PHONE (808) 594-1888

COMMITTEE ON RESOURCE MANAGEMENT Dan Ahuna, Chairperson Robert K. Lindsey, Jr., Vice Chairperson Leina'ala Ahu Isa, At-Large Kalei Akaka, O'ahu Keli'i Akina, At-Large Brendon Kalei'āina Lee, At-Large Carmen Hulu Lindsey, Maui Colette Y. Machado, Moloka'i/Lāna'i John Waihe'e IV, At-Large



STATE OF HAWAI'I OFFICE OF HAWAIIAN AFFAIRS

MEETING OF THE COMMITTEE ON RESOURCE MANAGEMENT

DATE: Friday, January 10, 2020

TIME: 9:00 am

PLACE: OHA Board Room, Nā Lama Kukui 560 N. Nimitz Hwy., Suite 200 Honolulu, HI 96817

AGENDA

I. Call to Order

- II. Public Testimony*
- III. New Business

A. Presentations re: Kaka'ako Makai Current and Future Plans and Collaboration Opportunities

- 1. Presentation by Hawai'i Community Development Authority
 - 2. Presentation by Kamehameha Schools
 - 3. Presentation by The Howard Hughes Corp.
- B. Discussion re: Kaka'ako Makai design elements, parcels, sequence, phases and business models.
- C. Request to hold a Limited Meeting on February 5, 2020 regarding Kaka'ako Makai properties.

IV. Announcements

V. Adjournment

If you require an auxiliary aid or accommodation due to a disability, please contact Raina Gushiken at telephone number 594-1772 or by email at: <u>rainag@oha.org</u> no later than three (3) business days prior to the date of the meeting.

*Notice: Persons wishing to provide testimony are requested to submit 13 copies of their testimony to the Chief Executive Officer at 560 N. Nimitz. Suite 200, Honolulu, HI, 96817 or fax to 594-1868, or email <u>BOTmeetings@oha.org</u> 48 hours prior to the scheduled meeting. Persons wishing to testify orally may do so at the meeting, provided that oral testimony shall be limited to five minutes.

[†]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.

hura

Trustee Dan Ahuna Chairperson, Committee on Resource Management

2020

Building communities for a better tomorrow

Our Kaka'ako 2020 update



Ke Ali'i Bernice Pauahi Bishop

Great-Granddaughter of Kamehameha 'Ekahi Last lineal descendent

Vision 2040

Within a generation of twenty-five years, we see a thriving lāhui where our learners achieve postsecondary educational success, enabling good life and career choices.

We also envision that our learners will be grounded in Christian and Hawaiian values and will be leaders who contribute to their communities, both locally and globally.

A 100 100 100



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Supporting Haumāna

61,565

Total number of learners served in 2018

7,011 students supported on 3 campus &

29 preschools

13,594

extension education learners

Community Investing 46K \$79M

learners & families

HCAN

support partner organizations & public schools

Market Position

Endowment value

Hawai'i largest private landowner **363K** acres



Commercial Portfolio

Hawaii Real Estate 31%

4%

\$11.9 Billion Endowment Value Scholarship \$37.8M 9%

\$483 Million

FY18-19 Spending

Community Programs, Investing, and innovation \$88.6M 22%

> Education Support (Overhead) \$33.1M 8%

> > 6%

Capital & Debt -6M Stewardship \$24M

Campus Based (PK-12) \$210.3M 53%

Financial Assets 69%

Commercial Portfolio

Active Commercial

Conservation

51%

'Āina Classification





Commercial Acreage

15K acres

Productive Acreage

<1K acres

Hospitality 20%

Why does KS manage real estate?

Honolulu Consumer Price Index for Selected Categories

Urban Honolulu Consumer Price Index, Selected Categories



Source: U.S. Bureau of Labor Statistics * Note: Data for Medical Care is missing for 2001-03, 2005-07, and 2018.

Housing Market vs. Family Median Income vs. New Building Permits



\$772,000 Oʻahu Single Family Median Sale Price January 2018 - Honolulu Board of Realtors

\$104,600

Honolulu Median Income of Family of 4 2017– Hawaii Housing Finance Dev. Corp.

Our Challenge – Our Strategy

Why a Regional Approach?

Improving the well-being and success of keiki, 'ohana and communities requires KS to recognize and influence drivers of healthy and sustainable schools, 'āina, and socio-economic systems

1 × ×





- Access to quality education options
- Rooted in Hawaiian culture and community
- Empowered educators and school leaders



- 2 Housing
- Affordable housing
- Sustainable community

Homelessness

- development
 - V Energy

Infrastructure

Transportation

Water

- A Bu
 - Business
 - Jobs
 - Economic growth & industries
 - Entrepreneurship & innovation

- -----
- Health
- Social services & support systems
- 'Ohana stability & engagement
- Food sustainability

- St.
- 'Āina
- Native Hawaiian identity & inspiration
- Provision of ecosystem services
- Linking educational mission & 'āina legacy



our kaka'ako

Urban Cor

VISION: To create a progressive, 21st century living community that will act as a catalyst for innovation and nurture the evolution of a vibrant urban-island culture within a beautiful healthy and sustainable neighborhood.

Our Kaka'ako

DESIGN CONCEPT

- Develop a **community standard** for a first class urban village
- Create cohesiveness among projects
- Provide the **palette and language** from which our community will aspire
- Focus on **pedestrian oriented architecture**
- Create a typology of **open space**
- Provide a **diversity** of housing









Our Kaka'ako Master Plan

- 29 acres of Mauka Lands in KS MP (Approved in September 2009)
- 9 full-block parcels
- 2,750 residential units,
- 300,000 sq. ft. of
 <u>commercial space</u>

KKMP LANDS	28.9
OTHER MAUKA LANDS	10.8
MAKAI LANDS	11.8
TOTAL	51.5



Our Kaka'ako Housing Built to Date

Total Units

Kama'aina/Reserved Workforce Housing

1,336







680 Ala Moana

- Opened in 2014
- Adaptive re-use conversion of office to residential
- 54 units of Kama'aina housing rentals
- Self developed





- Opened in 2016
- 467 Residential Units
- Developed by A&B Properties



400 Keawe

- Opened in 2015
- 95 Residential Units
- Developed by Castle & Cooke

Keawe St. Retail

- 8 Retail Spaces
- 1 Grocer (H-Mart)
- 32,675 Sq. Ft. retail

The Flats at Pu'unui

- Opened in Sept. 2016
- 88 units of Kama'aina housing rentals
- Self developed



Keauhou Place

- Developed by Stanford Carr Development
- 423-unit mixed-use condominium
- Opened to residents Q4 of 2017

Keauhou Lane

- Developed by Gerding Edlen
- Joint Venture with Kamehameha Schools
- Approx. 40,000 sq. ft. of commercial space
- 209 Kama'aina rental residential units
- Opened in 2018



SALT at Our Kaka'ako

- Over 80,000 sq ft of commercial space
- Neighborhood serving
 retail
- Tenant mix incorporating local retail, food & beverage, artist workspaces, and business incubator space
- Adaptive re-use





Phase II Our Kaka'ako –



Remaining Blocks

Five remaining residential/mix-use project The crossroads of Cooke and Auahi Streets will be the heart of the neighborhood, as well as the central point from which retail opportunities will radiate.

Auahi Street will be the main neighborhood retail corridor.

Cooke Street, will serve as a park-to-park connection, which shall also include a planned retail component.

Retail corridors will be pedestrian-oriented with broad sidewalks, street furniture, ample landscaping and public art.

KS is currently working with the City and others in an effort to open up Auahi street in order to create a synergistic flow of pedestrian, bike and vehicular traffic between KKMP and Ward Village.

Block]

Block C Block D Block Block G Block H Block M Block I Block K



Conceptual Retail Concept





Today's Children. Tomorrow's Community.

Mahalo

Questions

WARD VILLAGE

Howard Wighes

WARD VILLAGE OPPORTUNITY

Woward Wughes

CHALLENGES

- Housing
- Traffic
- Sustainability
- Economic Diversity



Howard Hughes

The primary location for housing development in the 60's thru early 2000's were suburbs created in former agricultural lands in Central and West Oahu. Today, less than 50% of the population lives within the urban core, where over 70% of the jobs are.

- Hawaii is the worst state to drive in, according to a 2018 study released by WalletHub.
- Traffic info aggregator INRIX reports we spend an extra 92 hours a year in traffic.



Howard Hughes
Redevelopment agency created in 1976 to facilitate the infrastructure and zoning rules to permit residential and commercial development in the urban core.



Hawai'i Community Development Authority (HCDA)

To date, HCDA has invested over \$269 million to improve the infrastructure of Kaka'ako and create plans and rules to allow for its growth.



Howard Wughes



WARD VILLAGE LEGACY

Howard Wughes

The pathways once traversed by our ancestors are the same paths we should follow toward success. Just as Victoria Ward cared for her beloved land and people so to do we.

Howard Hughes







WHERE WE STARTED

Woward Wughes

2009 Ward Neighborhood Master Plan Long-range plan designed to evolve over time



Howard Hughes

THE PERFECT BALANCE

Housing for a variety of incomes and lifestyles

Local & national retailers

Entertainment attractions

Casual & fine dining

Community Space

Gathering places

Transportation choices

Sustainable design and building practices

Howard Hughes



THE FOUR MAIN DESIGN STRATEGIES

Connected Public Spaces

Auahi Street as a Pedestrian Promenade

Mauka/Makai View Corridors

Streetscape Design

Howard Hughes

























The MASTER PLAN

Woward Wughes

	Typical Development	Ward Neighborhood	
Density (Households and Jobs Per Acre)			Ward Neighborhood provides a higher density, allowing for a wider mix of uses within a close proximity. This provides more housing and jobs compared to a traditional development.
Land Required (Acres Per Capita)		*	As a mixed-use, higher density community, Ward Neighborhood will require dramatically less land per person than traditional development.
Energy Consumption (KwH Per Capita)	F	F	Ward Neighborhood will reduce per capita energy requirements by first decreasing demand through efficiency measures, and then seeking energy supply from clean and renewable sources.
Automobile Dependence (Vehicle Miles Traveled Per Capita)			Easy access to transit, amenities and jobs will allow people who live, work or play in Ward Neighborhood to travel fewer miles by automobile.
Health Impacts (Distance Walked Per Day Per Person)		~~ * * * * *	With amenities and transit located close to their homes, residents of Ward Neighborhood will be able to travel by foot to most destinations—encouraging a healthier lifestyle than one bound to auto travel which can contribute to chronic health problems such as obesity.
Carbon Footprint (Ibs CO ₂ Per Capita)			Reduced per capita auto travel and energy consumption among residents will lead to a reduction in CO2 emissions or smaller carbon footprint in Ward Neighborhood when compared to traditional development.
Water Consumption (Gallons Per Capita)		۵	Integration of efficiency measures into building and landscape design as well as recycling of gray water will allow Ward Neighborhood to make better use of precious water resources in comparison to traditional development.
Public Infrastructure Cost (\$ Per Capita)	\$\$ \$\$	\$\$	Ward Neighborhood's mix of uses allows for more self sufficient, more compact and more economical systems for transport of energy, water and waste into and out of the Neighborhood, reducing the cost of public infrastructure.



"Ward Village's LEED certification demonstrates tremendous green building leadership. The urgency of USGBC's mission has challenged the industry to move faster and reach further than ever before, and Ward Village serves as a prime example with just how much we can accomplish."

Rick Fedrizzi President, CEO & Founding Chair U.S. Green Building Council



Howard Hughes

Ŵ/ KO'OLAU MOUNTAINS ALA MOANA SHOPPING CENTER ALA MOANA BEACH PARK WARD VILLAGE WAIKĪKĪ DIAMOND HEAD 60 Acres 30 Acre Harbor 7.6M SF Residential 1.7M SF Commercial & Industrial AGE Between Waikiki ž BEST PL NNED COMMUNI PRCHITECTURAL DIG

Howard Hughes

& CBD

Ward Village Residential Projects



Waiea

177 residences

97% pre-sold/closed

7,716 SF GLA of retail

Completed 2017

LUXURY

COMPLETED



MARKET

Anaha

UPPER MARKET

317 residences 99% pre-sold 16,062 SF GLA of retail Completed 2017

Ae'o

465 residences 99.8% pre-sold 67,233 SF GLA of retail Completion 2018/2019

WORKFORCE

Ke Kilohana

423 residences 99% pre-sold 21,907 SF GLA of retail Completion 2019

UNDER CONSTRUCTION

MARKET

UPPER MARKET



A'ali'i

750 residences 81.5% pre-sold 13,200 SF GLA ofretail Completion 2021



Kō'ula

565 residences 63.7% pre-sold 35,000 SF GLA of retail **Completion TBD**

Howard Hughes

Victoria Place



Howard Hughes



Ward Village 2019 – Q3

OUR VISION & PLAN

Our Place Making Vision: BLENDING HAWAII'S NATURAL BEAUTY WITH GLOBALLY INSPIRED EXPERIENCES.



Biking, walking, wellness and play

Howard Hughes















Dining & Shopping



Nobu

South Shore Market

Whole Foods

Merriman's

Howard Hughes

Entertainment, Community Events & Culture



Howard Hughes



KAKA'AKO COMMUNITY

Woward Wughes



Santa Mit. Cel AL SI ME

APAR PROPERTY

Lud | Big andiger at





Howard Hughes

MAHALO



I. <u>Purpose of the Site Tour of Kaka`ako Makai Parcels – The Why?</u>

The purpose of the site tour is to enhance the Kaka`ako Makai (KM) workshop information in preparation for the Action Item, projected to be presented to the Committee on Resource Management, at its Wednesday, February 19, 2020 meeting.

Parcel	Street Address	ТМК
Α	1100 Ala Moana Blvd	1-2-1-058:129
В	113/123 Ahui St	1-2-1-058:130
С	59 Ahui St	1-2-1-058:130
D	45/53 Ahui St	1-2-1-060:027 and; 1- 2-1-058:048
E	919 Ala Moana Blvd	1-2-1-058-006
F/G	160 Ahui St/160Koula St/155 Ohe St	1-2-1-060:026
Ι	Ala Moana Blvd/Forrest Ave	1-2-1-015:061
K	40 Ahui St	1-2-1-060:028
L	200/220 Keawe	1-2-1-015:051





II. Draft Action Item Recommendations – The What?

As shared at the last Board Kaka`ako Makai workshop (via handout), the Action Item that will be brought to the Trustees by Administration at the RMC meeting on February 19, 2020 will be three decisions that will guide Administration to move forward with Kaka`ako Makai next steps:

Administration recommends to the Committee on Resource Management, the following actions:

A. Approve the following 14 programmatic design elements: 1) New OHA Headquarters; 2) Native Hawaiian Center of Business/Incubator; 3) Gathering, Performance & Entertainment Spaces; 4) Range of Meeting Spaces; 5) Overnight Accommodations; 6) Museum that Honors Native Hawaiian Culture; 7) World-Class Saltwater Aquarium; 8) Places for Cultural Practice & Display; 9) Certified Kitchen & Imu; 10) Open/Naturally Vegetated Spaces; 11) Native Landscaping, including Community Garden; 12) Observation Deck; 13) Home for Hokulea, Hikianalia and other Waa; and 14) Automated

Dry-Stack Boat Storage.

- B. Approve the phasing of the development of the lots as follows:
- C. Approve the business model application by Lot for Phase I as follows, noting any decision regarding



Lots I, E and L will be brought to the Trustees for action: Phase I – Lots A, B, C, F/G – Business Model C

C. Master Developer, OHA Ground Lease	DHHL envisioned a residential rental facility that included rentai assistance programs and other services for tenants.	Key Success Factors: • Conducted draft engineering report and preliminary geotechnical engineering study • Determined roadway use
Key Background Information:	DHHL retained title to the property, but allowed the Developer to have control over: - Demolition; - Design;	requirements Prepared Phase I and II environmental site assessments Conducted Archaeological Inventory Survey Prepared Reconnaissance Level
DHHL project for demolition of Stadium Bowl-O-Drome property		
Sought a multi-family residential rental facility No provision for lease revenue to DHHL identified	 Construction; Financing; Management; and, 	and Intensive Level Architectural Studies Conducted Beneficiary Survey
	 Maintenance DHHL conducted substantial work 	 Defined green energy policy Specifying the building must comply with mixed use standard

2



III. Proposed Site Visit Agenda, Wednesday, February 5, 2020– The How?

8:30 a.m.	Shuttles (2) pickup @ Na Lama Kukui
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- 9:00 a.m. Shuttles drop off @ AAFES building, 5th Floor; view of KM parcels from the open rooftop with panoramic view
- 9:45 a.m. Re-board shuttles and drive by Lots I, L, K and D
- 10:30 a.m. Drive to optimal viewing area for Lots A, B, C, F/G; exit shuttles, view and return to shuttles
- 11:00 a.m. Arrive back at Na Lama Kukui for Discussion re: Kaka`ako Makai design elements, parcels, sequence, phases and business models

Note: BAE Committee meeting scheduled for Wednesday, February 5, 2020.

IV. Limited Meeting¹ - Site Visit Rationale and Considerations

Dangerous to Health or Safety. The 5th floor rooftop of the AAFES building (Lot E) provides a panoramic view of OHA's KM parcels, bringing a companion perspective to the planned shuttle ground tour. However, the rooftop is an open-air area; accessed by a few steps up and out the door from the conference room; does not have walls, windows, guardrails or other barriers between the visitor and the edge of the roof. In addition, the rooftop is uneven and footwear on the rooftop cannot have sharp points/heels due to the materials. As the site visit is Board business, OHA plans to address and mitigate risks of the rooftop site as it relates to the health and safety of OHA participants (e.g., Board of Trustees, Trustee Aides and Administration staff). However, the responsibility to ensure health and safety of the public in general onto the 5th floor rooftop is more than the OHA should assume; therefore, limiting the 5th floor rooftop site visit to OHA participants only is recommended by Administration.

¹ §92-3.1 Limited meetings. (a) If a board determines that it is necessary to meet at a location that is dangerous to health or safety, or if a board determines that it is necessary to conduct an on-site inspection of a location that is related to the board's business at which public attendance is not practicable, and the director of the office of information practices concurs, the board may hold a limited meeting at that location that shall not be open to the public; provided that at a regular meeting of the board prior to the limited meeting: (1) The board determines, after sufficient public deliberation, that it is necessary to hold the limited meeting and specifies that the location is dangerous to health or safety or that the on-site inspection is necessary and public attendance is impracticable; (2) Two-thirds of all members to which the board is entitled vote to adopt the determinations required by paragraph (1); and (3) Notice of the limited meeting is provided in accordance with section 92-7.

⁽c) At all limited meetings, the board shall: (1) Videotape the meeting, unless the requirement is waived by the director of the office of information practices, and comply with all requirements of section 92-9; (2) Make the videotape available at the next regular meeting; and (3) Make no decisions at the meeting.



Public Attendance Is Not Practicable. After viewing the KM parcels from the 5th floor rooftop of the AAFES building, the Board will be viewing the lots via two 25-passenger shuttles to transport the Board, Trustee Aides, Administration and staff and driving throughout KM and viewing parcels. Therefore, limiting the shuttle tour of the KM parcels to OHA participants only is recommended by Administration.

V. <u>Conclusion, Limited Meeting - Committee Recommendation to the Board</u> RECOMMENDED MOTION:

Move to approve the Committee on Resource Management holds a Limited Meeting, as defined in HRS §92-3.1, on February 5, 2020 for the purposes of completing a site tour of OHA-owned Kaka`ako Makai parcels as listed below:

Parcel	Street Address	<u>TMK</u>
Α	1100 Ala Moana Blvd	1-2-1-058:129
В	113/123 Ahui St	1-2-1-058:130
С	59 Ahui St	1-2-1-058:130
D	45/53 Ahui St	1-2-1-060:027 and; 1- 2-1-058:048
E	919 Ala Moana Blvd	1-2-1-058-006
F/G	160 Ahui St/160Koula St/155 Ohe St	1-2-1-060:026
Ι	Ala Moana Blvd/Forrest Ave	1-2-1-015:061
K	40 Ahui St	1-2-1-060:028
L	200/220 Keawe	1-2-1-015:051

PROJECTS UNDERWAY **OR PLANNED**

- 1 690 Pohukaina The state project is the biggest planned for Kakaako, with 500 market-priced condos and 504 affordable units. See page 32 for details.
- 2 University of Hawaii Cancer Center under construction. Scheduled opening early in 2013.
- 3 Symphony Luxury residential condo tower at mauka-Ewa corner of Ward Avenue and Kapiolani Boulevard. 407 units, including 100 moderately priced units. Construction expected to start next year.
- 4 Artspace / Pai Partnership of national Artspace foundation and local Pai Foundation. 72 affordable units at 1025 Waimanu St. Project designed to give Native Hawaiian artists space to work and live. Proposed construction start in 2013.
- 5 Waihonua at Kewalo Luxury residential tower, built between two existing towers, with 345 units, including 64 moderately priced units across from the tower. Scheduled completion in 2015. A project of Kewalo Development, a subsidiary of A&B.

6 Kewalo Basin Harbor Add 100 slips

Kamehameha Schools

Kamehameha Schools parcels are marked in blue. Its master plan calls for seven residential towers built over 15 years, but details are not yet available. Here are already planned projects:

- A 680 Ala Moana, with 54 loft-style apartments, with rents from \$1,400 to \$1,600 a month, available starting this month or next.
- B Salt, a low-rise area of cafes, shops and open space.
- Market-priced residential condo tower, С with commercial units, at the site of AutoMart USA (formerly the CompUSA building). A&B Properties developing the site for landowner Kamehameha Schools. Construction expected to start in 2014.

Parks

- P1 Kamehameha Schools master plan
- P2 proposes a Green Belt to connect Mother Waldron Park (P1) to Gate-
- way Park (P2). P3 Planned upgrade to Waterfront Park Amphitheater to make it more usable
- for events that charge admission.
- P4 Planned hula mound

