MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)

DATE: Wednesday August 9, 2023
TIME: 10:00 a.m.
PLACE: Virtual Meeting
560 N. Nimitz Hwy., Honolulu, HI 96817
viewable at https://www.oha.org/livestream OR
Listen by phone: (213) 338-8477, Webinar ID: 860 0979 1509

This virtual meeting can be viewed and observed via livestream on OHA’s website at www.oha.org/livestream or listened to by phone at: (213) 338-8477, Webinar ID: 860 0979 1509. A physical meeting location, open to members of the public who would like to provide oral testimony or view the virtual meeting, will be available at 560 N. Nimitz Hwy., Suite 200, Honolulu HI 96817.

AGENDA

I. Call to Order

II. Approval of Minutes
   A. August 2, 2023

III. Unfinished Business - None

IV. New Business
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka‘ako Makai, Honolulu, Hawai‘i.
   B. Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

V. Executive Session
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka‘ako Makai, Honolulu Hawai‘i. The committee anticipates going into executive session pursuant to HRS §§ 92-5(a)(4), to consult with Board Counsel Robert G. Klein, and Interim General Counsel Everett Ohta, on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities pertaining to advisory services provided to OHA.

VI. Announcements

VII. Adjournment

If you need an auxiliary aid/service or other accommodation due to a disability, please contact Everett Ohta at (808) 594-1988 or by email at everetto@oha.org as soon as possible. Requests made as early as possible have a greater likelihood of being fulfilled. Upon request, this notice is available in alternate/accessible formats.

Meeting materials for this meeting will be available for the public to view 48 hours prior to this meeting at OHA’s main office located at 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817. Meeting materials will also be available to view at OHA’s neighbor island offices and will be posted to OHA’s website at: www.oha.org/rm.
In the event that the livestream or the audiovisual connection is interrupted and cannot be restored, the meeting may continue as an audio-only meeting through the phone and Webinar ID listed at the beginning of this agenda. Meeting recordings are available upon request to BOTmeetings@oha.org until the written meeting minutes are posted to OHA’s website.

†Notice: The 72 Hour rule, pursuant to OHA BOT Operations Manual, Section 49, shall be waived for distribution of new committee materials.

§Notice: This portion of the meeting will be closed pursuant to HRS § 92-5.

Public Testimony will be called for each agenda item and must be limited to those matters listed on the meeting agenda. Hawai‘i Revised Statutes, Chapter 92, Public Agency Meetings and Records, prohibits Board members from discussing or taking action on matters not listed on the meeting agenda.

Testimony can be provided to the OHA Board of Trustees either as: (1) written testimony emailed at least 24 hours prior to the scheduled meeting, (2) written testimony mailed and received at least two business days prior to the scheduled meeting, or (3) live, oral testimony online or at the physical meeting location during the virtual meeting.

(1) Persons wishing to provide written testimony on items listed on the agenda should submit testimony via email to BOTmeetings@oha.org at least 24 hours prior to the scheduled meeting or via postal mail to Office of Hawaiian Affairs, Attn: Meeting Testimony, 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817 to be received at least two business days prior to the scheduled meeting. Any testimony received after these deadlines will be ‘late’ testimony and will be distributed to the Board members after the scheduled meeting.

(2) Persons wishing to provide oral testimony online during the virtual meeting must first register at: https://us06web.zoom.us/webinar/register/WN_VO2qFzS8QUGY7L3PEkJtXw

You need to register if you would like to orally testify online. Once you have completed your registration, a confirmation email will be sent to you with a link to join the virtual meeting, along with further instructions on how to provide oral testimony online during the virtual meeting.

To provide oral testimony online, you will need:
(a) a computer or mobile device to connect to the virtual meeting;
(b) internet access; and
(c) a microphone to provide oral testimony.

Once your oral testimony online is completed, you will be asked to disconnect from the meeting. If you do not sign off on your own, support staff will remove you from the Zoom meeting. You can continue to view the remainder of the meeting on the livestream or by telephone, as provided at the beginning of this agenda.

(3) Persons wishing to provide oral testimony at the physical meeting location can sign up the day-of the meeting at the Nā Lama Kukui OHA lobby.

Oral testimony online or at the physical meeting location will be limited to five (5) minutes.

Oral testimony by telephone/landline will not be accepted at this time.
MEETING OF THE COMMITTEE ON RESOURCE MANAGEMENT (RM)

DATE: Wednesday August 9, 2023
TIME: 10:00 a.m.
PLACE: Virtual Meeting
560 N. Nimitz Hwy., Honolulu, HI 96817
viewable at https://www.oha.org/livestream OR
Listen by phone: (213) 338-8477, Webinar ID: 860 0979 1509

This virtual meeting can be viewed and observed via livestream on OHA’s website at www.oha.org/livestream or listened to by phone at: (213) 338-8477, Webinar ID: 860 0979 1509. A physical meeting location, open to members of the public who would like to provide oral testimony or view the virtual meeting, will be available at 560 N. Nimitz Hwy., Suite 200, Honolulu HI 96817.

AGENDA

I. Call to Order

II. Approval of Minutes
A. August 2, 2023

III. Unfinished Business - None

IV. New Business
A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka‘ako Makai, Honolulu, Hawai‘i.
B. Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

V. Executive Session
A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka‘ako Makai, Honolulu Hawai‘i. The committee anticipates going into executive session pursuant to HRS §§ 92-5(a)(4), to consult with Board Counsel Robert G. Klein, and Interim General Counsel Everett Ohta, on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities pertaining to advisory services provided to OHA.

VI. Announcements

VII. Adjournment
STATE OF HAWAI‘I
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200
(VIRTUAL MEETING - VIA ZOOM WEBINAR)
COMMITTEE ON RESOURCE MANAGEMENT
MINUTES
August 2, 2023  10:00 a.m.

ATTENDANCE:
Chairperson John Waihe’e, IV
Vice-Chairperson Luana Alapa
Trustee Dan Ahuna
Trustee Kaleihikina Akaka
Trustee Keli‘i Akina
Trustee Brickwood Galuteria
Trustee C. Hulu Lindsey
Trustee J. Keoni Souza

EXCUSED:
Trustee Mililani Trask

BOT STAFF:
Crayn Akina
Evalani Canto
Kanani Iaea
Kyla Hee
Lei Ann Durant
Melissa Wennihan
Pohai Ryan

BOT STAFF (continued):
Richelle Kim
Ruben Sierra

ADMINISTRATION STAFF:
Colin Kippen, Interim CEO / Ka Pouhana Kūiakawā / Administrator
Casey Brown, COO / Ka Pou Nui
Carla Hostetter, Interim Grants Manager / Director of Strategy Management
Daniel Santos III, IT
Everett Ohta, Interim General Counsel
Kevin Chak, IT
Ramona Hinck, CFO

GUESTS:
Germaine Meyers

I. CALL TO ORDER
Chair Waihe’e calls the Committee on Resource Management meeting for Wednesday, August 2, 2023 to order at 10:03 a.m.

Chair Waihe’e notes for the record that PRESENT are:

<table>
<thead>
<tr>
<th>MEMBERS</th>
<th>AT CALL TO ORDER (10:03 a.m.)</th>
<th>TIME ARRIVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHAIR</td>
<td>JOHN WAIHE’E, IV</td>
<td>PRESENT</td>
</tr>
<tr>
<td>VICE-CHAIR</td>
<td>LUANA ALAPA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>KALEIHIKINA AKAKA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>KELI’I AKINA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>BRICKWOOD GALUTERIA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>CARMEN HULU LINDSEY</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>J. KEONI SOUZA</td>
<td>PRESENT</td>
</tr>
<tr>
<td>TRUSTEE</td>
<td>DAN AHUNA</td>
<td>PRESENT</td>
</tr>
</tbody>
</table>

Arrived at 10:11 a.m.

At the Call to Order, SEVEN (7) Trustees are PRESENT, thereby constituting a quorum.
EXCUSED from the RM Meeting are:

<table>
<thead>
<tr>
<th>MEMBERS</th>
<th>COMMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRUSTEE</td>
<td>MILILANI TRASK</td>
</tr>
<tr>
<td></td>
<td>MEMO – REQUESTING TO BE EXCUSED</td>
</tr>
</tbody>
</table>

II. APPROVAL OF MINUTES

A. June 21, 2023
B. June 28, 2023

Trustee Souza moves to approve the minutes of June 21 and June 28, 2023.

Trustee Alapa seconds the motion.

Chair Waihe‘e asks if there is any discussion.

There is no discussion.

Chair Waihe‘e calls for a ROLL CALL VOTE.

<table>
<thead>
<tr>
<th>MOTION</th>
<th>1</th>
<th>2</th>
<th>‘AE (YES)</th>
<th>A‘OLE (NO)</th>
<th>KANALUA (ABSTAIN)</th>
<th>EXCUSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRUSTEE DAN AHUNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Not present at time of vote</td>
</tr>
<tr>
<td>KALEIHIKINA   AKAKA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KELI‘I         AKINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VICE-CHAIR LUANA ALAPA</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRICKWOOD GALUTERIA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CARMEN HULU LINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>J. KEONI SOUZA 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MILILANI TRASK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>EXCUSED</td>
</tr>
<tr>
<td>CHAIR JOHN WAIHE‘E</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL VOTE COUNT 7 0 0 2

VOTE: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED

Chair Waihe‘e notes for the record that all members present vote ‘AE (YES) and the MOTION PASSES.

III. UNFINISHED BUSINESS

None
IV. NEW BUSINESS

A. Action Item RM #23-18: Approve the Awarding of Kākoʻo Grants, from Solicitation #23-11.01, published April 20, 2023

Chair Waiheʻe asks if there is anyone signed up to testify on this agenda item.

RM Staffer Akina: Yes, we have Germaine Meyers.

Germaine Meyers: Aloha, Chair. First of all, I signed up for both agenda items for the Meeting Minutes as well as the Grants. So, can I do that first of all my meeting minutes?

Chair Waiheʻe: Yes, you may. I apologize.

Germaine Meyers: Can I get screen share, please?

Screen share capabilities are shared and time is given for set up.

Germaine Meyers: Aloha, my name is Germaine Meyers, for the record I'm an OHA beneficiary for Beneficiary Advocacy and Empowerment. I am also a Nanakuli Hawaiian Homestead lessee.

I've come to you today to speak about the first agenda item regarding the approval of the minutes. OIP, Office of Information Practices states regarding HRS §92-9(a), the minutes, the primary purpose for minutes is to record what the decision makers (the board members) did and discussed during the meeting, so that the public can scrutinize their actions. It's for this reason that I'm providing testimony on the agenda item regarding the minutes.

I'm gonna now go back to my other screen, so regarding the minutes for June 28th, I had attended the meeting and listened to all of the dialogue regarding it, and I became very concerned regarding what I felt was a very aggressive and very disrespectful dialogue with Mr. Gilpatrick, Peter Gilpatrick from Kuilei. I highlighted for you the minutes.

First of all, Trustee Galuteria had asked him to provide; What's the $400,000 for that we haven't bought already? I need some clarity.

So, Mr. Gilpatrick stated, he gave what I consider, I guess maybe because I'm from the industry, I'm on the Planning and Zoning Committee for my Neighborhood Board, I've been on the Neighborhood Board and understand the City and County system, I understand environmental protection laws, I understand, EIS etc. So, when he was sharing about this, and I used to work at DHHL’s Land Development Division, when he explained Land Development Pro Forma, I understand what he meant. If you go into UHERO, University of Hawaiʻi, they have some reports on various things, you can understand this type of dialogue. I felt that he was giving a very good understanding of how he was going to use the money.

However, he was cut off by Trustee Galuteria, and he said, Peter, with all due respect. Yes, sir, yeah, I appreciate you, but this conversation is years old. Then he goes on to say some other things to him which is in the minutes.
Germaine Meyers: The next time I heard someone speak in a disrespectful manner to our guests was on page (23). Trustee Souza, he said, So, I want to hear from you, Peter, I mean off the top of your head, what can you think of, last minute decision, split decision if I give you 10 seconds, what are you going to do right now?

And Mr. Gilpatrick answered: Ten seconds, find instant money for the land as it is now, and pay for me with that money. It's money that you don't have today, if we can find uses to immediately activate things, create value, it's money that pays for the planning. And he goes on to share more.

Unfortunately, Trustee Souza cuts him off again and said: Thank you, Peter, with all due respect, I appreciate it, and then he goes on to say, So, that's why I asked you the question. Thank you. Chair, for clearing that up. What are we going to do differently now that you already didn’t have the chance to influence up until this point. That's the 10 second question, I want you to answer, I didn't get my answer.

E kala mai, you got your answer, it's in the minutes, please read it.

Germaine Meyers: I heard the dialogue from the previous meeting, which is also in the minutes on June 21st, and I want to bring to your attention, because there was some kind of issue about are we spending $900,000 for it, a consultant, or did we spend 3.7 million, or did we spend 5.7 million. Let me share with you DHHL’s land in Kalaeloa. See this parcel of land, it's 1.6 acres; there's an existing building of two stories, which is 20 studio units and a parking lot. It's this one right over here, not the rest of it, just this one. I'll go down to the next page. You see this building right here, this building.

Trustee Lindsey: We cannot see what you’re referring to.

Germaine Meyers: Oh, okay, I don't know if you saw the picture of the two-story building, basically, it's 10 units at the top (studios) and 10 on the bottom. It used to be for military bunkers for them to sleep in. Well, DHHL is going to replace the water and the electrical system in the building, remove former boiler tank, repair the parking lot, just put nice surface on it, install a photovoltaic system and renovate 20 studio units for transitional housing and support services.

18 units will be given as studios for wait-listers, and this is the cost. When we were discussing the project, DHHL was discussing this project last year in August of 2022, they got a proposal, it was 2.3 million dollars to do these things that you see on the screen.

When we finally got through all of the different due diligence, and it landed on this year, June 2023, not even one year later, they went out for an RFP, and the lowest bidder is 4.6 million dollars. So, I don't know how you quantify value, I don't know how you quantify a conversation with someone, I don't know if you lack the expertise or you lack the knowledge, but it's embarrassing to me as a lāhui to hear that kind of dialogue. If you want somebody else to take the contract, just say it out, Be Pono, say the truth, but don't harangue somebody, and make it as if you understood the answer, that it wasn't an answer, when it was an answer.

Is my time up? That's, okay, I honor my time. Thank you. I'll come back in for the Grants if you want me to do it before or after. I don't have anything to share on the screen for that.

Chair Waihe‘e: You can testify now, Germaine. Thank you.
Germaine Meyers: I really, just have a short one. I just want to know for the 56 letters of interest, why did they disqualify 50-plus letters of interest and applicants? So, it went down; 56 down to five, which you have on proposal for grants. So that's all, I want to understand from the Grants Department what happened to all these organizations. Mahalo.

Chair Waihe‘e: Thank you, Germaine.

Chair Waihe‘e turns it over to Ka Pou Nui Casey Brown.

Pou Nui Brown: Mahalo, Chair. Aloha mai, Trustees. Joining me as well is our Interim Grants Manager, Carla Hostetter, let's get right to the Action Item.

Pou Nui Brown: So, the Action Item in front of you is to approve five grants under our brand new Kāko'o Grants Program. So, the Kāko'o Grants Program, very new, this is our first cycle, awarding through this program. If you folks got a chance to read the material you'll see that it was to target support for organizations to really build that organizational capacity. So, this is a capacity building grant and it's aimed at specific things. It's aimed at support services; so back-office services, it's also aimed at grant writing. So, really the idea here with this new Grant program is to strengthen other organizations so that they can seek monies beyond a single funder, monies beyond just OHA. So, brand new, it's a pilot year, inaugural year.

So, in front of you is the Action Item to approve five grantees, total of a $110,000, the cap for this grant award is $25,000 for grantees and the allocated budget which comes from the prior fiscal year was $195,000, so right now, we're recommending deploying $110,000 of that. That's getting right to the heart of the action; as I scroll through the Action Item, you folks also have a copy of the five applicants, the 5 grantees, short profiles on each of those. There's also a copy of the solicitation and I'm happy to answer any questions you may have about any part of this process or award.

Chair Waihe‘e recognizes Trustee Lindsey.

Trustee Lindsey: I have a question, Casey, although this is a new type of grant from OHA, I'm assuming that our Grant monies are still for Hawaiian entities, right?

Pou Nui Brown: Yes, the programs have to be serving a majority of their clientele, of their customers, or their target population - has to be a majority of Hawaiian. There are cases where it's not a hundred percent Hawaiian, but it has to be a majority Hawaiian.

Trustee Lindsey: Okay, thank you.

Pou Nui Brown: To add to that, Chair and Trustees, this is also in response to recognizing need. It's easy for anyone to see that all of our especially startup organizations, really lack that back office functionality and support, and this need has been around for a very long time.

Chair Waihe‘e recognizes Trustee Akina.

Trustee Akina: Thank you, Mr. Chair. Casey, you're all doing great work in terms of seeing that our funds are distributed through the Grants process. Now when we do this, do we leave the services and targets, the projects themselves up to the applicants? Are the applicants the ones to initiate those, or do we encourage certain outcomes and ask for organizations that can produce those outcomes?
Pou Nui Brown: Yeah, no, we don’t define the applicants’ outcomes. What we do is we ensure that they align to both our strategic directions and priorities, and that they follow the requirements of the Grant program. For example, what are the qualifying expenses, we’re not going to pay the entire payroll, or even direct payroll for some of these applicants. We’re not going to allow them to use it for alcohol, that kind of stuff. So, there’s a number of requirements that’s in the solicitation, and there is also an alignment criteria, it has to align to one of our directions, and the closer it aligns the better. But, it’s up to the applicant to propose their service that they are seeking, and to also explain how it aligns to our directions.

Trustee Akina: When you refer to our directions, you’re referring to…

Pou Nui Brown: Health, Housing, Economic Stability and Education.

Trustee Akina: Right, from our Strategic Plan. But we leave it at that general level then, we don’t get more specific?

Pou Nui Brown: Well, we do get specific depending on the Grant type itself. It gets a little more specific being that this is a Kākoʻo Grant, so in there we list the type of services that this grant can support. For example, Accounting, Bookkeeping, Grant Writers, preparing for a financial audit, those kinds of things. So, this grant is a little specific, it’s probably one of the more specific ones, because it’s a pilot, because we’re trying to test the waters. But, outside of those requirements, Trustee, it’s up to the grantee to propose how they align.

Trustee Akina: Thank you. Casey, I appreciate it.

Chair Waiheʻe recognizes Trustee Galuteria.

Trustee Galuteria: Thank you, Chair. Casey, just need some clarity. Since this is our first pass with this program and there’s 5 up, and they’re asking for the same amount each. Can you explain how the grant is vetted, and then, how the eventual amount is arrived at?

I see we’re giving the full ask to three, and then one is given five less than asking, and the final one is at $15,000. So, what is the formula that is used, so that the Board can, perhaps the other members understand this, but I don’t? Help me understand.

Pou Nui Brown: Sure, Trustee. The award ceiling is $25K for this Grant program and most of what results in a lower amount relates to non-qualifying expenses that they are proposing, and from what I’ve seen, I think it’s entirely due to allocating funding to paying direct payroll.

So, the solicitation, explains that this cannot be used for direct payroll of the organization, it’s used to support your back office functions. It can be used for contracts to support the back-office functions, but it cannot be used for the direct payroll. So, when the dollar amount is lowered, in this case it’s because of that reason. Did that answer your question, Trustee?

Trustee Galuteria: Somewhat. Is there a sliding scale, that we give 25 to one, we give 15 to another, or is there a definite reason why?
Pou Nui Brown: There’s no sliding scale here, the guidelines are set forth that it's up to $25K, and the applicants are to provide their spreadsheets, their breakdown of their financial expense items, and ensure that those expense items are proposing to align with, meeting the requirements.

So, it cannot be direct payroll for someone. So, there’s a bunch of unallowed costs there. Once they propose that, then all the other expenses that qualify up to the amount of $25,000 ceiling is awarded based on the evaluation score.

Trustee Galuteria: At the end of the day, is the Board allowed to adjust the prices within this meeting?

Pou Nui Brown: Prices? You mean the ceiling, the cap of the $25K?

Trustee Galuteria: No, the award amount.

Pou Nui Brown: I’m not sure about that, Trustee. I invite others who might know or provide an answer to that for Trustee.

Trustee Galuteria: I know it’s a new program, so they’re going to be moments like this where we’re going to be asking questions like this, so if we can get those answered, that would be good. That’s all I wanted to know, I just needed clarity, on whether there was a sliding scale, or a formula for how we move it down to a lower price.

Pou Nui Brown: Yeah, no sliding scale Trustee.

Chair Waiheʻe recognizes Trustee Ahuna.

Trustee Ahuna: Thank you, Chair. I just wanted to make sure I’m having a good understanding of this brand-new grant. So, does this grant allow organizations to hire a grant writer?

Pou Nui Brown: Yes.

Trustee Ahuna: Okay, so how does that information correlate with all the organizations that need grant writers to write grants, and the amount of money that these organizations have already received from grant inventory or the amount of grants that they received.

I think this is a big area that our beneficiaries need help in, but I don’t think the big organizations need help in these areas. I believe our people that are struggling to get these types of grants - need this. So, what I’m trying to say is, the grants that we have right now - the people that are getting it - are they organizations that have received big amounts of grants, or, first time, or how does it work?

I just want to know how this grant fits in.

Pou Nui Brown: Got it, and that’s a fair point, Trustee, and something that we’ll want to weigh and evaluate ourselves. I don’t think we go as far as to understand what other organizations are receiving in their grants, for similar reasons.

I also know that the evaluations are scored blind, so when each organization is evaluated, you don’t know the organization name or anything, you’re evaluating them on their merits as outlined in the solicitation.
Pou Nui Brown: I get your point. Your point is - *might we be awarding a very large and well-resourced organization, over a smaller, not well-resourced organization that also needs the money - and in fact may need the money more?* I think that's your your point, you're making.

Trustee Ahuna: Yes.

Pou Nui Brown: Okay, so if you allow us to take that comment to heart, so we can kind of weigh it out and evaluate how we might be able to address something like that right now in the process. The process, as it is now is very long, very deep, and takes a lot of resources. So, when we change something to honor something like that, which I think is worth thinking about for sure, just allow us some time to digest that.

Trustee Ahuna: Yeah, so Casey, along with that question, I want to add, we have organizations that have been coming to our Board, complaining about the reporting side of Grants. So, I just want to know - we're having these issues, *and does this new grant fix these types of issues, and we're adding on more?*

Pou Nui Brown: Sure.

Trustee Ahuna: We could have more problems in the future, I'm just saying. I'm not saying these organizations don't deserve these things. I like it, that we're giving out money because it's so important, it's so hard, people have complained that it's hard to receive money nowadays, but the reporting doesn't really add up to the amount of money that we're being given.

I hear this at every single place that we go when we go on our community trips. So, I just want to know, *are we just adding a Grant, or are we trying to take care of some of the issues that we had in the past?* That's all. You don't have to answer that question, I just want to make sure that we target all these areas. Thank you so much, Casey.

Pou Nui Brown: Mahalo, Trustee. I'm right there with you, and I recognize that issue. So, I acknowledged that.

Chair Waiheʻe recognizes Interim General Counsel Everett Ohta.

Interim General Counsel Ohta: Thank you, Chair Waiheʻe. I did want to address Trustee Galuteria's question regarding this Committee's authority to change the recommendation from staff.

That is certainly allowable by the Trustees.

However, in this case, if the amount for the grantees, that have an amount lower than the maximum award amount of $25,000, then an award of that amount would go against the ineligible costs under the Grant solicitation.

So, it would provide for funding costs that were outside of the allowable cost parameters that were set in the solicitation. So, while it is within the Trustees’ authority to do so, it would conflict with the published public solicitation.

Chair Waiheʻe recognizes Trustee Lindsey.
**Trustee Lindsey:** Thank you, Chair. I want to agree with Trustee Ahuna, in what he says, because we hear it all over the place. I've heard it from Trustee Alapa as well - that our people don't know how to write grants.

We need to help them. If we don't help them ourselves, and we're not in capacity to help them from OHA - maybe we should give some of these grants to them.

However, we’re not advertising enough to let them know what grants are available. So, I would suggest that we get a list of all the grants that are going to become available in a year and when they're coming out. I understand there are going to be grants every quarter, so we should know, so that we Trustees can notify our beneficiaries, and we can push them along. But, getting help to write the grants is such a necessity, otherwise, how are they going to utilize our grant awards.

**Trustee Lindsey:** The reason I asked about the money being Hawaiian-centric, is because I noticed that one of the grantees is the largest nonprofit in Maui, and I just wonder - what kind of back office do they need our money for? I'm happy that they're getting it, but that's the question that goes through my mind, *is there somebody more worthy of $15,000?* This is a big entity in Maui, and I represent that island, so I am happy that they are getting the money, but that's my question to our Grant committee. Thank you.

**Chair Waihe‘e** recognizes Trustee Souza.

**Trustee Souza:** Mahalo, Chair. I agree with what everyone is saying. Just to shine some light from the application process, this is not even the letter of intent, where the number was 56. Number of applicants, 32, today you guys are recommending five.

*What happened in between that, 32 down to this number five; inexperienced applicants, the ones receiving all the time, more experienced, they have the monies already to hire a good grant writer?*

So, I think it comes down to what Chair said. We need to get our beneficiaries the experience in grant writing. Teach them that, that's what we need to do. like, I said before, we have the monies, and we need to get it out. *We have $85,000 left of the $195,000 budget for this cycle, right?* So, we need to spread that money out. Mahalo, thank you.

**Chair Waihe‘e:** That's a good question. *What are the main reasons?*

**Pou Nui Brown:** Sure. Yeah, I'll jump in here. So let me do this in a couple of big buckets first, and we can get as granular as we need to. Starting out with 56 LOIs, the biggest reason from going from 56 down to five awardees being recommended, is applicants are choosing not to continue to apply.

The biggest chunk happens at the very first stage, so going from 56 to 32, that process, after the applicants learn about the program a little more, they withdraw their applications. We don't collect all those reasons, it just could be that they realized that they're misaligned somewhere, either with our strategic direction or with the purpose of the grant. So those applicants are abandoning the process altogether, that's the biggest chunk.
**Pou Nui Brown:** Then, as we go from there down, what's happening is – it is mostly incomplete or incorrect documentation. So, what I'm trying to do as the Grants program now reports to the COO - I'm trying to look at this situation, knowing that we hear from community members, knowing that we hear from a lot of people who are talking about the rigor of our program, and how it's so difficult both to apply and to maintain recording.

I'm trying to balance how we stay compliant and be rigorous to a certain point, that keeps us compliant, but yet find that flexibility, and find the support that we need to give the grants applicants.

Our prior CEO recognized that as well. She was starting to make adjustments. Very small adjustments she started; I want to continue what she started. They made small adjustments like moving deadlines back, and I think they did another adjustment where they would allow a second chance for the Letter of Interest to stage. Those small steps were first steps, what's coming next are larger steps.

We're about to reactivate the step-by-step OHA application workshops. Before COVID, the team used to be out there working with the communities on the OHA application process. We're going to reactivate that, so that's one of the immediate next steps. We want to get back in the community and be side-by-side with them to train them.

Then we're looking at other ways that we could also support this, not just adding support, but maybe there's spots where we can reduce rigor. So definitely we recognize and we hear the same things, and allow us some time to further evaluate and put into place some improvements.

**Chair Waihe‘e:** Thank you, Casey.

**Chair Waihe‘e** recognizes Trustee Ahuna.

**Trustee Ahuna:** Thank you, Chair. One of the biggest gaps I think that we have is, you're exactly right - *how do we outreach all this information?*

My question is, *can we use some of this money, so OHA can go to the community meetings and help out with reporting, help out with writing grants, help out with doing these things?*

I think you just said that we're going to start doing it again. So, I thought that was the first thing that we should have been doing, and to help the people that need help already.

I just want to make sure that we help our beneficiaries. We have to start engaging, because that's one of the biggest areas. Now we're giving out money to some of the biggest organizations, which is, like I said, I'm not here to be against that, but it's just that we have beneficiaries on the ground asking these questions at every meeting that we go to. They want help, they need help, but we have no connection to how we help.

**Trustee Ahuna:** So how we engage is very important. I think Molokai can use - right after our meeting, maybe the Grants team can do a grant workshop for them:

- When are the grants available?
- How do we write the grants?
- How do we report?

All those types of things.
**Trustee Ahuna:** I believe this is what this grant is about. I just want to make sure that we pay attention to this, especially in the gaps that we have, and the target areas that our beneficiaries feel that this is where they need help. I just felt that this is the exact target that the people in our communities were saying, but yet we're not helping those people. That's all I'm saying.

Thank you, Casey, for saying that we're going to start picking that up.

**Chair Waiheʻe** recognizes Trustee Lindsey.

**Trustee Lindsey:** Casey, another comment I heard out in our community is - when people apply for a grant and there's an error in their grant application, they're allowed to correct it once, and if they make a second error, they cannot correct it. They have to wait for the next Grant opportunity, and that's ridiculous, I mean, how can we do that to our people.

Our people are not that experienced in this kind of grant writing, we should correct it as much as it needs correcting. I just want to put that out, so that you folks can consider the things that we are hearing out in our community.

And I want to thank Carla Hostetter for taking control of the Grants Department and trying to do such a great job. The comments from the Trustees are not to insult our staff, but to help us all work together, so that we can do the best that we can for our beneficiaries. Thank you.

**Chair Waiheʻe** asks if there is any further discussion.

There is no further discussion.
Approve the following Fiscal Year 2023 Kākoʻo Grants, Solicitation #23-11.01 disbursements totaling $110,000 from Core Operating Budget (Object Code 56530):

<table>
<thead>
<tr>
<th>Organization Name</th>
<th>Award Amount Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Going Home Hawaii</td>
<td>$25,000</td>
</tr>
<tr>
<td>Hawaiian Historical Society</td>
<td>$25,000</td>
</tr>
<tr>
<td>Homestead Community Development Corporation</td>
<td>$20,000</td>
</tr>
<tr>
<td>‘Aha Pūnana Leo, Inc.</td>
<td>$25,000</td>
</tr>
<tr>
<td>J. Walter Cameron Center</td>
<td>$15,000</td>
</tr>
<tr>
<td><strong>Total Recommendation (5)</strong></td>
<td><strong>$110,000</strong></td>
</tr>
</tbody>
</table>

Contract execution to awardees is subject to approval of the FY23 grant budget carryover to FY24, consistent with Action Item RM #22-23E, ratified by the Board to carryover budget from FY22 to FY23.

**Trustee Souza seconds the motion.**

**Chair Waiheʻe** asks if there is any further discussion.

There is no further discussion.
Chair Waiheʻe calls for a ROLL CALL VOTE.

<table>
<thead>
<tr>
<th>TRUSTEE</th>
<th>1</th>
<th>2</th>
<th>‘AE (YES)</th>
<th>A’OLE (NO)</th>
<th>KANALUA (ABSTAIN)</th>
<th>EXCUSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAN AHUNA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>KALEIHIKINA AKAKA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>KELIʻI AKINA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>VICE-CHAIR LUANA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>BRICKWOOD GALUTERIA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>CARMEN HULU LINDSEY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>J. KEONI SOUZA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>MILILANI TRASK</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHAIR JOHN WAIHEʻE</td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL VOTE COUNT</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

VOTE: [X] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED

Chair Waiheʻe notes for the record that all members present vote ‘AE (YES) and the MOTION PASSES.

V. ANNOUNCEMENTS

RM Staffer Akina: We have added an RM Meeting next Wednesday, August 9, 2023 at 10:00 a.m.
VI. ADJOURNMENT

Trustee Lindsey moves to adjourn the RM meeting.

Trustee Alapa seconds the motion.

Chair Waiheʻe asks if there is any discussion.

There is zero discussion.

Chair Waiheʻe calls for a ROLL CALL VOTE.

<table>
<thead>
<tr>
<th>TRUSTEE</th>
<th>1</th>
<th>2</th>
<th>‘AE (YES)</th>
<th>A’OLE (NO)</th>
<th>KANALUA (ABSTAIN)</th>
<th>EXCUSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>DAN AHUNA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KALEIHIKINA AKAKA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>KELIʻI AKINA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VICE-CHAIR LUANA ALAPA</td>
<td>2</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRICKWOOD GALUTERIA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CARMEN HULU LINDSEY</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>J. KEONI SOUZA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MILILANI TRASK</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>EXCUSED</td>
</tr>
<tr>
<td>CHAIR JOHN WAIHEʻE</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL VOTE COUNT</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

VOTE: [ X ] UNANIMOUS [ ] PASSED [ ] DEFERRED [ ] FAILED

Chair Waiheʻe adjourns the RM meeting at 10:43 a.m.
Respectfully submitted,

Melissa Wennihan
Trustee Aide
Committee on Resource Management

As approved by the Committee on Resource Management (RM) on August 9, 2023.

Trustee John Waihe‘e, IV
Chair
Committee on Resource Management
MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)

DATE: Wednesday August 9, 2023
TIME: 10:00 a.m.
PLACE: Virtual Meeting
560 N. Nimitz Hwy., Honolulu, HI 96817
viewable at https://www.oha.org/livestream OR
Listen by phone: (213) 338-8477, Webinar ID: 860 0979 1509

This virtual meeting can be viewed and observed via livestream on OHA’s website at www.oha.org/livestream or listened to by phone at: (213) 338-8477, Webinar ID: 860 0979 1509. A physical meeting location, open to members of the public who would like to provide oral testimony or view the virtual meeting, will be available at 560 N. Nimitz Hwy., Suite 200, Honolulu HI 96817.

AGENDA

I. Call to Order

II. Approval of Minutes
   A. August 2, 2023

III. Unfinished Business - None

IV. New Business
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka’ako Makai, Honolulu, Hawai’i.
   B. Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

V. Executive Session
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka’ako Makai, Honolulu Hawai’i. The committee anticipates going into executive session pursuant to HRS §§ 92-5(a)(4), to consult with Board Counsel Robert G. Klein, and Interim General Counsel Everett Ohta, on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities pertaining to advisory services provided to OHA.

VI. Announcements

VII. Adjournment
MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)

DATE: Wednesday August 9, 2023
TIME: 10:00 a.m.
PLACE: Virtual Meeting
560 N. Nimitz Hwy., Honolulu, HI 96817
viewable at https://www.oha.org/livestream OR
Listen by phone: (213) 338-8477, Webinar ID: 860 0979 1509

This virtual meeting can be viewed and observed via livestream on OHA’s website at www.oha.org/livestream or listened to by phone at: (213) 338-8477, Webinar ID: 860 0979 1509. A physical meeting location, open to members of the public who would like to provide oral testimony or view the virtual meeting, will be available at 560 N. Nimitz Hwy., Suite 200, Honolulu HI 96817.

AGENDA

I. Call to Order

II. Approval of Minutes
   A. August 2, 2023

III. Unfinished Business - None

IV. New Business
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka’ako Makai, Honolulu, Hawaiʻi.
   B. Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

V. Executive Session
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka’ako Makai, Honolulu Hawaiʻi. The committee anticipates going into executive session pursuant to HRS §§ 92-5(a)(4), to consult with Board Counsel Robert G. Klein, and Interim General Counsel Everett Ohta, on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities pertaining to advisory services provided to OHA.

VI. Announcements

VII. Adjournment

If you need an auxiliary aid/service or other accommodation due to a disability, please contact Everett Ohta at (808) 594-1988 or by email at everett@oha.org as soon as possible. Requests made as early as possible have a greater likelihood of being fulfilled. Upon request, this notice is available in alternate/accessible formats.

Meeting materials for this meeting will be available for the public to view 48 hours prior to this meeting at OHA’s main office located at 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817. Meeting materials will also be available to view at OHA’s neighbor island offices and will be posted to OHA’s website at: www.oha.org/rm.
COMMITTEE ON RESOURCE MANAGEMENT

August 9, 2023

RM #23-19

Action Item Issue: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

Prepared by:  
Casey K. Brown  
Ka Pou Nui, Chief Operating Officer  
Aug 4, 2023

Reviewed by:  
Colin Kippen  
Ka Pouhana Kūikawā, Interim Chief Executive Officer  
Aug 4, 2023

Reviewed by:  
Ramona G. Hinck  
Pou Kākoʻo Hoʻopono Kūikawā, Interim Controller &  
Ka Pou Kihi Kanaloa Wai, Chief Financial Officer  
Aug 4, 2023
Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OIIA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

Reviewed by:  

Everett Ohta  
Ka Paepae Puka Kūikawā, Interim General Legal Counsel  

Reviewed by:  

John D. Waihe'e  
Luna Ho‘omaluh o ke Kōmike RM  
Committee on Resource Management, Chair  

Aug 4, 2023  
Date
Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

I. Proposed Actions

Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

II. Issue

Whether or not the Board of Trustees (BOT) will approve to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

III. Background and Discussion

By board action taken on June 29, 2023 via RM #23-17, the OHA Board of Trustees (“BOT”) approved the OHA Fiscal Biennium Budget for FY24 and FY25, except for $400,000 related to Real Estate Advisory services to be provided by OHA’s current In-House Development Consultant (“IHDC”), Kuilei Consulting Inc. (“Kuilei”), the funding for which was approved subject to the BOT’s evaluation and assessment of OHA’s recent efforts to develop Hakuone lands and an approval to proceed by the BOT. Excerpt from the Committee on Resource Management Committee Report for June 28, 2023:

MAINT MOTION #2, AS AMENDED:
To approve the OHA Biennium Budget for the Fiscal Biennium Period 2023-2024 (FY 24) and 2024-2025 (FY 25) as outlined in Attachment #1 regarding ONLY the new funding to Kuilei Consulting, Inc., such as the amount of $400,000 for services related to Real Estate Advisory, under “Contracts” in the Non-Core Operating Budget, subject to the Board of Trustees’ completion of an evaluation and assessment of OHA’s recent efforts to develop Hakuone and an approval to proceed by the Board of Trustees.

To further support the BOT’s evaluation and assessment, Administration has performed its own evaluation of recent efforts to develop Hakuone. The intended use of this evaluation is to provide BOT additional information to support their decision on whether or not to proceed with Real Estate Advisory services by Kuilei Consulting Inc.

Overview of Evaluation

The efforts to develop Hakuone thus far have been organized under two bodies of work: (1) Real Estate Advisory and (2) Entitlements (Outreach). As the $400,000 in question is allocated to Real Estate Advisory services the focus of the evaluation performed by Administration is on the Real Estate Advisory services. An additional evaluation of Outreach may be undertaken as a separate exercise by the board and Administration
Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

stands ready to support that effort if the trustees so desire.

As the contract administrator of this contract, Administration closely managed this engagement and therefore is in a good position to perform an evaluation of the Real Estate Advisory services performed under the contract. The steps undertaken to perform the evaluation were to: (1) Identify an evaluation team; (2) Define the evaluation criteria; and then (3) Perform the evaluation.

Results of Evaluation
Please refer to Attachment 1, Administration Evaluation of Real Estate Advisory Services, for the results of the evaluation.

IV. Funding Source
The funding source for the proposed $400,000 spend is the income generated by OHA’s Hakuone commercial properties which are accounted for under the Non-Core Operating Fiscal Biennium Budget for FY24 and FY25.

V. Recommended Actions
Based on the evaluation and assessment of recent efforts to develop OHA’s Hakuone lands, it is recommended that the OHA BOT provide its approval to proceed with new funding to Kuilei Consulting, Inc., in the amount of $400,000 for services related to only real estate advisory services under ‘Contracts’ in the OHA non-core operating budget for fiscal biennium period 2023-2024 (FY24) and 2024-2025 (FY25).

VI. Time Frame
The term of the newly proposed work for Real Estate Advisory Services is 12 months and would commence upon execution of a contract amendment to perform Real Estate Advisory Services only and end 12 months from that date. Administration approximates a start date would be early September 2023 if trustees approve to proceed in the August 9, 2023 Committee on Resource Management.

VII. References
A. Action Item RM #23-17: OHA Biennium budget for the Fiscal Biennium Periods 2023-2024 (FY24) and 2024-2025 (FY 25)
B. Committee on Resource Management Committee Report for June 28, 2023

VIII. Attachments
1. Administration Evaluation of Real Estate Advisory Services
<table>
<thead>
<tr>
<th>1</th>
<th>Context</th>
<th>3</th>
<th>Other Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Background info of the evaluation</td>
<td></td>
<td>Emergency Proclamation</td>
</tr>
<tr>
<td>2</td>
<td>Evaluation Methodology And Results</td>
<td>4</td>
<td>Mahalo Questions and Answers</td>
</tr>
<tr>
<td></td>
<td>Criteria used to Evaluate and the Results of the evaluation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Context

Recap of Related BOT Events

- **June 28, 2023**: BOT bifurcated $400K of FY24 and FY25 Budget and made it "...Subject to the Board of Trustees’ completion of an evaluation and assessment of OHA’s recent efforts to develop Hakuone and an approval to proceed by the Board of Trustees."

- **July 19, 2023**: Presentation by Administration and Kuilei to share info to support BOT’s evaluation efforts.

- **August 9, 2023 (Today)**: Administration offers its own Evaluation to support BOT’s evaluation efforts.

Context of Administration’s Evaluation

- Hakuone development efforts are organized into two bodies of work:
  1. Real Estate Advisory
  2. Entitlements (Outreach)

- Administration providing their Evaluation as Contract Administrator for the contract

- Statement of Work (SOW) Mechanism

- Administration Evaluation Team
  1. Casey Brown, OHA COO
  2. Tim Wong, OHA Director of Land
  3. Samuel Chung, Financial Advisor to OHA BOT
Evaluation Methodology And Results

Three Evaluation Criteria were used to evaluate efforts to develop Hakuone:

- **Evaluation Criteria 1: Deliverables Completed**: Did IHDC complete all deliverables required under each SOW?

- **Evaluation Criteria 2: Added Value**: What did OHA get that differed from prior two efforts?

- **Evaluation Criteria 3: Reasonable Cost**: Was the cost reasonable for the work performed?

*Added value refers to the increased utility of a product as it passes through different production stages.*
## Evaluation Criteria 1: Deliverables Completed

Did the IHDC complete all deliverables required under each Real Estate Advisory SOW

<table>
<thead>
<tr>
<th>Contract Deliverables (As Summarized in SOW)</th>
<th>Completed</th>
<th>On-Time (Y/N)</th>
<th>Meets Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td># 1 - Provide a Baseline Development Plan and current conditions report</td>
<td>✓</td>
<td>Y</td>
<td>Performed due diligence to produce a report on baseline development conditions</td>
</tr>
<tr>
<td># 2 - Identify and integrate development alternatives not currently permitted under current conditions</td>
<td>✓</td>
<td>Y</td>
<td>Produced prospective uses in alignment with OHA’s mission and strategic plan</td>
</tr>
<tr>
<td># 3 - Provide a comprehensive R/E advisory and development services for OHA’s Kakaako Makai Lot A including but not limited to conceptualize, implement and oversee the planning, entitlement, design, construction, leasing or tenanting, financing, operations, marketing, and public relations</td>
<td>✓</td>
<td>Y</td>
<td>Demonstrated what needs to be accomplished for actual real estate development to occur as well as short-term activation</td>
</tr>
<tr>
<td># 4 - Activation of Lot E and Hawaiian Cultural Center Business Plan</td>
<td>✓</td>
<td>Y</td>
<td>BOT decided not to Activate on the recommendation from Kuilei based on poor financial prospects for Lot E.</td>
</tr>
<tr>
<td># 5 - Develop an internal master plan and financial strategy that will inform future entitlement and redevelopment efforts for OHA</td>
<td>✓</td>
<td>Y</td>
<td>Produced baseline scenario of what can be potentially developed and the estimated returns</td>
</tr>
</tbody>
</table>
Evaluation Criteria 2: Added Value
What did OHA get that differed from prior two efforts?

1. **Comprehensive Due Diligence and Analysis.** In-depth due diligence and analysis yielded:
   a) Infrastructure repair which provided basis for financial return modeling, and messaging. A complete assessment of the bulkhead was performed.
   b) Construction costs which provided basis for design and financial return modeling.
   c) Third-party appraisal which accounted for previously unknown conditions.
   d) A density study and massing based on residential use which informed design.

2. **Actionable Conceptual Master Plan.**
   a) Land use scenarios were designed based on due diligence findings (see above). It is the closest we have come to what can actually be built at Hakuone.
   b) Provided foundational data to serve as basis to speak to community and lawmakers (e.g. 2,100 residential units, # and size of buildings, % and cost of affordable units, 11 access points to ocean, location of residential, location of parking).

3. **Adaptable.** Kuilei adapted to OHA’s needs and new information as it arose in a changing environment.
## Evaluation Criteria 2: Added Value
What did OHA get that differed from prior two efforts?

### Comparison Chart

<table>
<thead>
<tr>
<th>Key Product*</th>
<th>Hui O Kukuluæ‘o (Group 70, Rider Levett Bucknell, Sanford Mureta Inc.)</th>
<th>Kuhikuhi Pu‘uone (WCIT, DTL, EKF)</th>
<th>Kuilei Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formation of Development themes</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Infrastructure study</td>
<td>X</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Construction Cost study</td>
<td>X</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Financial Pro Forma</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Present Value Analysis</td>
<td>X</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Theoretical Land Use designs</td>
<td>X</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td>Feasible Land Use designs</td>
<td>X</td>
<td>X</td>
<td>✓</td>
</tr>
<tr>
<td>Business Plans for short-term uses</td>
<td>X</td>
<td>X</td>
<td>✓</td>
</tr>
</tbody>
</table>

*This is not an exhaustive list, but rather a list of significant products. Trustees are free to arrange an appointment to view these products.*
Evaluation Criteria 3: Reasonable Cost
Was the cost reasonable for the work performed?

Kuilei Real Estate Advisory fees amounted to 15% which is a fair market value for the services.

**General Market rates:**
- Construction Manager fees for residential developments are typically 15%
- General Contractor fees typically range from 15% to 25%

**Quote(s) from Local Professionals:**
- Local Construction Manager fee = 1% to 2% (of $400M)
- Local Developer / Construction Mgmt fee = 9% (of $70M)
- Local General Contractor fee = 15% (of ≤ $10M)

**Quote(s) from Mainland Professional:**
- Fee Developer fee = 5% to 10% (on total costs)

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Cost ($)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kuilei Inc</td>
<td>394,700</td>
<td>15%</td>
</tr>
<tr>
<td>Sub-contractors</td>
<td>866,800</td>
<td>33%</td>
</tr>
<tr>
<td>Capital Improvements</td>
<td>1,084,800</td>
<td>41%</td>
</tr>
<tr>
<td>Operations</td>
<td>288,400</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,634,700</strong></td>
<td></td>
</tr>
</tbody>
</table>
Other Considerations

- **Involvement and Communication Going Forward**

  To better involve the board of trustees, Administration recommends that if Real Estate Advisory services continue, the following actions take place:

  1) **Increased updates to the full board.** Once a month, the Real Estate Advisory team can present a *status report* and respond to questions from the board.

  2) **Individual trustee meetings.** In addition to the above, Administration can facilitate the offering of individual meetings for trustees and their aides (respective of sunshine law) to address any follow up questions that may arise post *status report.*
Other Considerations

- **Emergency Proclamation – A Unique opportunity to build housing for Hawaii residents**
  
  Housing, for purposes of this Proclamation, shall be defined as the development of new owner-occupied residential units offered for sale or rental to Hawai’i residents.

  1) The development of new residential units shall include multi-unit development or redevelopment projects that replace existing residential units or creates additional residential units;
  2) state or county housing projects;
  3) infrastructure that will primarily provide services to housing;
  4) Brownfields sites that are developed primarily to provide housing;
  5) Shovel ready in three years.

---

**Suspension of Laws that impact development:**

- Chapter 6E, HRS, *Historic Preservation* – Lot E

- Section 201 H-38(a)(3), HRS, Housing development; Exemption from statutes, ordinances, charter provisions, and rules, that requires approval of the legislative body of the county in which the housing project is situated.

- Section 206E-5.6, HRS, *Hawaii Community Development Authority*, and section 15-218-80, Hawaii Administrative Rules (“HAR”), to the extent necessary to allow for the timely development of additional residential units.

- Chapter 343, HRS, *Environmental Impact Statements*, to the extent necessary to expedite the provision of approved housing projects, subject to the attached Governor’s emergency rules.

- Chapter 103D, HRS, *Hawaii Public Procurement Code*, to the extent that the department has determined that it is not practicable or advantageous to procure the services required via traditional procurement methods and the procurement promotes the construction, repair, renovation, and occupancy of housing.

---

**The Real Estate Advisory is imperative to have in place to move on this Emergency Proclamation**
MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT (RM)

DATE: Wednesday August 9, 2023
TIME: 10:00 a.m.
PLACE: Virtual Meeting
560 N. Nimitz Hwy., Honolulu, HI 96817
viewable at https://www.oha.org/livestream OR
Listen by phone: (213) 338-8477, Webinar ID: 860 0979 1509

This virtual meeting can be viewed and observed via livestream on OHA’s website at www.oha.org/livestream or listened to by phone at: (213) 338-8477, Webinar ID: 860 0979 1509. A physical meeting location, open to members of the public who would like to provide oral testimony or view the virtual meeting, will be available at 560 N. Nimitz Hwy., Suite 200, Honolulu HI 96817.

AGENDA

I. Call to Order

II. Approval of Minutes
   A. August 2, 2023

III. Unfinished Business - None

IV. New Business
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka‘ako Makai, Honolulu, Hawai‘i.
   B. Action Item RM #23-19: Approval to Proceed with New Funding to Kuilei Consulting, Inc., in the amount of $400,000 for Services Related to Only Real Estate Advisory Services under ‘Contracts’ in the OHA Non-Core Operating Budget for Fiscal Biennium Period 2023-2024 (FY24) and 2024-2025 (FY25).

V. Executive Session
   A. Evaluation and assessment of OHA’s recent efforts to develop Hakuone, Kaka‘ako Makai, Honolulu Hawai‘i. The committee anticipates going into executive session pursuant to HRS §§ 92-5(a)(4), to consult with Board Counsel Robert G. Klein, and Interim General Counsel Everett Ohta, on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities pertaining to advisory services provided to OHA.

VI. Announcements

VII. Adjournment

If you need an auxiliary aid/service or other accommodation due to a disability, please contact Everett Ohta at (808) 594-1988 or by email at everetto@oha.org as soon as possible. Requests made as early as possible have a greater likelihood of being fulfilled. Upon request, this notice is available in alternate/accessible formats.

Meeting materials for this meeting will be available for the public to view 48 hours prior to this meeting at OHA’s main office located at 560 N. Nimitz Hwy., Suite 200, Honolulu, HI 96817. Meeting materials will also be available to view at OHA’s neighbor island offices and will be posted to OHA’s website at: www.oha.org/rm.