

**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. 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 listened by phone: (213) 338-8477, Webinar ID: 88622917336 A physical meeting location open to the general public will be available at 560 N. Nimitz Hwy., Suite 200, Honolulu HI 96817. All members of the public that wish to access the physical meeting location must pass a wellness check and provide proof of full vaccination or a negative COVID-19 test taken within 72 hours of entry.**

**Minutes of the Office of Hawaiian Affairs  
Board of Trustees  
MINUTES  
October 27, 2022**

**ATTENDANCE:**

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

**BOT STAFF:**

Amber Kalua, Trustee Aide  
Lehua Itokazu, Board Secretary

**GUEST:**

Sam Chung, Financial Advisor to the BOT  
Robbie Cabral, Kuilei Consulting  
Veto Baker, Kuilei Consulting  
Linda Schatz, Kuilei Consulting  
Paul Quintiliani, Kuilei Consulting

**ADMINISTRATION:**

Casey Brown, COO  
Everett Ohta, Interim General Counsel  
Nietzsche Ozawa, Interim Senior Legal Counsel  
Kurt Klein, Board Counsel  
Erin Nakama, IT Support  
Arlene Aguinaldo, IT Support

## Call to Order

**Chair Hulu Lindsey** Calls the Board of Trustees Meeting to order for Thursday, October 27, 2022, at 10:00 a.m. Board Secretary, please do a roll call.

MEMBERS			Present	TIME ARRIVED
TRUSTEE	LEINA'ALA	AHU ISA		excused
TRUSTEE	DAN	AHUNA	X	
TRUSTEE	KALEI	AKAKA	X	
TRUSTEE	KELI'I	AKINA		Joins at 10:03 am
TRUSTEE	LUANA	ALAPA	X	
TRUSTEE	BRENDON KALEI'ĀINA	LEE	X	
TRUSTEE	MILILANI	TRASK	X	
TRUSTEE	JOHN	WAIHE'E	X	
CHAIRPERSON	CARMEN HULU	LINDSEY	X	
			7	1

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

**Chair Hulu Lindsey** Before we begin, I would like to note that items II. A and B were received under the 72-hour deadline. The virtual meeting can be viewed and observed via livestream on OHA's website at [www.oha.org/livestream](http://www.oha.org/livestream) . 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, my Aides-Kanani Iaea and Amber Kalua, and Board Secretary-Lehua Itokazu. Also with us today is Kurt Klein-Board Counsel, and Casey Brown-our COO. I will ask Casey to introduce staff participating.

**Casey Brown, COO** Thank you Chair, on the meeting today from Administration is Interim General Counsel-Everett Ohta, Interim Sr. Legal Counsel-Nietzsche Ozawa, and supporting from IT, we have Arlene and Erin.

**Chair Hulu Lindsey** Do we have anyone signed up to testify on any items listed under new business?

**Board Secretary** No testifiers are signed up to speak.

## New Business

### II. New Business

#### A. Committee on Beneficiary Advocacy and Empowerment

1. **Action Item BAE #22-03: Approval of Due Diligence Activities in Pursuit of an Executive Order re: Kamokila Hawaiian Village, 5523-5519 Kuamoo Rd, Kapa'a, Kaua 'i, Hawai'i\***

**Trustee Akaka Chair Lindsey, Your Committee on Beneficiary Advocacy and Empowerment, having met on October 25, 2022 and after full and free discussion, recommends approval of the following motions to the Board of Trustees:**

**Motion 1:**

**Authorize Administration to execute due diligence and other activities for possible pursuit of an Executive Order for Kamokila Hawaiian Village, 5523-5519 Kuamoo Rd, Kapa‘a, Kaua ‘i, Hawai‘i, in accordance with existing policies, processes and procedures.**

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

<b>Trustee Akaka Moves</b>						
<b>Authorize Administration to execute due diligence and other activities for possible pursuit of an Executive Order for Kamokila Hawaiian Village, 5523-5519 Kuamoo Rd, Kapa‘a, Kaua ‘i, Hawai‘i, in accordance with existing policies, processes and procedures.</b>						
<b>Trustee Waihe‘e Seconds the motion.</b>						
	<b>1</b>	<b>2</b>	<b>‘AE (YES)</b>	<b>‘A‘OLE (NO)</b>	<b>KANALUA (ABSTAIN)</b>	<b>EXCUSED</b>
<b>TRUSTEE LEI AHU ISA</b>						<b>X</b>
<b>TRUSTEE DAN AHUNA</b>			<b>X</b>			
<b>TRUSTEE KALEI AKAKA</b>	<b>X</b>		<b>X</b>			
<b>TRUSTEE KELI‘I AKINA</b>			<b>X</b>			
<b>TRUSTEE LUANA ALAPA</b>			<b>X</b>			
<b>TRUSTEE BRENDON LEE</b>			<b>X</b>			
<b>TRUSTEE MILILANI TRASK</b>			<b>X</b>			
<b>TRUSTEE JOHN WAIHE‘E</b>		<b>X</b>	<b>X</b>			
<b>CHAIRPERSON HULU LINDSEY</b>			<b>X</b>			
<b>TOTAL VOTE COUNT</b>			<b>8</b>			<b>1</b>
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with Eight (8) Yes votes, Zero (0) No votes &amp; One ( 1 ) Excused.</b>						

**Trustee Akaka**

**Motion 2:**

**OHA-1 – RELATING TO THE BUDGET OF THE OFFICE OF HAWAIIAN AFFAIRS**  
**Approve the measure entitled OHA-1- RELATING TO THE BUDGET OF THE OFFICE OF HAWAIIAN AFFAIRS, to be included in the 2023 OHA Legislative Package as drafted at Attachment A.**

Trustee Waihe'e Seconds the motion.

<b>Trustee Akaka Moves</b>						
<b>Approve the measure entitled OHA-1- RELATING TO THE BUDGET OF THE OFFICE OF HAWAIIAN AFFAIRS, to be included in the 2023 OHA Legislative Package as drafted at Attachment A.</b>						
<b>Trustee Waihe'e Seconds the motion.</b>						
	<b>1</b>	<b>2</b>	<b>'AE (YES)</b>	<b>'A'OLE (NO)</b>	<b>KANALUA (ABSTAIN)</b>	<b>EXCUSED</b>
<b>TRUSTEE LEI AHU ISA</b>						<b>X</b>
<b>TRUSTEE DAN AHUNA</b>				<b>X</b>		
<b>TRUSTEE KALEI AKAKA</b>	<b>X</b>		<b>X</b>			
<b>TRUSTEE KELI'I AKINA</b>			<b>X</b>			
<b>TRUSTEE LUANA ALAPA</b>			<b>X</b>			
<b>TRUSTEE BRENDON LEE</b>				<b>X</b>		
<b>TRUSTEE MILILANI TRASK</b>			<b>X</b>			
<b>TRUSTEE JOHN WAIHE'E</b>		<b>X</b>	<b>X</b>			
<b>CHAIRPERSON HULU LINDSEY</b>			<b>X</b>			
<b>TOTAL VOTE COUNT</b>			<b>6</b>	<b>2</b>		<b>1</b>
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with Six (6) Yes votes, Two (2) No votes &amp; One ( 1 ) Excused.</b>						

Trustee Akaka

**Motion 3:**

**OHA-2 - KAKA'AKO MAKAI RESIDENTIAL REPEAL**

Approve the drafting and submission of a Kaka'ako Makai residential repeal focused bill for submission to the 2023 Legislature, that considers the: 1) Elements and conditions of the 2012, State of Hawai'i, \$200 million, 30 acres, 10 parcels of the public land trust revenues settlement, for 1980-2012; 2) Outcomes of SB1334 and HB1267 from the 2021 Legislative Session; 3) Additional information obtained during the drafting process; 4) Titling of the measure for strategic and clarifying reasons; and 5) Labeling of the measure as OHA-2 for tracking purposes.

Trustee Waihe'e Seconds the motion.

<b>Trustee Akaka Moves</b>						
<p>Approve the drafting and submission of a Kaka‘ako Makai residential repeal focused bill for submission to the 2023 Legislature, that considers the: 1) Elements and conditions of the 2012, State of Hawai‘i, \$200 million, 30 acres, 10 parcels of the public land trust revenues settlement, for 1980-2012; 2) Outcomes of SB1334 and HB1267 from the 2021 Legislative Session; 3) Additional information obtained during the drafting process; 4) Titling of the measure for strategic and clarifying reasons; and 5) Labeling of the measure as OHA-2 for tracking purposes.</p>						
<b>Trustee Waihe‘e Seconds the motion.</b>						
	<b>1</b>	<b>2</b>	<b>‘AE (YES)</b>	<b>‘A‘OLE (NO)</b>	<b>KANALUA (ABSTAIN)</b>	<b>EXCUSED</b>
<b>TRUSTEE LEI AHU ISA</b>						<b>X</b>
<b>TRUSTEE DAN AHUNA</b>					<b>X</b>	
<b>TRUSTEE KALEI AKAKA</b>	<b>X</b>		<b>X</b>			
<b>TRUSTEE KELI‘I AKINA</b>			<b>X</b>			
<b>TRUSTEE LUANA ALAPA</b>			<b>X</b>			
<b>TRUSTEE BRENDON LEE</b>				<b>X</b>		
<b>TRUSTEE MILILANI TRASK</b>			<b>X</b>			
<b>TRUSTEE JOHN WAIHE‘E</b>		<b>X</b>	<b>X</b>			
<b>CHAIRPERSON HULU LINDSEY</b>			<b>X</b>			
<b>TOTAL VOTE COUNT</b>			<b>6</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with Six (6) Yes votes, One (1) No votes, One (1) Abstention &amp; One ( 1 ) Excused.</b>						

**Trustee Akaka**

**Motion 4:**

**Drafting, Editing and Final Approval - Approve drafting and editing measures, to:**

- 1) Make, appropriate, technical, ministerial, non-substantive edits for style, clarity, consistency, and accuracy of the final measures;**
- 2) Add preamble language in the measure(s) for framing and editorial purposes, as needed;**
- 3) Title the measures for strategic and clarifying reasons;**
- 4) Label the measure(s) for ease of tracking; and**
- 5) Return to the Committee on Beneficiary Advocacy and Empowerment (BAE) and the Board of Trustees for approval action prior to the bill submission deadline established by the State Legislature.**

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

<b>Trustee Akaka Moves</b>						
<p>Approve drafting and editing measures, to:</p> <p>1) Make, appropriate, technical, ministerial, non-substantive edits for style, clarity, consistency, and accuracy of the final measures;</p> <p>2) Add preamble language in the measure(s) for framing and editorial purposes, as needed;</p> <p>3) Title the measures for strategic and clarifying reasons;</p> <p>4) Label the measure(s) for ease of tracking; and</p> <p>5) Return to the Committee on Beneficiary Advocacy and Empowerment (BAE) and the Board of Trustees for approval action prior to the bill submission deadline established by the State Legislature.</p>						
<b>Trustee Waihe'e Seconds the motion.</b>						
	<b>1</b>	<b>2</b>	<b>‘AE (YES)</b>	<b>‘A‘OLE (NO)</b>	<b>KANALUA (ABSTAIN)</b>	<b>EXCUSED</b>
<b>TRUSTEE LEI AHU ISA</b>						<b>X</b>
<b>TRUSTEE DAN AHUNA</b>					<b>X</b>	
<b>TRUSTEE KALEI AKAKA</b>	<b>X</b>		<b>X</b>			
<b>TRUSTEE KELI‘I AKINA</b>			<b>X</b>			
<b>TRUSTEE LUANA ALAPA</b>			<b>X</b>			
<b>TRUSTEE BRENDON LEE</b>				<b>X</b>		
<b>TRUSTEE MILILANI TRASK</b>			<b>X</b>			
<b>TRUSTEE JOHN WAIHE‘E</b>		<b>X</b>	<b>X</b>			
<b>CHAIRPERSON HULU LINDSEY</b>			<b>X</b>			
<b>TOTAL VOTE COUNT</b>			<b>6</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with Six (6) Yes votes, One (1) No votes, One (1) Abstention &amp; One (1) Excused.</b>						

**Trustee Akaka**

**Motion 5:**

**Coordinated Community Advocacy - Approve OHA’s participation in 2023 coordinated community advocacy efforts in alignment with:**

- 1) OHA’s mission, vision and values;**
- 2) Strategic Foundations (‘Ohana, Mo‘omeheu, ‘Āina);**
- 3) Strategic Directions (Educational Pathways, Health Outcomes, Quality Housing and Economic Stability); and**

4) Previously approved Board positions and resolutions; with the understanding that Administration will bring forward to the Committee on Beneficiary Advocacy and Empowerment (“BAE”) 2023 State Legislative matters in the normal course of established processes (e.g., matrices, position changes), in addition to informing BAE members, and the Board of Trustees as a whole, regarding status of support(s) of community advocacy efforts.

Trustee Waihe’e Seconds the motion.

<b>Trustee Akaka Moves</b>						
Approve OHA’s participation in 2023 coordinated community advocacy efforts in alignment with:						
1) OHA’s mission, vision and values;						
2) Strategic Foundations (‘Ohana, Mo‘omeheu, ‘Āina);						
3) Strategic Directions (Educational Pathways, Health Outcomes, Quality Housing and Economic Stability); and						
4) Previously approved Board positions and resolutions; with the understanding that Administration will bring forward to the Committee on Beneficiary Advocacy and Empowerment (“BAE”) 2023 State Legislative matters in the normal course of established processes (e.g., matrices, position changes), in addition to informing BAE members, and the Board of Trustees as a whole, regarding status of support(s) of community advocacy efforts.						
Trustee Waihe’e Seconds the motion.						
	<b>1</b>	<b>2</b>	<b>‘AE (YES)</b>	<b>‘A‘OLE (NO)</b>	<b>KANALUA (ABSTAIN)</b>	<b>EXCUSED</b>
<b>TRUSTEE LEI AHU ISA</b>						<b>X</b>
<b>TRUSTEE DAN AHUNA</b>					<b>X</b>	
<b>TRUSTEE KALEI AKAKA</b>	<b>X</b>		<b>X</b>			
<b>TRUSTEE KELI‘I AKINA</b>			<b>X</b>			
<b>TRUSTEE LUANA ALAPA</b>			<b>X</b>			
<b>TRUSTEE BRENDON LEE</b>					<b>X</b>	
<b>TRUSTEE MILILANI TRASK</b>			<b>X</b>			
<b>TRUSTEE JOHN WAIHE‘E</b>		<b>X</b>	<b>X</b>			
<b>CHAIRPERSON HULU LINDSEY</b>			<b>X</b>			
<b>TOTAL VOTE COUNT</b>			<b>6</b>		<b>2</b>	<b>1</b>
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with Six (6) Yes votes, Zero (0) No votes, Two (2) Abstention &amp; One (1) Excused.</b>						

**Chair Hulu Lindsey** We are now moving on to item B. and I will call on Casey.

**B. Item BOT #22-18: Approve and Implement the Report of the Permitted Interaction Group to Investigate the Master Planning of Kaka‘ako Makai\***

**Casey Brown, COO** Aloha Trustees, this topic will be going over the Permitted Interaction Group (PIG) report. The PIG report was distributed two days ago. This PIG has the same members, and the purview of this report is to focus on the master plan for Kaka‘ako Makai (KM). I want to focus on page 4, III. The master plan was focused on two areas: 1) Due diligence activities, this includes inspecting the land and inspecting the records and trying to understand, from a holistic view, the conditions of our ‘āina. The second was to focus on the financial analysis and financial models. Some of the models were a market study, a district study, and a density study. The focus was to understand the Master Plan as it’s being built and coming together. As a result, the following understandings have been reached:

1. The due diligence findings demonstrate that the KM lands have conditions that should be of concern for OHA; and
2. The financial analysis and scheme modeling demonstrate concerns about the value of OHA’s KM lands in its current state and conditions.

There were certain matters and findings that arose during the master planning work which may create liabilities for OHA. For this reason, the rest of this topic, I would suggest that it be discussed in executive session.

**Executive Session**

**Chair Hulu Lindsey** I will entertain a motion to move us in executive session.

**Trustee Trask** moves to recuse into executive session.

**Trustee Alapa** Seconds the motion.

**The Board recuses into Executive Session at 10:18 a.m.**

Motion to recuse into executive session pursuant to HRS Section §92-5						
	1	2	‘AE (YES)	‘A‘OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI <b>AHU ISA</b>						<b>X</b>
TRUSTEE DAN <b>AHUNA</b>			<b>X</b>			
TRUSTEE KALEI <b>AKAKA</b>			<b>X</b>			
TRUSTEE KELI‘I <b>AKINA</b>			<b>X</b>			
TRUSTEE LUANA <b>ALAPA</b>		<b>X</b>	<b>X</b>			
TRUSTEE BRENDON <b>LEE</b>			<b>X</b>			
TRUSTEE MILILANI <b>TRASK</b>	<b>X</b>		<b>X</b>			



TRUSTEE JOHN WAIHE‘E			X			
CHAIRPERSON HULU LINDSEY			X			
<b>TOTAL VOTE COUNT</b>			<b>8</b>			
<b>MOTION:</b> [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED						
<b>Motion passes with a Eight ( 8 ) YES votes, Zero (0) No votes, &amp; One ( 1 ) EXCUSED vote.</b>						

**Board returns to open session at 12:43 p.m.**

**Chair Hulu Lindsey** Welcome back, we are taking up item II. B. action item BOT#22-18. I will call on Trustee Waihe‘e.

**Trustee Waihe‘e** I would like to move to Accept and Implement the Report of the Permitted Interaction Group to investigate a Master Plan of Kaka‘ako Makai as distributed.

**Trustee Akaka** Seconds the motion.

**Trustee Lee** Implement in what way? I don’t recall, in the presentation, what action they were going to be taking.

**Casey Brown, COO** This PIG report was about giving that Trustees information and educating them, and being prepared to respond to those next steps that were discussed, that is really encasing accept and implement.

**Trustee Lee** I still haven’t heard what exactly we are implementing. If we are not implementing anything, then why are being asked to approve an implementation?

**Casey Brown, COO** This was strictly a choice to stay consistent with the prior PIG language. In a sense, you can make an argument that there is nothing to implement.

**Trustee Lee** Madame Chair, I move that we amend the main motion to remove implement.

**Accept ~~and Implement~~ the Report of the Permitted Interaction Group to investigate a Master Plan of Kaka‘ako Makai as distributed.**

**Trustee Ahuna** Seconds the motion

**Trustee Akaka** Can we clarify what the difference would be on the motion.

**Casey Brown, COO** The original way was to accept and implement the report of the PIG investigate a master plan of Kakaako Makai as distributed the revised way is to accept the report of the PIG to investigate a master plan of Kakaako Makai as distributed

**Chair Hulu Lindsey** Casey, so you are clarifying that there is no implementation in the report?

Casey Brown, COO Correct.

Vote to amend motion.						
	1	2	‘AE (YES)	‘A‘OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI AHU ISA						X
TRUSTEE DAN AHUNA		X	X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI‘I AKINA			X			
TRUSTEE LUANA ALAPA			X			
TRUSTEE BRENDON LEE	X		X			
TRUSTEE MILILANI TRASK			X			
TRUSTEE JOHN WAIHE‘E			X			
CHAIRPERSON HULU LINDSEY			X			
<b>TOTAL VOTE COUNT</b>			<b>8</b>			<b>1</b>
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with Eight (8) Yes votes, Zero (0) No votes &amp; One (1) Excused.</b>						

Roll call vote on the motion as amended.

Accept the Report of the Permitted Interaction Group to investigate a Master Plan of Kaka‘ako Makai as distributed.						
	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			

<b>TRUSTEE BRENDON LEE</b>			<b>X</b>			
<b>TRUSTEE MILILANI TRASK</b>			<b>X</b>			
<b>TRUSTEE JOHN WAIHE'E</b>	<b>X</b>		<b>X</b>			
<b>CHAIRPERSON HULU LINDSEY</b>			<b>X</b>			
<b>TOTAL VOTE COUNT</b>			<b>8</b>			<b>1</b>
<b>MOTION: [ ] UNANIMOUS [ X ] PASSED [ ] DEFERRED [ ] FAILED</b>						
<b>Motion passes with eight (8) Yes votes, Zero (0) No votes and One (1) Excused.</b>						

**Announcements**

**Chair Hulu Lindsey** I will adjourn this meeting, we will take ten minutes and then get back on to continue Tuesday's meeting.

**Adjournment**

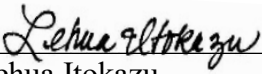
**Trustee Akaka Moves to adjourn the meeting.**

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

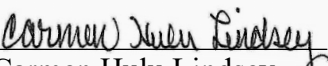
Adjournment							
TRUSTEE		<b>1</b>	<b>2</b>	<b>'AE (YES)</b>	<b>A'OLE (NO)</b>	<b>KANALUA (ABSTAIN)</b>	<b>EXCUSED</b>
LEINA'ALA	<b>AHU ISA</b>						<b>X</b>
DAN	<b>AHUNA</b>			<b>X</b>			
KALEIHIKINA	<b>AKAKA</b>	<b>X</b>		<b>X</b>			
KELI'I	<b>AKINA</b>			<b>X</b>			
LUANA	<b>ALAPA</b>			<b>X</b>			
BRENDON KALEI'AINA	<b>LEE</b>			<b>X</b>			
MILILANI	<b>TRASK</b>			<b>X</b>			
JOHN	<b>WAIHE'E</b>		<b>X</b>	<b>X</b>			
CHAIR CARMEN HULU	<b>LINDSEY</b>			<b>X</b>			
<b>TOTAL VOTE COUNT</b>				<b>8</b>			

**Chairperson Carmen Hulu Lindsey** Adjourns the Board of Trustees meeting at 12:51p.m.

Respectfully submitted,

  
Lehua Itokazu  
Board Secretary

As approved by the Board of Trustees on February 23, 2022.

  
Carmen Hulu Lindsey  
Chairperson, Board of Trustees

Attachments:

1. Excused Memo – Trustee Ahu Isa
2. Action Item BOT#22-18




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**OFFICE OF HAWAIIAN AFFAIRS MEMORANDUM**

*Mea ho'omana'o a ke Ke'ena Kuleana Hawai'i*

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To: Chairperson Carmen Hulu Lindsey  
From: Trustee Leina'ala Ahu Isa, Ph.D.   
Date: October 24, 2022  
Re: Excused Absence

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Please be advised that I am unable to attend the virtual meeting of the Board of Trustees on Thursday, October 27, 2022, at 10:00 A.M. due to the flu.

If you have any questions, please contact my office.

Mahalo!


OFFICE OF HAWAIIAN AFFAIRS  
Action Item


BOARD OF TRUSTEES


October 27, 2022

BOT #22-18

**Action Item Issue:** Accept and Implement the Report of the Permitted Interaction Group to Investigate a Master Plan of Kaka‘ako Makai

**Prepared by:**  Oct 24, 2022  
\_\_\_\_\_  
Casey K. Brown Date  
Ka Pou Nui, Chief Operating Officer

**Reviewed by:**  Oct 24, 2022  
\_\_\_\_\_  
Sylvia M. Hussey, Ed.D. Date  
Ka Pouhana, Chief Executive Officer

**Reviewed by:**  Oct 25, 2022  
\_\_\_\_\_  
Carmen Hulu Lindsey Date  
Ke Kauhuhu o ke Kaupoku  
Chair, Board of Trustees

## Action Item BOT #22-18: Accept and Implement the Report of the Permitted Interaction Group to Investigate a Master Plan of Kaka'ako Makai

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### I. Proposed Action

Accept and implement the report of the Permitted Interaction Group to investigate a Master Plan of Kaka'ako Makai, as distributed.

### II. Issue

Whether or not the Board of Trustees (“BOT”) will accept and implement the distributed report of the Permitted Interaction Group (“PIG”) to investigate a Master Plan of Kaka'ako Makai. The PIG was authorized and formed on September 15, 2022, via Action Item BOT #22-16, consistent with Hawai'i Revised Statutes §92-2.5(b)(1).

### III. Background and Discussion

#### A. Applicable Law in Hawaii Revised Statutes, Permitted Interaction Groups

In accordance with HRS, CHAPTER 92, PUBLIC AGENCY MEETINGS AND

RECORDS §92-2.5 Permitted interactions of members: (b) Two or more members of a board, but less than the number of members which would constitute a quorum for the board, may be assigned to: (1) Investigate a matter relating to the official business of their board; provided that: (A) The scope of the investigation and the scope of each member's authority are defined at a meeting of the board; (B) All resulting findings and recommendations are presented to the board at a meeting of the board; and (C) Deliberation and decision making on the matter investigated, if any, occurs only at a duly noticed meeting of the board held subsequent to the meeting at which the findings and recommendations of the investigation were presented to the board.

#### B. Permitted Interaction Group

- 1. Overview.** On September 15, 2022, via Action Item BOT #22-16, the Board of Trustees (“BOT” or “Board) approved the formation of a Permitted Interaction Group (“PIG”)<sup>1</sup> to investigate a Master Plan of Kaka'ako Makai, with the noted purview, members and term/duration.
- 2. Permitted Interaction Group - Purview.** The purview of the PIG is for the BOT, BOT staff and Administration staff to work together to investigate a Master Plan of Kaka'ako Makai.
- 3. Permitted Interaction Group – Members.** The membership of the Permitted Interaction Group as approved was: (a) Trustee Carmen Hulu Lindsey; (b) Trustee Leina`ala Ahu Isa; (c) Trustee John Waihee, IV; and (d) Trustee Kalei Akaka. Trustee Carmen Hulu Lindsey served as the Chair of the PIG and Trustee Leina`ala Ahu Isa served as its Vice Chair. Casey K. Brown, Ka Pou Nui, functioned as the Project Manager.

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<sup>1</sup> Consistent with Hawai'i Revised Statutes §92-2.5(b)(1)A.

## **Action Item BOT #22-18: Accept and Implement the Report of the Permitted Interaction Group to Investigate a Master Plan of Kaka'ako Makai**

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4. **Permitted Interaction Group - Term/Duration.** The term of the Permitted Interaction Group expires at the completion of the assigned tasks or at the discretion of the Chair of the Board of Trustees, subject to later adjustment, but in no event later than October 31, 2022.
5. **PIG Investigation Activities and Related Recommendations.** The PIG convened to perform its investigation of a Master Plan. The primary goal of this investigation was to understand all the elements of the draft Master Plan produced by OHA's In-House Development Consultant (IHDC) and report back to the full Board. The draft Master Plan elements include due diligence findings and financial modeling based on various inputs. **The action recommended is to Accept and Implement the Report of the Permitted Interaction Group to investigate a Master Plan of Kaka'ako Makai.**
6. **Report Distribution.** The report distribution is agendaized for the October 25, 2022 Board meeting and consistent with past practice, no discussion will be held. Full and free discussion and related Board action(s) are scheduled to be agendaized for the Board meeting on October 27, 2022.

### **C. Setting Context for the Formation of a Sixth Permitted Interaction Group**

This action proposes the sixth Land and Commercial Property (LCP) PIG following the formation of the fifth LCP PIG to investigate activation activities of Kaka'ako Makai Site E, 919 Ala Moana Blvd (March 10, 2022) and the subsequent acceptance and implementation of the PIG report on August 18, 2022.

The focus of the sixth PIG will be to review and understand all of the master planning activities, including components of the draft Master Plan and recommend next steps. The initial draft of the Kaka'ako Makai Master Plan has been produced by OHA's In-House Development Consultant. The scope of work for this PIG will be to investigate each area of the plan including, but not limited to: Market Study, District Analysis, Density Analysis, Due Diligence Findings and Financial Modeling.

### **D. Permitted Interaction Group Work**

With assistance from and in conjunction with the In-House Development Consultant ("IHDC"), the Permitted Interaction Group ("PIG") investigated a draft Master Plan of Kaka'ako Makai. The focus of the PIG was to generate an understanding of the draft Master Plan and its underlying components. The draft Master Plan is based on numerous due diligence activities aimed at providing a holistic and genuine understanding of the conditions of OHA's 'āina at Kaka'ako Makai and any regulations associated with it. The draft plan also contains financial return and valuation projections which rely on numerous studies recently performed including but not limited to a market study, a district analysis and a density analysis.

As a result of this investigation, the PIG reached the following understandings:

1. Due diligence findings demonstrate the Kaka'ako Makai lands have conditions that should be of concern for OHA; and
2. Financial analysis and scheme modeling demonstrate concerns about the value of OHA's Kaka'ako Makai lands.



## **Action Item BOT #22-18: Accept and Implement the Report of the Permitted Interaction Group to Investigate a Master Plan of Kaka‘ako Makai**

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### **IV. Funding Source**

Not applicable, no dedicated funding needed to accept and implement the report of the PIG to investigate a Master Plan of Kaka‘ako Makai, as distributed.

### **V. Recommended Action**

Accept and implement the report of the Permitted Interaction Group to investigate a Master Plan of Kaka‘ako Makai, as distributed.

### **VI. References**

The following action item references are provided for context:

- A. **LCP #6 – Report Action Item BOT#22-18:** Accept and Implement the Report of the Permitted Interaction Group to Investigate a Master Plan of Kaka‘ako Makai, October 27, 2022
- B. **LCP #6 – Formation Action Item BOT#22-16:** Approve the formation of a Permitted Interaction Group re: to investigate a Master Plan of Kaka‘ako Makai, September 15, 2022
- C. **LCP #5 – Report, Action Item BOT #22-14:** Accept and Implement the Report of the Permitted Interaction Group to Investigate the Activation of Kaka‘ako Makai Site E, 919 Ala Moana Blvd, August 18, 2022
- D. **LCP #5 – Formation, Action Item BOT#22-04:** Approve the Formation of a Permitted Interaction Group re: to investigate Activation of Kaka‘ako Makai Site E, March 10, 2022
- E. **LCP #4 – Report, Action Item BOT #22-02:** Accept and Implement the Report of the Permitted Interaction Group to Investigate the Activation of Kaka‘ako Makai Site A, 1101 Ala Moana Blvd, February 10, 2022
- F. **LCP #4 – Formation, Action Item BOT #22-01:** Approve the Formation of a Permitted Interaction Group to Investigate the Activation of Kaka‘ako Makai Site A, January 13, 2022
- G. **LCP #3 – Report, Action Item BOT #21-15:** Accept and Implement the Report of the Permitted Interaction Group re: to Investigate the Initial Steps in the First Phase of Work for the Development of Kaka‘ako Makai, November 4, 2021
- H. **LCP #3 – Formation, Action Item BOT #21-14:** Approve the Formation of a Permitted Interaction Group to Investigate the Initial Steps in the First Phase of Work for the Development of Kaka‘ako Makai, October 26, 2021
- I. **LCP #2 – Report, Action Item BOT #21-07:** Accept the Report of the Permitted Interaction Group re: to Investigate and Recommend a Short List of Eligible Entities for Selection of a Development Consultant; Land and Commercial Property Policies; and the Development and Implementation of a Request for Proposal for a Community Planner, June 24, 2021

**Action Item BOT #22-18: Accept and Implement the Report of the Permitted Interaction Group to Investigate a Master Plan of Kaka'ako Makai**

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- J. **LCP #2 – Formation, Action Item BOT #21-05:** Approve the Formation of a Permitted Interaction Group to Investigate: and Recommend a Short List of Eligible Entities for Selection of a Development Consultant; Land and Commercial Property Policies; and the Development and Implementation of a Request for Proposal for a Community Planner, April 15, 2021
- K. **LCP #1 – Report, Action Item BOT #21-03:** Accept the Report of the Land and Commercial Property Permitted Interaction Group, April 15, 2021
- L. **LCP #1 – Formation, Action Item BOT #21-01:** Approve the Formation of a Permitted Interaction Group to Investigate the Development of Land and Commercial Property Policies and Strategies relating to the Development of OHA's Nā Lama Kukui and Kaka.ako Makai Properties, January 28, 2021

**VII. Attachment - None**