage with the land
- **Aloha 'Āina** – To bring back love for Kaka'ako Makai, a place where our people thrived
- **Mālama 'Āina** – Restoring stewardship to support future development efforts at the State Legislature and HCDA
- Create an **eco-system for Hawaiian small businesses** to thrive
- **Placemaking** through Hawaiian programmed events and activities to educate the public on OHA's mission & culture

of energy, this love, KM becomes aloha 'āina, mālama 'āina, taking care of the land and restoring stewardship to our 'āina will be one way we get our lāhui support for future development. Whether we need it for HCDA or whether we need their support at the legislature, we need to create an ecosystem for Native Hawaiians to thrive like our kūpuna did for hundreds of years in Kaka'ako. OHA can set the pace to allow our businesses to thrive and, most importantly, our mo'omeheu, our culture to do the same. Place making with OHA's strategic planning, KM can become the Hawaiian sense of place where our 'ohana can frolic and practice it's mo'omeheu and, once again, aloha 'āina demonstrating the three foundations of OHA's mission and vision statement.



Look at these tents, what a showstopper. Can you imagine having moonlight at Kaka'ako, having concerts every month on the full moon and having our Hawaiian artist singing songs. Knowing what we can do with this place gives me chicken skin and I feel, because of what we have here, the rental for our tent will be phenomenal. As a Kumu hula, I know what venues you can rent. For the past twenty-three years, I've been using Mamia-500 seats, Paliku-300 seats, many years at Hawai'i Theatre-1,200 seats, and the last four years at the NBC-2,200 seats. There is a need for a venue such as this for someone who has needed venues for the twenty-three years that I've been a Kumu Hula. Hawai'i Theater is now too expensive to use the venue and have their Hō'ike or have our storytellers tell the stories of our people. The Convention Center is too expensive, the NBC is going through major renovations, so there really is no place like what will happen here in KM. The tents can be set up in several ways: people can stand, have just seats, people could be dancing, or you can have tables. Depending on what the person wants, you could also lay down these green carpets. The bottom left with this curvature makes me think of Merrie Monarch. Can you imagine OHA having its own hula competition and then one day, it becomes even larger than Merrie Monarch? What kind of revenue is that? I can only imagine and I hope you can see this picture with me. Michael will speak on the next slide.



**Michael Yee, Kuilei** We took a look at the site and did a basic layout. We have four functions, the first is a food component primarily food trucks because they're self-sufficient. The next is the tent, the vendor likes to call it the pringles chip tent. Think of two of those pringle tents to be your event tent space instead of the rectangular format. The third pringle tent is flex space; it could be a pre-function area, a bar area, a back-house area where performers could change or wait in-between performances, it is a flexible space. The back side is parking, in the current configuration there are 550 parking spaces. You would enter and exit off the service road between Lot A and B. This is flex space, so depending on the day and the event we can use temporary barricades to make the parking space bigger or smaller for our particular needs. In between the parking area and the tent is a an outdoor flex space, again you can use most of the space for parking or whatever you feel comfortable with. The other part to this, if you look to the right side, we have a portable restroom trailer and it is self sufficient with its own water tank and waste water tank or it could be hooked up to utilities when they are available. On the right side we have the waterfront, we do have some portable tables and chairs that allow you to grab some food or just to stand and enjoy the views and water. The last thing I will point out, in the parking area is a current tenant, their lease will be up in the fall. Our scope of work, we are looking to get this area paved to give us the max flexibility. The backside is gravelly thin asphalt and the front side is the old Fisherman's Wharf foundation and some other things sticking out, there is a fence cut in half, and speed bump. Get all of this removed and put a new black top, the black top is made to last a few years in which time we build a permanent structure and development on site A. On the top corners, you'll have some landscaping and irrigation. There are existing telephone poles along the exterior of the site and many of which have exterior lighting, we'll replace that to make sure this place has adequate lighting at night for safety and events. We will also add hose bibs in certain areas for maintenance and events. Finally, we want to make sure we bring temporary power for lights; very simple type of work, a lot of it is the simple repair maintenance improvements. The only construction is adding the electric panel for the tent. The existing corner sign that says HCDA is owned by OHA, we will leave the structure up but take the sign down. The reason you wouldn't tear the whole thing down and put up an over-the-top signage is when we do build a building on the site that likely would have to come down so it doesn't make sense to spend that sort of money when you have a sign that can be really utilized. There's a number, FF&E (Furniture, Fixtures & Equipment) and that's the non-construction items that you'll need from the site as the example, the tent that Veto talked about. The tent is not permanent, you can bring it down fairly quickly within an hour. It takes about 30 minutes to erect, and you can move it to another site. There is tent lighting that you can buy that can go on the tent. We will need tables and chairs; and when not in use, we will store in shipping containers.

#### SCOPE OF WORK

##### SITE WORK

- demo Fisherman's Wharf restaurant concrete slab
- remove chain link fence bisecting the parcel
- remove interior utility poles, bollards, speed bump
- repave entire site to last 3 years
- line striping for approximately 550 parking stalls

##### LANDSCAPING

- enhance landscaping along the Ilalo Street and at Ala Moana & Ward corner (Plants: Kou, Loulu, grass)
- irrigation

##### UTILITIES

- disconnect electricity from utility poles
- provide electrical panel for tent and portable restroom
- replace/add exterior lighting
- hose bibs for events & water for landscape

##### TEMPORARY SIGNAGE

- modify existing HCDA entry signage
- add wayfinding signage



#### FF&E (FURNITURE, FIXTURES, & EQUIPMENT)

##### MULTI-FUNCTION TENT

- banquet seating for 300+
- appealing architectural design
- customize with graphics
- anchors hold the tents in place
- can be taken down in an hour; movable

##### LIGHTING

- tent lighting

##### STORAGE

- shipping container(s) for tables, chairs, etc...

##### RESTROOMS

- portable restroom trailer with A/C

##### SITE FURNISHINGS

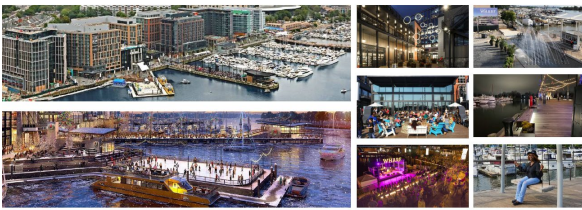
- permanent outdoor tables & chairs with umbrellas
- event stage
- event tables & chairs
- artificial turf rolls and/or green outdoor carpet rolls



There is also a restroom trailer, male and female; there would be a stairs and ramp to get to it, but again, that is sort of self sufficient to stand alone on generator and tanks, but if we do have utilities, we can connect that too. It's a better experience than going to a regular porta potties. The schedule: so starting this month, hopefully, if we have a go from the Board, we will get the design team started, we've already done some work ahead of time. CBRE, the property manager for OHA, has issued an RFP to select a design team. We should have the proposals ready to pick later today. We also need to get started with identifying an operator so that we can get them on board and have a long prep period before our first event. We will give the design team a month in order to get the permit plans done and the permits submitted. The key for the building

permit is the construction part; we can retake the lot, we can do the landscaping without permits but we will need a permit to put a tent up and do construction. The permit to put the tents is not your traditional building permit, but we do need to get that checked with the City and HCDA. We also want to order FF&E, as you're well aware, there's some longer lead items and supply issues. We want to get that ordered in here so that when we're ready to have our first event, we are not waiting. This is a very aggressive schedule but we're looking to start improvement in April and finish the initial improvements in May, which allows us to get our tent up and potentially having our first event in early summer. As I said, the power panel will need to go up and we will need a permit. It usually takes a year so we put that in 2023, but until we have that permit, we can run the tent off of generators, which will allow us to get through the summertime. I will turn the time over to Linda.

CASE STUDY



**Linda Schatz, Kuilei** I'm not sure if we've shared this with you, before, but this is the wharf in DC and it's a waterfront that in previous years was dilapidated, run down, homeless, and wasn't active at all but they had this great waterfront property. What they ended up doing was doing an RFP and finding a developer, Hoffman, to redevelop this area and why is it important? I think we want to draw some parallels. This is a good case study to show you that with a ground lease scenario with a third-party developer, they were able to activate the waterfront and what is key about this is that they actually moved forward with activating the waterfront before any of the office or residential retail was in place. That is important because it harkens back to Lot A in the strategy which is activating Lot A. We need people to sit down and engage with the area and really see a vision that OHA has for this place. What can it become and the potential for it. This model is a really good precedent so the developer actually has a master association that operates and manages the programming, the events, the activities that are in the area. They sell sponsorships as well, and they actually have an entertainment space where they can seat about six to seven thousand people. They have a lot of entertainment, retail, and cultural activities along the pier that benefit not just those who lives there, there's only maybe about 1000 units of residential, but it benefits all the district and city. They know that a lot of people come down to this area to partake in all the community activities in the space. It's a really great model to show that having an operator to function and provide that programming and event driven programming is really important; and then with OHA, there is a Native Hawaiian component to all of this in terms of bringing that cultural aspect to the place that makes us unique beyond any other place on O'ahu. We know that they've been successful in D.C. with this type of development, which mirrors

what I think you folks want to do in the future based on all the previous work that has been done thus far and all the discussions. We feel like this is a really great model to look forward to. One of the first events we're working to hopefully plan is with the current farmers market is a cacao chocolate festival. It will be wonderful because OHA could have a pre-event where you can invite your stakeholders, politicians, people you need to thank and reach out to, to help share that vision. We can kick off this sort of activation of Lot A to bring back Kakaako Makai (KM) in a very festive and celebratory state. It's an important piece to the overall puzzle, it's a kickstart of vision for the area and we're very excited for it, and especially a project like this that has proven to be able to execute. I think we can draw a lot of good parallels that we can learn from for your land as well. You can also see the other slide where you see a farmers' market. It is very busy on

Saturday so we're going to perpetuate that, an extended, and then you can see all the other activities that we're looking at. It's temporary in nature, but temporary in terms of the interim of the next few years and this allows to bring those people down to the area to experience the area right away so wanted to send you some representative images. The bottom left-hand corner is of course an image of a gathering on the mauka side and we think you can get that type of density, that type of activity around the makai side to really bring life into the neighborhood.

**Peter Gilpatric, Kuilei** I think we can all see how exciting and how important the activation of site A is to the success of KM and OHA's investment in these lands. The activation announces to all a start of OHA's vision and the development of its properties. The activation begins to recapture the essential sense of place for Hawaiians that Veto eloquently described earlier. The activation will help OHA with much needed future approval through demonstration of positive action today. So, how much will it cost? Under \$3 million and estimated \$2.7 million. Michael has spoken with contractors and vendors to develop a hard cost budget, everything we think of is included in this budget. We've provided for design, permitting, promotion, signage, and other needed activities in the soft costs number; we also added \$300,000 contingency for unknown conditions. How much revenue will be generated? Conservatively, about \$240,000 a year if estimated annual revenue at \$410,000 based on 10 food trucks, four events per month after discussions with brokers and planners who gave us input on what we might get per each event. We've estimated annual expenses at nearly \$170,000, but things like security, repairs, maintenance, clean up, utilities etc. vendors will also be required to help with the expenses; we believe these estimates are purposely conservative by assuming one event per week. We see opportunity for multiple events each week, along with an occasional major event on the FLEX space that Michael talked about. We have assumed no parking revenue. We believe a realistic target for revenues is around \$500,000 per year with the successful activation of the site. What's the return? As projected 9% annually, the activation of sight A is a three- or four-year temporary operation until permanent structures can be approved and erect. The tents and other furniture and fixtures and equipment about \$700,000 worth of expense are OHA's property and can be used elsewhere. Nearly half the investment will be returned from operating revenue over the initial four years under our base assumptions, we believe it's likely that the entire investment will be returned within the four-year period. Any and recovered investment is a small investment in the proof of concept and in accelerating approvals for vertical development throughout KM that will be recovered from enhanced land that is. In summary, we recommend

#### PROJECTED BUDGET & RETURN

BUDGET	AMOUNT	\$USP	%
Total	\$2,710,250	\$72.24	100%
Hard Costs	\$1,950,800	\$68.81	72.0%
Soft Costs	\$452,100	\$13.04	16.0%
Contingency	\$307,870	\$1.39	11.5%

OPERATING CASH FLOW	MONTHLY	ANNUAL
Revenue		
Effective Gross Income	\$34,200	\$410,400
Expenses		
Total Expenses	\$13,917	\$167,000

PROJECTED RETURNS	
Estimated Total Project Cost	\$2,710,250
Projected Stabilized NPV	\$243,400
Unlevered Return on Cost	8.96%

**ASSUMPTIONS**

- Rents are based on conversations with CBRE and other brokers
- Assumes 4 events and rent from 10 food trucks per month
- Not all variable expenses are known at this time
- Includes 10% or \$307,870 for contingency
- Given the budget, conservative revenue and expense projections, the projected payback period is about 10 years

the investment of \$2.7 million to kick off OHA's KM vision and proof of concept. We firmly believe costs justified; rewards will follow. This is a positive step in the right direction, I'd like to reintroduce Vito to close our presentation.

**Veto Baker, Kuilei** Thank you, Peter. Kuilei has displayed for you the vision of this Hawaiian sense of place, this place called KM and always keep it in mind that OHA's mission and vision while inter-weaving the three foundations of 'ohana, mo'omeheu, and 'aina. Can you imagine in a few years when others start to develop urban centers near harbors and they Google places for ideas and instead of coming up with Washington DC it comes up with KM? KM will be displayed because it will have the most hits on google. I guaranteed that KM will be the place to emulate but unfortunately, none will compare because they do not have our unique and beautiful culture nor do they understand the innate connection of aloha 'aina. All of these places will be great and will be beautiful but lua 'ole, KM is second to none or just plain laha 'ole, the

rarest, the choicest of them all. For us to start this Hawaiian sense of place and to be lua 'ole or laha 'ole, we humbly come before you to approve this budget set before you so we can make this activation happen by summer. On behalf of Kuilei, I thank you all very much.

**Chair Hulu Lindsey** Any questions?

**Trustee Ahu Isa** Michael, when you were going through the slides, I noticed you said permits; that it was contingent on getting the permits. Permits from who? The city and County? HCDA?

**Michael Yee, Kuilei** That is correct, we need HCDA permit and a City and County permit. Specifically in City and County, we need to DEMO permit and we're going to need a building permit.

**Trustee Ahu Isa** And that takes long?

**Michael Yee, Kuilei** It's anyone's guess now because it continues to get longer with the FBI investigations still ongoing, but because of the nature of the work, it's fairly simple. Part of the work will not require a permit to repave or do landscaping, but the panel will need a permit and that's why we're saying that we could do the improvement and make use of the property prior to actually putting permitted power over there. We would have to run it off of generators or some other alternative, and so it's sort of creative within the rules way to try to get us to activation in summer versus next year.

**Trustee Ahu Isa** The reason I asked is I have a meeting tomorrow with Mayor Blangiardi and I want to explain KM and what we're trying to do. I'm glad you talked to me about this permit because I'm going to bring it up. Mahalo.

**Trustee Alapa** How long is the temporary plan in place for? I'm looking at recovering monies, making potential income, and so forth.

**Michael Yee, Kuilei** Typical development timeline and this is on the fast side, you minimally are going to need a year to two years to get the development approvals. In our case, if we pursue something as a right, it's close to a year; if it's something that's not as a right, it takes a little bit longer like you have zoning in place for that, then the permitting process is anywhere from a year depending on if there's complications that could take two years; and I'm not exaggerating, that is if things fall in line. It's very easy to get sidetracked whether we have archaeological issues or environmental issues or something else. There's a lot of things that could delay development approvals just through the normal process.

**Linda Schatz, Kuilei** I just want to add additional information, these activities, even after say three or four years being on lot A, it's not like you know we would recommend you stop activities; you'd want to continue them on because the community is going to want to see the perpetuation of these activities. We would end up doing, with these pre-paid assets, is move them throughout the master plan and phase it out so as parcels get redeveloped, we would then move the tent and other assets to another parcel that isn't being redeveloped yet. It's been done in many different master plans that you do to try to move these community gathering around so that you can keep everything alive and moving forward, so it extends beyond the four years.

**Trustee Alapa** Did we mention how this is being financed?

**Casey Brown, COO** The financing will be a separate issue, but it's going to be coming forward for the Trustees to look at as part of the realignment. So, we have a budget realignment that scheduled for the RM Committee and we will be carving out the funds for this to recommend to you folks.

**Trustee Alapa** You've also mentioned unforeseen variables, will we know later on? What if it becomes more than your estimates are? That will push us back a bit in our cost.

**Michael Yee, Kuilei** Because we are not building inside a building, I feel fairly confident that there should be no surprises on the construction side. What we are doing is pretty straightforward so there is low risk there.

**Trustee Lee** Point of clarification Madame Chair.

**Chair Hulu Lindsey** Yes, Trustee Lee.

**Trustee Lee** This goes with Trustee Alapa's question and Casey's response, this is not a separate issue. Trustee Alapa asked a very important question. We are being asked today to approve these funds, so bluntly, I believe what Trustee Alapa was looking for is, we are going to have to pay for this. When Casey says it's a separate issue, it's because they have to bring a realignment of the budget back to us but that's the financing. They are asking us, OHA, to put up \$2.7 million dollars for this.

**Trustee Ahuna** That was exactly my question, it was about the financing. Where is this money coming from? We are putting up all this money for temporary structures and it's going to take a while to build, did we look at other opportunities?

**Casey Brown, COO** In conjunction with our consultants, the due diligence involved looking at several opportunities to arrive at this recommendation for the way we activate this site. This is putting forth what we believe is the best recommendation in terms of the returns you want to get, not just economically, but also mission related returns. Remember this \$2.7 million, which we will recommend in a few weeks, is not just about getting an economic return or financial return. There two other major things, we get to test concepts out for when our real development comes; and the opportunity to test these concepts are quite valuable. If we were able to turn that into a dollar value, it would be worth a lot of dollars. If it doesn't work, then we know that is not what we want to permanently develop. The other thing is that we bring the community down and the lāhui down, we get a chance to start telling our story for that space. The ability to tell our story and do this outreach at the same time prepares us for when we want to go to legislative session in the future. These are all non economic returns that are important to this whole big plan on how we develop KM.

**Sam Chung, Board Financial Advisor** You're right, Trustee Lee, this money is coming out of OHA. The end goal that we've discussed was to have the property support itself, each parcel. With \$300K of income that could be generated and because OHA owns the land, the financing and the reallocation of the budget, I think that will really come from the property. Majority of the \$3 million could essentially come from a local bank, any of the local banks would love to do this because of the value of the land and the potential income it could generate. Is it financeable? I would say definitely. How much of it? I would say probably 75-80% at least. The money will have to come from OHA, from some bucket, but the end game is the money would be reallocated back to OHA through financing *inaudible*.

**Trustee Lee** To respond to Sam, we are now to believe that we will get financing for this and at your assurance, a local bank will be happy to finance this up to 75% aggressively because we own the land. We

will be asking for financing of 75% of \$2.7 million dollars for what we just said is a temporary thing that we expect returns in ten years, but we'll be making improvements that will last no more than four years on the long side. I'm not a banker but I don't see a loan guy saying great idea, I will loan you money where we'll see a return on in ten years for something that is going to last four years.

**Sam Chung, Board Financial Advisor** At the end of four years when the redevelopment happens, then the money would get paid back. What a bank assurance is not necessarily a temporary situation, but the fact there is value in the land itself. When you have a redevelopment budget and present to the bank, then that money would get rolled into a new loan. It is pretty standard, it's the value of the land is what is important to the bank because that's their collateral. Honestly, there isn't a whole lot of improvements being made on the property. In fact \$700K or so between the tent, the FF&E, the portable bathrooms, those are all assets that OHA will own and will most likely re-use. Other improvements like pavement and landscaping are increasing value on the property, so there isn't anything specific that isn't adding value by doing this.

**Veto Baker, Kuilei** Since 1988, I have been a mortgage banker and worked with the banks and that has been my source of income. As a banker, I would take this deal in a heartbeat. It's not 75% of the loan, it's 75% value of the land that they'll go up to. The land is worth a lot so what they will look at is not only the 75%, but also the cash flow. The cash flow here is positive, more than 1.2 times of your note and that is what they will look for. I can call my friend Gabe or the CEO at ASB and she'll do this loan in a heartbeat, especially because that particular bank thinks about supporting the community. That is my two cents, thank you.

**Trustee Lee** On your two cents Veto, I know you're making a point but please don't call the President of ASB, we are a public agency and we have to follow an RFP process. I know you're making a point but because we are on the record and all of the public can see this, please don't do that. So, Chair, I have two questions and then comments on the presentation. My first question, it's a small detail but since we are being asked for a lot of money, I think it's a bit important. Michael mentioned containers as in multiple for storing things. The plan before us says one 20-foot container. I just moved houses and we use the pod, it's a little bit bigger than a 20 ft. container. To store tables and chairs, for a large event I don't see that happening in that small of a container, and the reason why I asked about multiple and a 20 ft, I'm also in the process of planning for a construction on a container home so I am aware that a 20 ft. costs almost double what a 40 ft. container costs because no one wants to buy a container that small. Everybody would rather have a smaller container so the supply and demand is different, there's more 40 ft. containers available than there are 20ft. So, it'll 40 footers are almost half the price of 20 footer

**Michael Yee, Kuilei** Yes, I actually just bought a container too but for another project, so i'm well aware of the price escalation to the containers over the last 12 months. Really, it comes down to identifying the operator and what they believe OHA will need to have in inventory to have events versus how much it would be rented above and beyond. You wouldn't buy all the furnishings for a huge thousand-person event, you would just have the things that you own and rent the additional items needed from the event companies. I really think only one container should be sufficient, but we really don't know until we bring on that operator once we get the approval.

**Trustee Lee** Thanks Michael, my other questions is for Linda. You explained quite eloquently about why you folks use the Wharf as your case study. I'm curious, I can see why that synergy is there among all the other things available within that very close proximity area, which draws that synergy there. I believe there is some of that in KM given what Howard Hughes and Kamehameha Schools have done in SALT and across the street and what they will continue to do. Those entities are our competition. The Wharf, do they have similar outdoor events? Howard Hughes is planning very similar events in their park that they just completed

across where Sports Authority use to be, so the case study you used for the Wharf, do they have this type of proximity competition? I get that we are saying the Blaisdell is going under renovation and the Convention Center is too expensive but if more competition comes into the area then competition will drive prices down, that's just a fact.

**Linda Shatz, Kuilei** That's an excellent question to ask and it's one of the ways to mitigate risk, to ask the question and really foresee the project. Two unique things you have is Howard Hughes and Kamehameha Schools but you, OHA, is right on the water. Because you're right on the water, your location is so conducive to community gatherings, entertainment, and functions. Everyone wants to be close to the water and have an unobstructive view to the ocean and the sunset.

**Trustee Lee** I'm sorry Linda, I have to interrupt you. Fisherman's Wharf will not have an unobstructive view of the ocean and you won't have a view of the sunset. We have the AAFES building next to us and we have the Children's Center a few blocks away. They will not see the ocean but they'll see the harbor and Kewalo Basin, but there will be no unobstructive views of the ocean or the sunset. You will not see the sunset from this site.

**Linda Schatz, Kuilei** I think that it's practically next to the water is key and I think we are talking semantically. The fact that you are on the water is key to the tone and venues we are trying to create. The second piece is the programming we envision for this place is one that is filled with Native Hawaiian culture. It is a very specific and advantageous and authentic approach on how you want to gather the community. Howard Hughes and Kamehameha Schools have some of that, but they really focus on the commercialized approaches to event planning. Their whole point is just to draw masses of people, for whatever reason, so that people shop in their stores and that's what they do. They all use a marketing budget to do that. The difference with what you folks are doing and all master plans do this, is that you're setting aside a budget to start to activate all 30 acres that you have. You're trying to prepare and improve land values further out into the future. If there is a desire to actually adjust entitlements or repeal residential, the ability to spend this money will go a long way to improve the values downstream. Most master plans spend this amount of money if not more on actual community events and gatherings. It is a vehicle for outreach. I understand the notion of competition; I understand this issue of financing this piece; and I understand the consternation and the risk at play but I think that when you look at actually activating a master plan and following through on the vision, whether it's joint venturing with a third party developer in the future, whether it's you developing or whether it's building a cultural Center eventually as the final outcome, this amount of effort to actually market and communicate with the community and bring people down is going to improve those land values that are going to get you to that final mission at the end of the day. I think the discussion is really good to mitigate risk and asking and pushing the hard questions push us all to think about them very solidly. I do appreciate, Trustee Lee, your questions on that. It is worthwhile to have discussions on that dialogue.

**Trustee Lee** Madame Chair, I'll just give my comments on the rest and then yield the floor to Trustee Ahuna. I really did appreciate the presentation and the words that Vito said. I really did take them to heart and they're great, unfortunately as a Trustee I have to weigh the story against my fiduciary responsibility. I absolutely love the story and if money wasn't an issue, I would have no questions and absolutely move forward with this but I have a duty as a fiduciary to the trust and that's where my concerns are coming from. I don't see what we're planning for this temporary thing at Lot A is conducive to small business other than food trucks. We are talking about large events and that's not really a small business thing. While I haven't danced as long as Veto and no longer in hālau, I did grow up dancing hula and I've been active in hula competitions, not as a participant but going and being involved with Kamehameha Day Hula Competition all my life and the Prince Lot Hula festival. My concerns about these types of events that Veto's talking about is

whether tent to no tent, this is an outside venue and that becomes an issue. This tent and food truck idea is an idea that has been there for the last 2 ½ years and it did not succeed. This is something we need to take into consideration. Granted, we will probably throw more money at it then they did but it wasn't even marginally successful. I have concerns about the ten-year investment that is not going to last ten years. I get Veto is the banker and I'm not. I fully believe Veto and I've known him almost four (or forty?) years so I take that to heart that a bank might like this idea, but the numbers for me don't work. Linda, just so you know the reason I laughed when you said the Cacao event, I love that idea but the Trustees voted against being a major investor in agro forestry in Hawai'i using cacao; and just so you know, it was for just about the same amount of money that they were asking, \$3.1 million, and it was for twelve-year return on a 15% return on investment and we would've gotten back in ten years; and now we are being asked to approve \$2.7 million for maybe a 9% return over a period of time that this project isn't going to be there. So, those are my comments and because I can't see the numbers, I will be voting no on this.

**Trustee Ahuna** I too wanted to voice my appreciation and gratitude for the presentation which was excellent. My concerns don't start with the presentation, but it has to do a lot with investment and risk. How we weigh investment and risk? With owning these properties, we have 100% liability that we're going to have to take on, and with this temporary investment I think there's more opportunities out there that we can look at to help with the amount of risk. Like Trustee Lee said, it was 12% -15 years versus 8% - 10 years and we shot that down. I just want to say thank you for the presentation, but I'll be voting no on this and it's because our numbers do not add up. I think we can do better with the risk that is going to take with short term investments, mahalo.

**Trustee Alapa** I would feel really comfortable knowing if there are additional ways we will have income coming in based on what you have already shared. Is that the bottom line that your estimating every month, that it will generate that type of income? Do we have other alternate plans or projects that will bring in additional income? Have you talked about any other projects outside of what is already there?

**Chair Hulu Lindsey** Casey, can you please share with Trustee Alapa what we are presently making on the property.

**Casey Brown, COO** I will punt this over to Kalani. Kalani, do you know our collection off the top of your head, is it about in total a little over \$1 million a year?

**Kalani Fronda, Land Director** That is correct; however in regards to parcel A, we are not collecting anything right now because we have parking but parking is very minimal in regards to the amount of data collections that we collect for this particular area. To answer Trustee Alapa's question, this is a base NOI that we are looking at, base revenue production that we are looking at as well, there are other opportunities, thank you.

**Trustee Akina** I understand that we're trying to prove a concept that's why we call this proof of concept. As we look at the waterfront, especially in development projects like Aloha Tower and it's redevelopment, as well as the Restaurant Row area so forth, history tells us that there's a lot of uncertainty in terms of whether or not the idea if you build it, they will come really happens and we've seen many things built which people haven't come; therefore, I do understand the importance of spending some money upfront to test the concept if whether we can actually create interest in KM that draws people to it so that it will be a center of activity and commerce. It look to me as though the dollars that would cost us to test this concept is worthwhile compared to the potential we have to lose by moving forward with major development of KM area. I do favor the idea. I do have one question, it's about the timeline and the context of the rest of the development

of KM. If this is the opening salvo, so to speak, how quickly will we have other development and what other kinds of development will we be able to go into so that, if there is momentum from the proof of concept, we can begin building, how quickly and what do we envision?

**Trustee Lee** Is that an appropriate question at this time as that is beyond the purview of the PIG?

**Linda Schatz, Kuilei** That is a good question, obviously you always want to drill down to the specifics and then go at a 30,000 foot level to see the overall strategy. We are developing an understanding of the encumbrances on your parcel so that we understand them and putting that into a plan where we will actually effectuate a reasonable master plan timeline. As Michael did mention Lot A, if it were to go into redevelopment will take some time as we still need to actually do some studies and go through the work that needs to be done. If you folks are in the future looking to do a joint venture with a developer, that will also take some time to do an RFP. With that three-to-four-year period, you have this time period now to do activities like activating Lot A. While we are activating Lot A and garnering much community support that we need, we can also be in parallel bringing before you a plan and hopefully a plan you all condone that we can move forward on the final redevelopment of that parcel; and so all things have to be kind of concurrently moving at once. The parcels further down along the shoreline also have their own timeline, but I think some of you know that there are at least encumbrances that are applied to those lots and those are very well understood and known. We will all be working on a strategy to address those as well to be a part of a longer-term timeline strategy. I think without getting too much off the topic today, but hopefully that gives you sort of the overview of what we are working on in the background. I hope this answers your question without going beyond to much the topic of today.

**Chair Hulu Lindsey** Thank you Linda, I hope that answered part of your question, Trustee Akina. Sam, do you have something to say?

**Sam Chung, Financial Advisor** To the Board, yes. I want the Trustees to look at the big picture of this thing, you know activating the site and getting the community support; to me there is really three parts, that's number one and the other thing to consider is that this is not a stand alone what is a return on the deal. If OHA wanted to, you could go out and get high end retailers and others to really boost that return but there are other considerations. The tent is for cultural events, food vendors; it's to provide a gathering place for Hawaiians to come and create that warm body. I think the most important thing to keep in mind is that activating site A is the initial phase of other future activities in KM, meaning you have to bring the warm bodies in and once you have that, you build more retail and build some hospitality if you're able to get that approved and residential towers as well. If you are able to get that approved, we have activities and retail here and we will need people to live here too. We have the medical school, their students, doctors who may want to live near here. On a big picture level, I would like the Trustees to not only consider the economic return on this specific site, but what else does it bring to the table?

<b>Trustee Ahu Isa Moves</b>						
<b>Accept and Implement the report of the Permitted Interaction Group to investigate the activation of Kaka'ako Makai Site A, 1101 Ala Moana Blvd, including the recommendation to implement the Business Plan, as attached.</b>						
<b>Trustee Waihe'e Seconds the motion.</b>						
	1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI AHU ISA	X		X			
TRUSTEE DAN AHUNA				X		
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI'I AKINA			X			
TRUSTEE LUANA ALAPA			X			
TRUSTEE BRENDON LEE				X		
<i>HAWAII ISLAND TRUSTEE SEAT VACANT</i>						
TRUSTEE JOHN WAIHE'E		X	X			
CHAIRPERSON HULU LINDSEY			X			
<b>TOTAL VOTE COUNT</b>			<b>6</b>	<b>2</b>		
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with six ( 6 ) YES votes and two ( 2 ) NO votes ( 0 ) Abstention vote</b>						

**Chair Hulu Lindsey** Thank you Trustees, we will move on to item D.

- D. Request for approval to waive Action Item BOT#22-03: Nā Lama Kukui, 560 N. Nimitz Highway, Refinancing from the Committee on Resource Management to the Board of Trustees pursuant to the Office of Hawaiian Affairs Board of Trustees Bylaws (approved March 5, 2020) Article VIII, Section L**

**Trustee Waihe'e** I'd like to move to Request for approval to waive Action Item BOT#22-03: Nā Lama Kukui, 560 N. Nimitz Highway, Refinancing from the Committee on Resource Management to the Board of Trustees pursuant to the Office of Hawaiian Affairs Board of Trustees Bylaws (approved March 5, 2020) Article VIII, Section L

**Trustee Akaka** Seconds the motion.

**Chair Hulu Lindsey** Any discussion?

**Trustee Ahuna** Chair, I need to leave soon so I will be voting and leaving right after, I just want you to know.

**Chair Hulu Lindsey** Alright, Thank you.

<b>Trustee Waihe'e Moves</b>						
<b>Request for approval to waive Action Item BOT#22-03: Nā Lama Kukui, 560 N. Nimitz Highway, Refinancing from the Committee on Resource Management to the Board of Trustees pursuant to the Office of Hawaiian Affairs Board of Trustees Bylaws (approved March 5, 2020) Article VIII, Section L</b>						
<b>Trustee Akaka Seconds the motion.</b>						
	1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI AHU ISA			X			
TRUSTEE DAN AHUNA			X			
TRUSTEE KALEI AKAKA		X	X			
TRUSTEE KELI'I AKINA			X			
TRUSTEE LUANA ALAPA			X			
TRUSTEE BRENDON LEE			X			
<i>HAWAII ISLAND TRUSTEE SEAT VACANT</i>						
TRUSTEE JOHN WAIHE'E	X		X			
CHAIRPERSON HULU LINDSEY			X			
<b>TOTAL VOTE COUNT</b>			<b>8</b>			
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with eight ( 8 ) YES votes and Zero ( 0 ) NO votes ( 0 ) Abstention vote</b>						

**Trustee Akaka moves to recuse into Executive session.**

**Trustee Waihe'e Seconds the motion.**

**The Board recuses into Executive Session at 11:33 a.m.**

<b>Motion to recuse into executive session pursuant to HRS Section§92-5</b>						
	1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI AHU ISA			X			
TRUSTEE DAN AHUNA						Leaves mtg at 11:32 am
TRUSTEE KALEI AKAKA	X		X			
TRUSTEE KELI'I AKINA			X			

TRUSTEE LUANA ALAPA			X			
TRUSTEE BRENDON LEE			X			
<b>HAWAI'I ISLAND TRUSTEE SEAT VACANT</b>						
TRUSTEE JOHN WAIHE'E		X	X			
CHAIRPERSON HULU LINDSEY			X			
<b>TOTAL VOTE COUNT</b>			<b>7</b>			
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with a seven ( 7 ) YES votes and Zero (0) EXCUSED vote.</b>						

**Board returns to open session at 11:46 a.m.**

**Chair Hulu Lindsey** I am going to report on item IV. E which took under consideration in executive session. The OHA Board of Trustees approved and authorized the OHA CEO and OHA Administration to execute a real estate loan agreement for the refinancing and equity line for Nā Lama Kukui along with all necessary agreements, instruments, contracts, and other actions related to underwriting and execution of the loan agreement.

**Trustee Lee** Madame Chair, the vote was 7 ayes and no nays. Thank you Madame Chair.

**Chair Hulu Lindsey** Yes, thank you Trustee.

### **Announcements**

**Chair Hulu Lindsey** Our next meeting will on February 24, 2022 at 10 am. I would like to remind the Trustees again that your nomination for the Hawai'i Island Trustee is due at 4:30 this afternoon to Pou Hana and you need the name, the telephone number, and the email address of your nominee.

**Trustee Akaka** Madame Chair, I would like to announce that our next BAE meeting will be next Tuesday, February 15th at 10 am.

**Trustee Lee** Madame Chair, if I may say that I appreciate the feedback that I have been receiving from the lāhui and many beneficiaries. Their input is greatly valued in our selection for the replacement for the next seven months of the Trustee for Hawai'i Island. Thank you.

### **Adjournment**

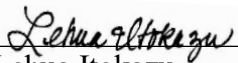
**Trustee Akaka** Moves to adjourn the meeting.

**Trustee Alapa** Seconds the motion.

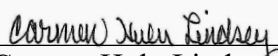
Adjournment							
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA						Leaves mtg at 11:32 am
KALEIHIKINA	AKAKA	X		X			
KELI'I	AKINA			X			
LUANA	ALAPA		X	X			
BRENDON KALEI'ĀINA	LEE			X			
HAWAII ISLAND TRUSTEE SEAT VACANT							
JOHN	WAIHE'E			X			
CHAIR CARMEN HULU	LINDSEY			X			
TOTAL VOTE COUNT				7			

**Chairperson Carmen Hulu Lindsey** Adjourns the Board of Trustees meeting at 11:50 a.m.

Respectfully submitted,

  
 Lehua Itokazu  
 Board Secretary

As approved by the Board of Trustees on March 10, 2022.

  
 Carmen Hulu Lindsey  
 Chairperson, Board of Trustees

**Attachments:**

- 1. Kaka'ako Makai Lot A-Business Plan presentation**



# Kaka ʻāko Makai Lot A | Business Plan

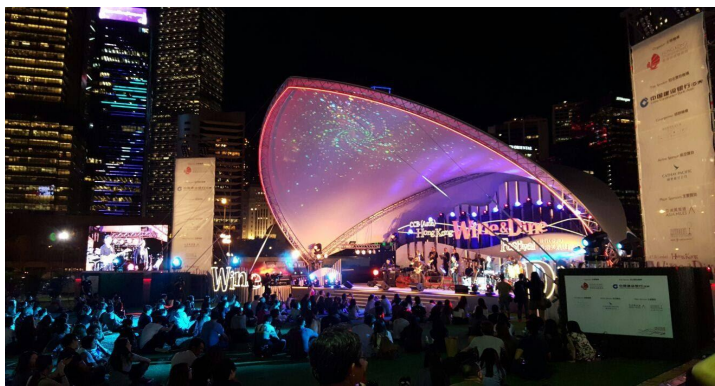
**Presented to the OHA Board of Trustees**

February 10, 2022

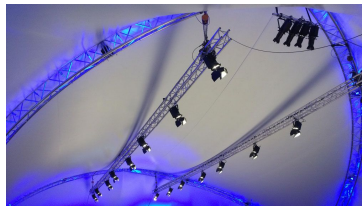
## Celebrating the OHA's mission through the activation of Lot A

- **An Exchange of Mana** – Bring people Kaka'ako Makai to engage with the land
- **Aloha 'Āina** – To bring back love for Kaka'ako Makai, a place where our people thrived
- **Mālama 'Āina** – Restoring stewardship to support future development efforts at the State Legislature and HCDA
- Create an **eco-system for Hawaiian small businesses** to thrive
- **Placemaking** through Hawaiian programmed events and activities to educate the public on OHA's mission & culture

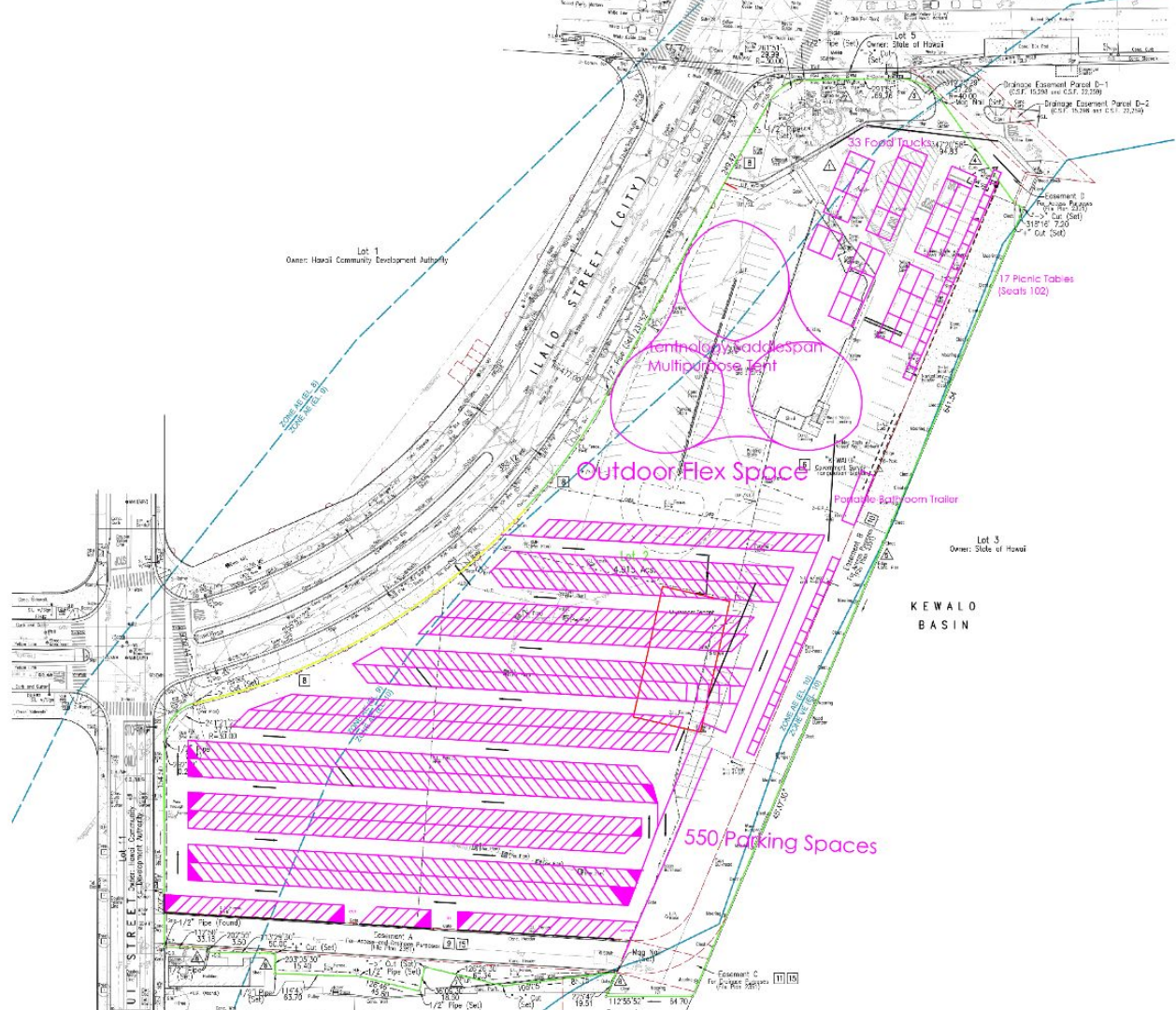
TENTNOLOGY SADDLE-SPAN TENTS



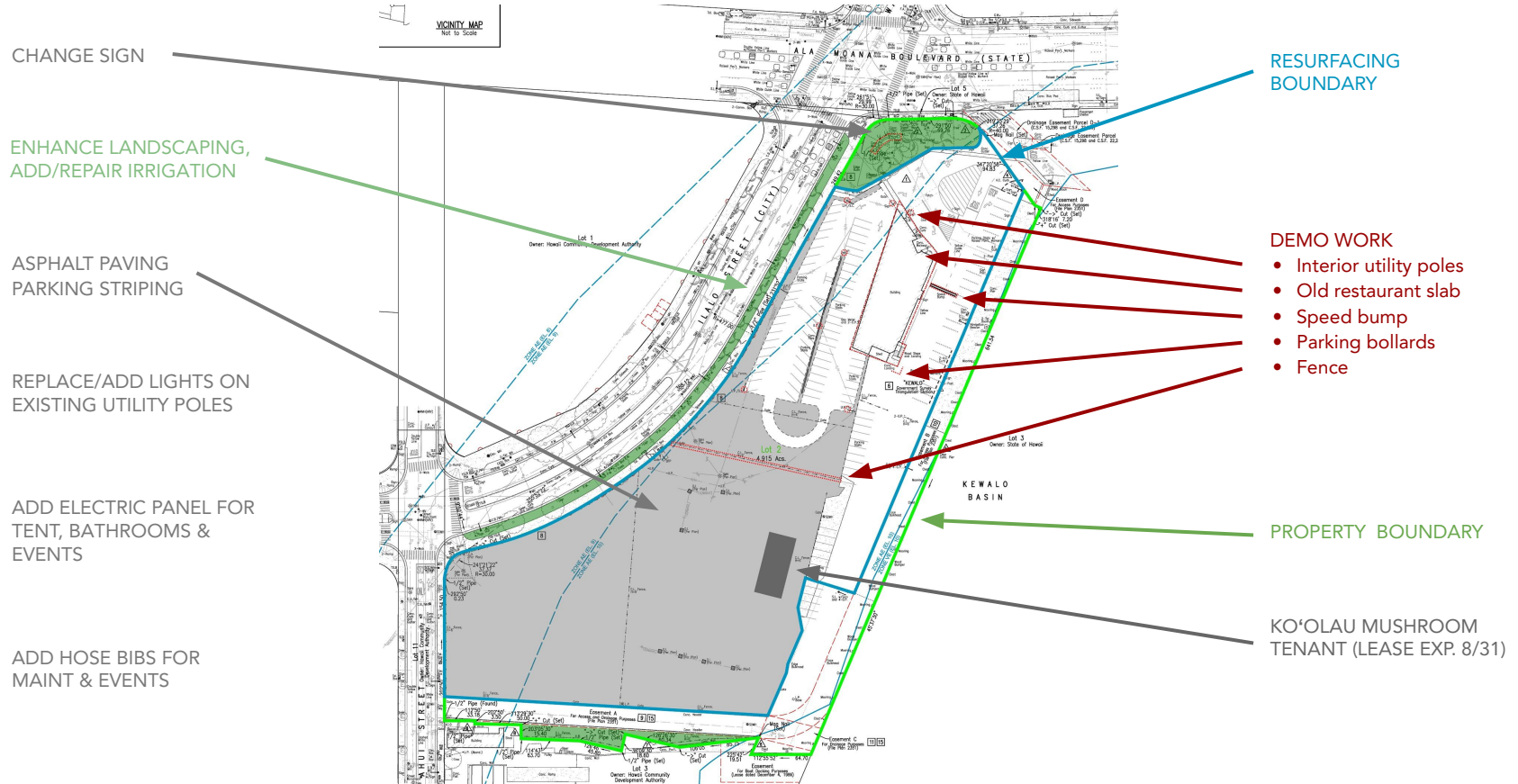
MULTIFUNCTION FLEXIBLE  
SPACE



PROPOSED LAYOUT



# SCOPE OF WORK



## SCOPE OF WORK

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### SITE WORK

- demo Fisherman's Wharf restaurant concrete slab
- remove chain link fence bisecting the parcel
- remove interior utility poles, bollards, speed bump
- repave entire site to last 3 years
- line striping for approximately 550 parking stalls



### LANDSCAPING

- enhance landscaping along the Ilalo Street and at Ala Moana & Ward corner (Plants: Kou, Loulu, grass)
- irrigation

### UTILITIES

- disconnect electricity from utility poles
- provide electrical panel for tent and portable restroom
- replace/add exterior lighting
- hose bibs for events & water for landscape

### TEMPORARY SIGNAGE

- modify existing HCDA entry signage
- add wayfinding signage



## FF&E (FURNITURE, FIXTURES, & EQUIPMENT)

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### MULTI-FUNCTION TENT

- banquet seating for 300+
- appealing architectural design
- customize with graphics
- anchors hold the tents in place
- can be taken down in an hour; movable

### LIGHTING

- tent lighting

### STORAGE

- shipping container(s) for tables, chairs, etc...

### RESTROOMS

- portable restroom trailer with A/C

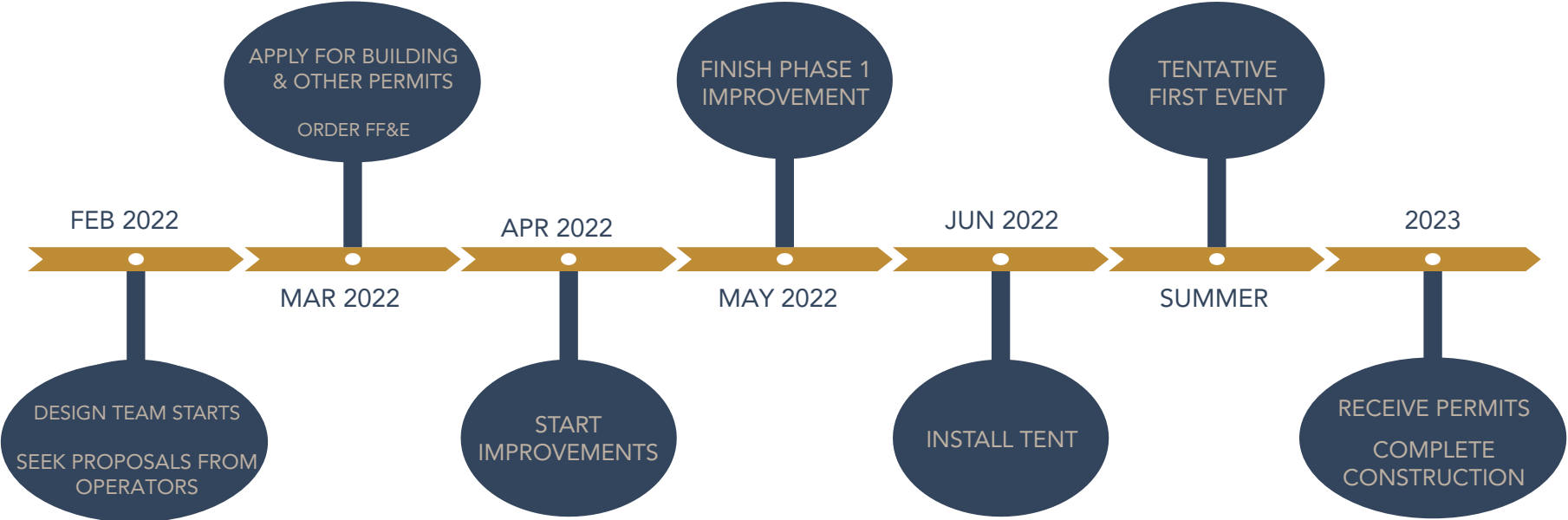
### SITE FURNISHINGS

- permanent outdoor tables & chairs with umbrellas
- event stage
- event tables & chairs
- artificial turf rolls and/or green outdoor carpet rolls



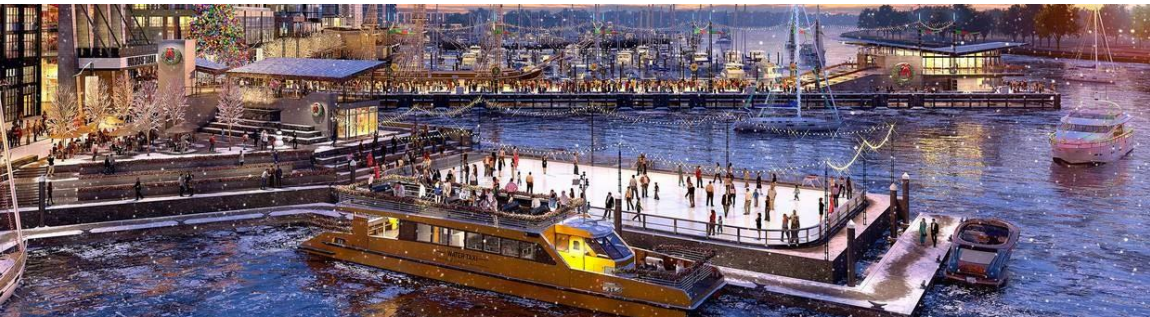
# PROJECT SCHEDULE

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CASE STUDY

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## PROJECTED BUDGET & RETURN

BUDGET	AMOUNT	\$/GSF	%
Total	\$2,710,270	\$12.24	100%
Hard Costs	\$1,950,300	\$8.81	72.6%
Soft Costs	\$452,100	\$1.94	16.0%
Contingency	\$307,870	\$1.39	11.5%

OPERATING CASH FLOW	MONTHLY	ANNUAL
Revenue		
Effective Gross Income	\$34,200	\$410,400
Expenses		
Total Expenses	\$13,917	\$167,000

PROJECTED RETURNS	
Estimated Total Project Cost	\$2,710,270
Projected Stabilized NOI	\$243,400
Unlevered Return on Cost	8.98%

### ASSUMPTIONS

- Rents are based on conversations with CBRE and other brokers
- Assumes 4 events and rent from 10 food trucks per month
- Not all variable expenses are known at this time
- Includes 10% or \$307,870 for contingency
- Given the budget, conservative revenue and expense projections, the projected payback period is about 10 years

# Questions