KAKAʻAKO MAKAI

QUARTER 2 DELIVERABLES

JUNE 2015
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Executive Summary

This report represents the second set of deliverables, submitted by the Kuhikihi Pu’uone Collaborative. It includes four separate components, including a Market Analysis, Pae ‘Āina Meeting Summary, Draft Conceptual Land Use Scenarios, and a Draft Financial Assessment.

The Market Analysis provides an overview of site analysis, economic uses, market evaluation, the competitive environment, waterfront development case studies, and entertainment development alternatives. The Pae ‘Āina Meeting Summary provides an overview on the multiple community engagement efforts across Hawai’i and provide common themes that were evident throughout the process. The Draft Conceptual Land Use Scenarios includes 3 primary land use options, providing site plans and slightly modified alternatives for both. The Draft Financial Assessment includes preliminary market indications, market data, and a cultural facility business model.
The heart of the Market Analysis is found in Section I, within the Potential Economic Uses. The objective for this specific task was to identify the highest and best use(s) for the sites under prevailing and forecast market conditions and in consideration of their existing zoning and use restrictions. Included are neighboring developments including Howard Hughes Corp.’s Ward Village, Kamehameha Schools’ Our Kaka’ako, and the Blaisdell Center Redevelopment and how these planned developments will impact Kaka’ako Makai. The findings suggest considerable growth in the retail/commercial and residential sectors within Kaka’ako. There is a projected shortfall of almost 1.2 million square feet of Gross Leasable Area (retail/commercial) from 2021 – 2025 and a demand of over 1,600 residential units from 2021 – 2030.

The increased demand for residential and retail/commercial lends itself to support a thriving cultural destination that has been included as a key element within the master planning vision. Several strengths and challenges exist. Kaka’ako Makai is well situated with respect to planned residential development, proximity to Waikīkī and Ala Moana Shopping Center, and waterfront real estate. Limitations include multiple land uses and a lack of contiguous property ownership throughout Kaka’ako Makai.

The Pae ‘Āina Meeting Summary provides an insight into the opinions and sentiments of various individuals throughout the Pae ‘Āina. This Round 3 of Kaka’ako Makai Community Engagement consisted of 12 public meetings, 3 meetings with OHA staff and trustees, and 5 small-group & individual stakeholder meetings. In addition to these meetings, KKP and OHA established an online engagement forum which received 6,248 views. Education and Cultural Practices for Native Hawaiians were perhaps the most consistent themes repeated throughout the engagement process, followed closely by a Hawaiian Sense of Place, the inclusion of Native Hawaiian Landscaping, and Health Services geared towards the Native Hawaiian community.
The basis for the Draft Conceptual Land Use Scenarios is derived from the 3 main objectives: No residential, Residential, and Residential at a later date. Provided within this report are site plans and explanations of the proposed land use scenarios, along with slight variations that include residential components and a possible marina (expansion of Kewalo Harbor). The No-Residential scenario uses existing zoning, situated in an as-is state with no planned changes or modifications to the current OHA land portfolio. The Residential and Residential at a later date both include Ahui St. and a proposed grand plaza or marina. These components carry with them costs, be it loss of gross leasable area or actual construction and entitlement costs. However, the inclusion of these components result in the increase of land value for adjacent areas. KKP is continuing efforts and exploration of additional wrinkles to these three land use scenarios and will have a further defined vision for the August 31st submittal date.

The final component of this deliverable includes a Draft Financial Assessment which will determine the highest and best use potentials from a financial perspective both in their current condition and within a master planning context. The intention is to provide the OHA Trustees a comparative tool to assist the decision making process. An exercise covered in this report compares the estimated land values of “As-Is” and a master plan approach and the variations that may impact each respective alternative. The findings result in an estimated current land value for an as-is approach to be between $218M and $229M, with the addition of residential to Lots E and I, taking the estimated current value to $237M and $249M. Reviewing the findings with a master plan approach, including a newly constructed marina, the estimated current land values are between $269M and $293M, a substantial increase to the as-is, justifying the entitlement and construction exercises required in order to bring the proposed master plan land use vision to fruition.

We look forward to obtaining feedback on the included reports. It remains our goal to provide a comprehensive approach to Kaka’ako Makai with the unique skill set offered through KKP, OHA, and our respective consultant team members.
I. Market Analysis
General and Limiting Conditions

- Every reasonable effort has been made to ensure that the data contained in this report are accurate as of the date of this study; however, factors exist that are outside the control of AECOM and The Hallstrom Group and that may affect the estimates and/or projections noted herein. This study is based on estimates, assumptions and other information developed by AECOM and The Hallstrom Group from its independent research effort, general knowledge of the industry, and information provided by and consultations with the client and the client's representatives. No responsibility is assumed for inaccuracies in reporting by the client, the client’s agent and representatives, or any other data source used in preparing or presenting this study.

- This report is based on information that was current as of May 2015 and AECOM and The Hallstrom Group have not undertaken any update of its research effort since such date.

- Because future events and circumstances, many of which are not known as of the date of this study, may affect the estimates contained therein, no warranty or representation is made by AECOM and The Hallstrom Group that any of the projected values or results contained in this study will actually be achieved.

- Possession of this study does not carry with it the right of publication thereof or to use the name of “AECOM,” “The Hallstrom Group,” or “Economics Research Associates” in any manner without first obtaining the prior written consent of AECOM and The Hallstrom Group. No abstracting, excerpting or summarization of this study may be made without first obtaining the prior written consent of AECOM and The Hallstrom Group. Further, AECOM and The Hallstrom Group have served solely in the capacity of consultant and have not rendered any expert opinions. This report is not to be used in conjunction with any public or private offering of securities, debt, equity, or other similar purpose where it may be relied upon to any degree by any person other than the client, nor is any third party entitled to rely upon this report, without first obtaining the prior written consent of AECOM and The Hallstrom Group. This study may not be used for purposes other than that for which it is prepared or for which prior written consent has first been obtained from AECOM and The Hallstrom Group. Any changes made to the study, or any use of the study not specifically prescribed under agreement between the parties or otherwise expressly approved by AECOM and The Hallstrom Group, shall be at the sole risk of the party making such changes or adopting such use.

- This study is qualified in its entirety by, and should be considered in light of, these limitations, conditions and considerations.
MARKET STUDY OF POTENTIAL ECONOMIC USES

1.1 ASSIGNMENT

The Hallstrom Group/CBRE was retained to complete a series of market study and financial feasibility analyses as part of the Kuhikuhi Pu‘uone Collaborative effort to assist the Office of Hawaiian Affairs (OHA) in their master planning of 30.7 acres of lands at Kaka'ako Makai, Honolulu, Hawai‘i. The nine parcels were transferred to OHA in 2012.

The holdings are located along the shoreline and near-waterfront area of central Honolulu, adjacent to Kewalo Basin, mid-way between Downtown Honolulu and Waikīkī, in the Kaka'ako District, an in-transition neighborhood which is a focus of the current development up-cycle being experienced in Hawai‘i. Owing to their central location, accessibility, and makai-orientation, coupled with the scarcity of quality Honolulu building sites, the properties have wide-ranging use potentials.

The objective of our assignment was to identify the highest and best use(s) for the sites under prevailing and forecast market conditions and in consideration of their existing zoning/use restrictions or within potential master plan(s) being developed for the properties.

The study context was to analyze market dynamics for the most probable use-types from end-user, developer/investor and landowner perspectives within a long-term timeframe, concentrating on the 2015 to 2030 period in which the majority of the lands would be planned, developed and absorbed.

Our overall assignment is essentially a four-fold process:

1. Provide an overview of the “greater” Kaka‘ako market area’s population, economic, land use and development/investment trends at present and as forecast in coming decades.
2. Complete a market analysis of the potential uses of the OHA Kaka‘ako Makai lands in regard to existing and proposed supply and demand for building sites and finished inventory.
3. Determine the appropriateness of the OHA Kaka‘ako Makai lands for the use types identified as offering the most favorable marketability and highest underlying land values.
4. Construct a series of financial feasibility models quantifying the potential returns to the underlying OHA ownership associated with the various uses based on (a) sales comparison with similar sites being traded in the market and (b) residual analysis utilizing estimated scale/densities, construction costs, finished pricing and absorption, and other variables.

Items 1 through 3 are covered in this report.
This report contains the data and summary conclusions of the results of our study will be used by the Collaborative to assist in creating a master plan for the OHA Kaka‘ako Makai lands that not only achieves the cultural, educational and stewardship goals for the land, but also provides for the most favorable returns within a sustainable community framework. The results will additionally provide insight on the financial impacts associated with existing land use limitations versus seeking entitlements permitting wider ranging and more intense uses, such as residential uses.

To present the most comprehensive view of the potential for the properties, our study commenced with the assumption the OHA lands would be available for development with any legal urban use at competitive scales/densities apart from current land use conditions; a "maximal" perspective. Alternatively, we are also analyzing the holdings based on the in-place zoning and other limitations (including "no residential" scenarios); or "minimal" perspectives.

Among other issues being considered during each step of analysis are the probable timing of OHA site development and the relationship to economic cycles and construction of competing supply and the impact of land tenure (fee simple or leasehold) on use and marketability.

Our assignment can be summarized as follows.

- **Study Objective:** Identify the highest and best use of the OHA Kaka‘ako Makai lands under existing zoning/use restriction and within potential master plan(s).
- **Study Context:** Analyze the market from end-user, developer and landowner perspective, acknowledging OHA would be initially in the landowner position.
- **Time Frame:** Long-term, but focused on the 2015 through 2030 period in which the majority of the lands would be planned, developed and absorbed. It was assumed the timing of planning, entitlement, construction and absorption would be:

  **2015-2016**  Master Planning and Entitlement
  **2017**  Site Preparation and Infrastructure
  **2018-2019**  Initial Construction and Pre-Sale/Pre-Leasing
  **2020-2030**  Build-Out, Absorption and Operation Ramp-Up

**Uses Considered**
- Commercial (Retail/Restaurant)
- Residential (Multifamily, all price points)
- Hospitality (Hotel and Timeshare)
- Office (General/Standard and Medical)
- Industrial
Aspects Analyzed

- Demand (Macro and Specific)
- Supply (Existing and Proposed)
- Pricing and Absorption
- Investor/Development Interest
- Appropriateness of the Subject Site(s) for Each Use Type
- Recent Honolulu Land Transactions of Each Use Type

1.2 SUMMARY OF SUBJECT ABSORPTION ESTIMATES

1.2.1 Commercial Space (Retail/Restaurant)

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand (1)</th>
<th>OHA Kakaako Properties</th>
<th>Free-Standing</th>
<th>Within Master Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Square Feet</td>
<td>% of Mkt.</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>207,443</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>207,443</td>
<td>Master Planning &amp; Entitlements</td>
<td>70,000</td>
<td>33.7%</td>
</tr>
<tr>
<td>2021-2025</td>
<td>1,056,845</td>
<td>Site Preparation &amp; Infrastructure</td>
<td>175,000</td>
<td>16.6%</td>
</tr>
<tr>
<td>2026-2030</td>
<td>1,072,698</td>
<td>Initial Construction and Pre-Leasing</td>
<td>180,000</td>
<td>16.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,544,429</strong></td>
<td><strong>425,000</strong></td>
<td><strong>16.7%</strong></td>
<td><strong>645,000</strong></td>
</tr>
</tbody>
</table>

(1) Projected mid-point of Kakaako-Waikiki Corridor during period in sq. ft.
(2) Percent of regional market during two-year period 2019 (pre-leasing) and 2020 (opening year).

Source: The Hallstrom Group/CBRE
1.2.2 Residential Units

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Units</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand for Subject Units</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Upper-Market Luxury</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>250</td>
<td>20.0%</td>
<td>50</td>
</tr>
<tr>
<td>2020</td>
<td>250</td>
<td>20.0%</td>
<td>50</td>
</tr>
<tr>
<td>2021-2025</td>
<td>1,250</td>
<td>20.0%</td>
<td>250</td>
</tr>
<tr>
<td>2026-2030</td>
<td>1,250</td>
<td>20.0%</td>
<td>250</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>3,000</strong></td>
<td></td>
<td><strong>600</strong></td>
</tr>
<tr>
<td><strong>Low to Mid-Market</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>350</td>
<td>15.0%</td>
<td>53</td>
</tr>
<tr>
<td>2020</td>
<td>350</td>
<td>15.0%</td>
<td>53</td>
</tr>
<tr>
<td>2021-2025</td>
<td>1,750</td>
<td>15.0%</td>
<td>263</td>
</tr>
<tr>
<td>2026-2030</td>
<td>1,750</td>
<td>15.0%</td>
<td>263</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>4,200</strong></td>
<td></td>
<td><strong>630</strong></td>
</tr>
<tr>
<td><strong>Affordable/Reserve</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>400</td>
<td>15.0%</td>
<td>60</td>
</tr>
<tr>
<td>2020</td>
<td>400</td>
<td>15.0%</td>
<td>60</td>
</tr>
<tr>
<td>2021-2025</td>
<td>2,000</td>
<td>15.0%</td>
<td>300</td>
</tr>
<tr>
<td>2026-2030</td>
<td>2,000</td>
<td>15.0%</td>
<td>300</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>4,800</strong></td>
<td></td>
<td><strong>720</strong></td>
</tr>
</tbody>
</table>

Source: The Hallstrom Group/CBRE
### 1.2.3 Hospitality

#### POTENTIAL DEMAND FOR HOSPITALITY UNITS ON KAKAAKO MAKAI

**ASSUMING INITIAL PRODUCT OPENING IN 2020**

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Units</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand For Subject Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>1,007</td>
<td>20.0%</td>
<td>201</td>
</tr>
<tr>
<td>2021-2025</td>
<td>2,443</td>
<td>20.0%</td>
<td>489</td>
</tr>
<tr>
<td>2026-2030</td>
<td>2,000</td>
<td>20.0%</td>
<td>400</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>5,450</strong></td>
<td></td>
<td><strong>1,090</strong></td>
</tr>
</tbody>
</table>

Source: The Hallstrom Group/CBRE

### 1.2.4 Medical Office

#### POTENTIAL DEMAND FOR MEDICAL OFFICE SPACE ON KAKAAKO MAKAI

**ASSUMING INITIAL PRODUCT PRE-LEASING IN 2019 IN SQUARE FEET**

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Sq. Ft.</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand For Subject Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>55,000</td>
<td>15.0%</td>
<td>8,250</td>
</tr>
<tr>
<td>2020</td>
<td>55,000</td>
<td>15.0%</td>
<td>8,250</td>
</tr>
<tr>
<td>2021-2025</td>
<td>275,000</td>
<td>15.0%</td>
<td>41,250</td>
</tr>
<tr>
<td>2026-2030</td>
<td>275,000</td>
<td>15.0%</td>
<td>41,250</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>605,000</strong></td>
<td></td>
<td><strong>90,750</strong></td>
</tr>
</tbody>
</table>

Source: The Hallstrom Group/CBRE
1.2.5 Industrial

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Sq. Ft.</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand For Subject Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>100,000</td>
<td>25.0%</td>
<td>25,000</td>
</tr>
<tr>
<td>2020</td>
<td>100,000</td>
<td>25.0%</td>
<td>25,000</td>
</tr>
<tr>
<td>2021-2025</td>
<td>500,000</td>
<td>25.0%</td>
<td>125,000</td>
</tr>
<tr>
<td>2026-2030</td>
<td>500,000</td>
<td>25.0%</td>
<td>125,000</td>
</tr>
<tr>
<td>Totals</td>
<td><strong>1,100,000</strong></td>
<td></td>
<td><strong>275,000</strong></td>
</tr>
</tbody>
</table>

Source: The Hallstrom Group/CBRE
1.3 THE Kakaʻako MARKET

1.3.1 Overview

Kakaʻako has emerged as the primary focus of new development in the State of Hawai‘i during the on-going economic up-cycle. While many areas in the islands are also experiencing major expansion, none compare to Kakaʻako in regard to scale, number of under-construction and proposed projects, level of capital investment, and transformative impact. The centrally-located Honolulu district is rapidly evolving from its industrial roots into the modern, residential and commercial-oriented urban neighborhood which has been envisioned for a generation but only now is beginning to broadly achieve long-term objectives.

As shown on the map below, significant portions of the district are in-development or being master planned either as individual projects or under the guidance of major area landowners such as Kamehameha Schools, Howard Hughes (Ward Village), the Hawai‘i Community Development Authority (HCDA), the City & County of Honolulu, and the Office of Hawaiian Affairs. Areas adjacent to Kakaʻako, along Kapiolani Boulevard and Ala Moana Center, are experiencing similar growth, with much of the construction thus far tending towards the upper-end of the market.
The multi-billion dollars of on-going and planned long-term investment will potentially add upwards of 10,000 high-rise condominium and apartment units, between one and two million square feet of commercial floor area, and new/enhanced public spaces. The efforts by private and public landowners will be further supplemented by the new rail line which will bisect the district and the proposed upgrading of Ala Moana Beach Park and Kaka'ako Waterfront Park. The development is anticipated to provide a broad spectrum of new inventory, with housing units ranging from low income to ultra-luxury and retail and restaurants oriented toward neighborhood, destination and visitor patrons, all within a sustainable “live, work, play” community.

It is anticipated that within two decades (by 2035), Kaka'ako will be home to more than 32,000 residents, about three times the count at the 2010 census, attracted by the availability of housing; easy access to employment centers, services, activities; and minimized commuting times. Households are forecast to be meaningfully smaller, older, and with higher incomes than islandwide averages.

The on-going “boom” in Kaka'ako is creating new opportunities for real estate uses, investment, and returns/profits, which could be enhanced with the implementation of Transit-Oriented Development and potential rezoning strategies.

The demand for and prices of building sites are strong and the availability of supply outside of the major landownerships are limited. Under-construction and proposed condominium units are being rapidly reserved upon offering, many at all-time high prices for Hawai‘i, although demand has been strong across all pricing levels. Among the upscale projects, about half the buyers are off-shore purchasers, while those oriented toward market-priced and affordable units have been rapidly absorbed by local families with many having extended waiting lists.

While the cyclical nature of the Hawai‘i/O‘ahu economy will periodically impact the pace of development in the district, a market inertia and critical mass is being reached which will insure Kaka'ako remains at the forefront of Honolulu real estate demand and supply for coming generations.

Given this favorable market context, there is fundamental support for additional development in Kaka'ako, with makai-oriented sites having solid access/frontage and linkages to existing and proposed residential projects providing the optimum opportunities. The subject OHA Kaka’ako Makai sites possess these traits. The properties have a central location, extensive water frontage (harbor and shoreline), offer expansive panoramas, and are nearby major under-construction and proposed projects.

In many respects, from commercial (retail/restaurant), residential (high-rise condominium) and hospitality (hotel and timeshare) use perspectives, the OHA holdings are superior to the mauka lands in the district that are the emphasis of the current construction and planning efforts and
could potentially: support a highly-competitive and profitable master planned project(s); capture a reasonable market share regardless of the other inventory being built; and offer favorable returns to the underlying land. However, a charged community/political environment could pose obstacles to maximizing the densities, building heights and envelopes of the properties.

The Kaka’ako District is strategically situated between Honolulu’s Central Business District and Waikīkī. For many years, it has been a service commercial and light industrial area. Commercial uses were concentrated along the major thoroughfares, while industrial uses occupied interior sites. Major landownership is controlled by four entities—Howard Hughes Corporation, Kamehameha Schools, the State of Hawai‘i and OHA.

Recognizing the under-utilization of certain urban communities, the 1976 Legislature created the Hawai‘i Community Development Authority (HCDA or Authority) to plan and implement programs for areas designated as community development districts by the Legislature. The Kaka’ako Community Development District Plan (KCDDP) is the Authority’s first product. Based on a mixed use concept with three major zones, each with a different emphasis on residential, commercial, and industrial uses, the plan was intended to guide the future development of this district.
Effective February 27, 1982, with subsequent amendments, KCDDP supersedes the city's General Plan, Land Use Ordinance, and the previous Kaka‘ako Special Design District. As an integral part of implementing the plan, the authority developed the Kaka‘ako Community Development Rules for the district. Within these rules, the district has been divided into the "Mauka Area" and the "Makai Area."

The Mauka Area is south of King Street to Ala Moana Boulevard, bounded by Piikoi Street to the east and Punchbowl Street to the west. The Makai Area encompasses lands makai of Ala Moana Boulevard to the waterfront from Ala Moana Park (east) to Aloha Tower (west). Each area is governed by its own rules and plans for development. The subject properties are situated within the boundaries of the Makai Area.

The KCDDP, administered by the HCDA in conjunction with the City and County of Honolulu, oversees Kaka‘ako’s future development towards a denser concentration of residences, commerce, and light industrial along with supportive public facilities. Residential population and employment are expected to increase substantially within the next 30 years of regulated development.

The existing infrastructure system in the Kaka‘ako District was determined by state planners to be adequate to support new development along major roadways and perimeter of the district. However, infrastructure along interior roadways is older and less capable of accommodating new development and consists of overhead utility lines; no curbs, gutters, or sidewalks; and certain areas often flood during heavy rainfall due to inadequate drainage.

Ala Moana Boulevard is a prominent commercial strip that runs between Honolulu’s Central Business District and Waikīkī. Commercial properties fronting Ala Moana Boulevard provide both retail and office space, in addition to several high-rise luxury condominium projects.

With the exception of the Aloha Tower Marketplace and 677 Ala Moana office building, most of the land makai of Ala Moana Boulevard is still improved with older industrial/service commercial steel and masonry warehouses. As part of its effort to revitalize Kaka‘ako, HCDA has made progress in resurfacing, extending, and widening interior roads, and the development of a six-acre Makai Gateway Park, the Children’s Discovery Center, the Kaka‘ako Waterfront Park, and the University of Hawai‘i John A. Burns School of Medicine.

The mauka side of Ala Moana provides a greater density of commercial uses that include Restaurant Row; One Waterfront Towers; the under-construction “The Collection” condominium; Ward Centre; Ward Warehouse; Ward Entertainment Centre; IBM Building; Office Depot; and the 924 Ala Moana office complex.
1.3.2 Non-OHA Major Kaka’ako Redevelopment Plans

1.3.2.1 Howard Hughes Corporation

Chicago-based General Growth Properties Inc. (“GGP”), the second largest owner of malls in the United States, acquired an interest in Victoria Ward Limited’s 60-acre land holdings in Kaka’ako in 2002. On April 3, 2008, GGP proposed a master plan for its land holdings in Kaka’ako Mauka to the HCDA. The Wall Street financial crisis in 2008 led GGP into bankruptcy after being unable to refinance its corporate debt. By the end of the year, GGP emerged from bankruptcy by splitting itself into two separate publicly traded corporations. The new GGP retained management of stable income-producing properties (including Ala Moana Center) and remains the nation’s second largest shopping mall owner and operator, with about 185 regional malls in 43 states; while the spin-off company, Howard Hughes Corporation, acquired the management of a portfolio consisting of GGP’s Master Planned Communities, among which is the former Victoria Ward Limited Kaka’ako lands, now known as the Ward Village or Ward Centers.

The Ward Neighborhood Master Plan (WNMP) was approved on January 14, 2009, opening the door for a significant redevelopment of the Kaka’ako district. The plan facilitates replacement or complete remodeling of the district’s southeast quadrant. The Ward Neighborhood is conveniently located in close proximity to downtown Honolulu, Ala Moana Beach Park, Waterfront Regional Park and Ala Moana Center. It is further enhanced by its close proximity to Kamehameha Schools’ lands on the ewa side, which are also envisioned as a major long-term mixed-used redevelopment project. These combined proposed developments serve to seamlessly link the Central Business District (CBD) of Downtown Honolulu, with Ala Moana and Waikiki.

Howard Hughes Corporation holdings consist of 15 development blocks, and a number of separate parcels generally bordered by Queen and Halekauwila Streets (mauka side), Queen Street on the diamond head end, Koula Street and Ohe Lane on the ewa side, and Ala Moana Boulevard on the makai side. The map below identifies the 60-acre land portfolio of Howard Hughes Corporation (shaded in blue) within the Kaka’ako district.

The master plan indicates that all structures in the area are earmarked for redevelopment, including Ward Warehouse,
Ward Centre, and the IBM Building. An example of the progress toward its fulfillment is the Ward Village Shops and abutting 724-stall parking garage containing T.J. Maxx and Pier 1 Imports, and Nordstrom Rack, and the ongoing construction of the Waiea and Anaha luxury residential condominium projects.

Proposed for a 20-year build-out, the WNMP will add 7.6 million square feet in residential development to Kaka'ako, thus creating a community that will be 80 percent residential, providing about 4,300 new residential units spread among 20 buildings. The towers, ranging from circa 100 to 400 feet in height, are predominantly planned for mauka-makai orientations capitalizing on view planes. Seven proposed towers will be located along Ala Moana Boulevard. Under current HCDA rules, 20 percent of residential units, or around 860 units, will be reserved/affordable housing that will be available for purchase at moderate prices for families whose annual income is between 100-140 percent of Honolulu’s annual median income. The proposed plan could achieve an overall floor area ratio of 3.8.

The planned residential mix will be composed of lofts, townhouses, low, mid and high-rise units that will be offered at a spectrum of prices during different phases of the redevelopment.
The residential segment of the neighborhood will be supported by retail, commercial and office uses along with open space and cultural amenities. Retail activity will continue to be a major dominant aspect of the area, and will include shopping, dining, entertainment and services. Additionally, low-, mid- and high-rise office space will accommodate the needs of businesses envisioned in the neighborhood. At full development, the WNMP will have four million square feet of commercial and office space. The plan also potentially quadruples the industrial floor area of the neighborhood with a minimum of 740,000 square feet for industrial use. A central plaza will accommodate live performances, concerts and entertainment.

Open space will account for at least ten percent of the land area of the Ward Neighborhood and will be some of the first lands developed. This equates to around 245,000 square feet that are planned to provide the proposed residential, retail and office buildings with appropriate public areas already in place. All open space land will continue to be privately owned by Howard Hughes Corporation.

As shown, Central Plaza, Ewa Plaza and Diamond Head Plaza will provide around five acres of space for public use and will be intersected by Auahi Street, establishing the street as a regional pedestrian promenade.

To improve the transportation system of the neighborhood, the WNMP will close portions of Ahui, Kamani and Auahi Streets and will create new streets. Pedestrian and bike path networks are intended to help reduce reliance on private automobiles and promote cycling, walking and the usage of public transportation aided by a high capacity transit station proposed to be on the current site of the Ross Store and at a maximum of a 10-minute walking distance from anywhere in the neighborhood. The transportation system will be supported by at least 9,600 parking stalls within the 60-acre neighborhood.
In August of 2013, HCDA approved the first high-rise project under the plan comprising a 400-foot mixed-used condominium tower to be built at 404 Ward Avenue. The project will provide 25,110 square feet of commercial area, 487,287 square feet of residential area and 35,329 square feet of recreation space with 424 dwelling units including affordable units. The project will be served by about 560 off-street parking stalls.

The WNMP will favorably stimulate the economy during the course of implementation. It is anticipated that around $300 million will be invested in infrastructure improvements. The overall project is envisioned to create around 17,500 on-site construction jobs, and 16,500 off-site construction jobs. The initial estimation also suggests that at completion, the WNMP will create 7,800 full-time professional and service jobs with a $345 million annual payroll. Howard Hughes Corporation has 15 years, from January 2009, under current HCDA rules; any incomplete portions of the plan will be subject to future rule changes.

1.3.2.2 Kamehameha Schools

Kamehameha Schools (KS), a major private landowner in the State of Hawai‘i, owns circa 50 acres of land within the 600-acre Kaka'ako district. The KS properties are situated on both the mauka and makai portions of the ewa side of the district.

On November 26, 2008, KS submitted an application to the HCDA, requesting approval of the Kaiaulu o’ Kaka’ako Master Plan (KKMP), which proposes redevelopment of a portion of its property holdings in the mauka area of the district during a 15-year period. The nine land blocks that are proposed for redevelopment comprise 29 acres, and are identified as Land Blocks A through I (shaded in purple) in the map below. Properties shaded in green are not proposed for redevelopment as part of the original master plan and the makai land holdings (shaded in orange) are being considered for high technology and life science uses, but are also not part of the 2008 application.

The vision of the KKMP is to create "a progressive, twenty-first century living community that will act as a catalyst for innovation and nurture the evolution of a vibrant urban-island culture within a beautiful neighborhood that is healthy and sustainable." Auahi Street will become the main retail street, and Cooke Street will connect the Mother Waldron and Gateway parks, thus linking the neighborhood, with a large public plaza to host cultural activities and social events.

The KKMP encompasses a mixed-used community offering a variety of housing types and price brackets. The development will be supported by small business, open spaces and community gathering areas. Low-rise apartment buildings will be integrated with commercial spaces. High-rise towers will be strategically positioned to preserve view corridors.

The KKMP anticipates providing around 2,750 dwelling units in the form of lofts, townhouses and condominiums, 20 percent of which will be reserved housing units. Commercial spaces, including retail and office units are estimated to account for about 2.1 million square feet. Open space,
totaling 126,000 square feet and 140,000 square feet for public facilities as well as 4,850 parking stalls and 126,000 square feet of industrial space are planned. On March 23, 2009, HCDA approved the KKMP.

Under the KKMP, the nine blocks that comprise the 29.02 acres owned by KS can be developed with a maximum buildable floor area of about 4,426,197 Square feet, indicating an FAR of about 3.50. The development parameters by block, updated as of January 9, 2014, are summarized as follows:

<table>
<thead>
<tr>
<th>Land Block</th>
<th>Land area (sq ft)</th>
<th>Buildable floor area (sq ft)</th>
<th>FAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>183,501</td>
<td>733,799</td>
<td>4.00</td>
</tr>
<tr>
<td>B</td>
<td>122,569</td>
<td>229,382</td>
<td>1.87</td>
</tr>
<tr>
<td>C</td>
<td>159,493</td>
<td>630,688</td>
<td>4.01</td>
</tr>
<tr>
<td>D</td>
<td>182,510</td>
<td>282,801</td>
<td>1.55</td>
</tr>
<tr>
<td>E</td>
<td>144,635</td>
<td>614,609</td>
<td>4.25</td>
</tr>
<tr>
<td>F</td>
<td>125,232</td>
<td>511,451</td>
<td>4.07</td>
</tr>
<tr>
<td>G</td>
<td>105,223</td>
<td>431,414</td>
<td>4.07</td>
</tr>
<tr>
<td>H</td>
<td>91,359</td>
<td>365,356</td>
<td>4.00</td>
</tr>
<tr>
<td>I</td>
<td>150,126</td>
<td>613,517</td>
<td>4.10</td>
</tr>
<tr>
<td>Total</td>
<td>1,284,628</td>
<td>4,426,197</td>
<td>3.50</td>
</tr>
</tbody>
</table>

The initial phase of the redevelopment plan that had its official groundbreaking in November 2011 includes Blocks A, B and E, and will serve to link Kaka’ako with the adjacent government and business center of downtown Honolulu.

The first undertaking is the conversion of two commercial buildings at 660 and 680 Ala Moana Boulevard to residential apartments. During the next five to seven years $18 million will be invested on this project that has already commenced.
In August of 2013, the first two pieces of the initial phase of the redevelopment were approved by HCDA, they include the projects "The Collection" and "Salt". Local developer Alexander & Baldwin will build The Collection at the former CompUSA site. The complex will be comprised of a 43-story tower and low-rise buildings providing 397 condo units along with retail and restaurant space. The Collection complex will also be served by a 914-stall parking garage. A proposed commercial complex known as the Salt will include a parking garage located one block Diamondhead of The Collection that will provide space for up to 50 retail and restaurant tenants and will be created primarily by renovating old buildings on the site.

Timing and details for future phases of the redevelopment have yet to be determined and will be influenced by economic and market conditions as well as by the overall progress of the initial phase.
1.3.2.3 Blaisdell Center Redevelopment

The City & County of Honolulu is currently preparing master plans for the redevelopment of the 22.4 acre Neil S. Blaisdell Center site located at Kapiolani Boulevard and Ward Avenue in the mauka area of Kaka‘ako. The well-located holding is currently improved with public facilities including an arena, exhibition hall, concert hall, meeting rooms and a parking structure, most of which were built in 1964 and are facing increasing maintenance and renovation needs.

Several proposals were initially forwarded for the site ranging from the construction of new public performance facilities/attractions, increased open space, to mixed public and private uses.

A team was assembled earlier this year to develop a master plan in conjunction with community input. Preliminary results are not anticipated until September/October. Reports are the team is exploring a project which will be a mixed public and private concept; with the private uses (residential and commercial) subsidizing revitalized public facilities within a transit-oriented development.
The advent of the Honolulu Rail Transit project warranted refinement of the Kaka‘ako redevelopment plans to capitalize on the benefits that such an undertaking can bring to Kaka‘ako. Such refinement came in the form of the TOD Overlay Plan which draft was released in May of 2013. The new plan does not intend to replace or supersede the already existing development plans and rules approved for the area but rather to serve as an overlay or supplement to aid maximize the benefits of the Honolulu Rail Transit project.

The overlay plan seeks to allocate more residents and commercial enterprises by developing an array of taller towers as well as pedestrian and bike paths in close proximity to the two rail stations that are planned for the area. The plan also provides for a limited number of hotels to be located in Kaka‘ako and addresses issues related to the current highly-used bus transportation system. Areas of Kaka‘ako that provide the highest potential for redevelopment are considered such as buildings and parking lots that have completed their expected useful life.

Under the overlay plan, a limited number of 550-foot towers and up to three 700-foot towers would be allowed. The plan intends to collaborate with the Honolulu Rail Transit project to create a community that can provide all that residents need such as housing, employment and public transportation within close proximity to achieve a neighborhood less dependent of private transportation, while providing venues and opportunities to walk, bike and use of convenient public transportation.
1.4 COMMERICAL RETAIL/RESTAURANT MARKET ANALYSIS

The O‘ahu commercial/retail market contains more than 13.6 million square feet in major centers (excluding in-hotel spaces) and has moved into a strong growth period in recent months. There is an estimated 2.3 million square feet in Kaka‘ako in addition to the some 2.7 million square feet of space at Ala Moana Center once the on-going expansion is completed.

There are several sub-sectors in the market which would be appropriate uses to consider on the OHA Kaka‘ako Makai lots:

- **Visitor oriented** - a wide-variety of boutique, specialty, international brand, craft and other stores competing for tourism shopping dollars.
- **Neighborhood stores** - focused on serving the growing number of Kaka‘ako residents in a community currently lacking in stores serving local households.
- **Destination uses** - such as restaurants and specialty/themed projects, which attract a mix of visitors and residents.

The Hawai‘i retail market is generally within an up-cycle period as development and redevelopment projects on O‘ahu, and throughout the State, show strong activity in desirable locations. National tenants continue their expansion into prime spaces throughout central Honolulu and there are increasing numbers of local entrepreneurs and small businesses seeking Kaka‘ako/Ala Moana opportunities for start-up or expansion opportunities. Retail fundamentals are expected to further strengthen as new projects in the pipeline are delivered in the near to mid-term.

While there has been some near-term slowing in sales at the upper-end/luxury stores of Waikīkī and Ala Moana resulting from the fluctuation in exchange rates of the Japanese yen and Australian dollar relative to US currency, rates appear to be stabilizing and total visitor retail spending on O‘ahu is forecast to show gains in 2015 over last year.

Rents for new/prime spaces have well-recovered from the recession, ranging from over $4 per square foot in neighborhood/destination centers to upwards of $40 per square foot along Kalakaua Avenue in Waikīkī, often with additional percentage rents that can reach as high as 16 percent of sales volumes. These levels are sufficient to support the escalating costs of development and provide for meaningful returns to the underlying sites.

There will be significant additions to the retail/restaurant and service commercial inventory in Kaka‘ako over the mid to long-term much within the ground/lower floors of the numerous proposed residential and mixed-use towers being built and proposed. However, there will be "loss" of space as well from the redevelopment of Ward Warehouse to residential use, impacts from the rail takings, and other conversions.
The OHA Kaka’ako Makai lands would provide a competitive location for these commercial uses, particularly for visitor-oriented and destination types, as evidenced in the Ward Village projects on the mauka side of Ala Moana Avenue and at 53 By the Sea. Retail and restaurant tenants would also be a major part of the ground level podium structures for any mixed-use developments having other uses on the above-ground floors.

Developing sufficient synergy/critical mass, an appropriate tenant mix or theme, along with adequate parking and access is essential for the project. While fee simple sites are preferred by developers, leasehold commercial development is common in Honolulu.

1.4.1 Subject Property Demand Analysis

We have analyzed the potential demand for Food & Beverage and retail uses of the subject properties on a free-standing basis or as components within a master plan from two perspectives:

- **Macro Basis** — according to the overall context of the O‘ahu retail/F&B sector, at present with its current vitality and as anticipated over the near to mid-term, as reflected in market fundamentals such as patronage (resident and visitor) and sales volumes.

- **Micro Basis** — according to the dynamics of the specific segments in which the probable subject inventory will compete, the makai-oriented retail and restaurant corridor stretching from Waikiki to Downtown Honolulu.

For both perspectives we have focused on the period from 2015 (current date) to 2030. This is when the proposed OHA Kaka’ako Makai projects would be entitled/designed, constructed, be absorbed, and ramp-up operations to stabilization.

We have estimated the demand for additional retail and restaurant space in the general (O‘ahu) market and in the specific (Kaka’ako/Waikiki) sector for these periods. The results of our demand analysis were then compared to the available and proposed supply analysis.

To the extent there is demand for space in excess of proposed supply, there is a quantitative support for the F&B and retail development of the OHA sites on a macro basis. If the sites have the characteristics necessary to capture a favorable market share (due to scarcity or desirability) there is qualitative support on a micro basis.

1.4.2 Macro (General) Demand Analysis

On a macro, or general, basis demand for the subject will be a function of the status of the anticipated patronage segments of the tenant businesses within the project(s). If these segments are growing in size (numbers of persons) and expanding their spending habits (number of dollars) a favorable environment for the project is established, and assuming it offers competitive and desirable product should achieve reasonable absorption and sales levels.
From a macro perspective, the primary patrons for the any Kaka’ako Makai commercial development would be:
1. Residents of O’ahu and the Kaka’ako District; and,
2. O’ahu Visitors.

The table below identifies the current and projected resident populations of the island and Kaka’ako during the study period. While O’ahu population is anticipated to achieve a steady but limited expansion over the next decade, the Kaka’ako population will double, making it one of the fastest growing areas in the State.

We note, the Kaka’ako figures reflect only full-time residents, and there will be substantial off-shore, second-home owners additionally contributing to the in-district patronage.

The 12,500 new residents in Kaka’ako, in conjunction with the up to 1,000 off-shore persons contributing to the average daily de facto population, will create direct demand for some 337,500 square feet of new retail and restaurant space assuming a per capita spatial demand of 25 square feet per person (which is the current per capita supply of all retail and F&B floor space on the island). Virtually all of this additional demand should be captured within the Kaka’ako/Ala Moana area. On a maximum basis of 38 square feet per person, which would be more typical for a fully mature market the size of Honolulu, the total spatial demand created would reach over one-half million square feet of gross floor space.

| PROJECTED RESIDENT POPULATION POPULATION OF OAHU AND KAKAAKO DISTRICT |
|--------------------------------------------------|-----------------|-----------------|------------------|
| Year                                             | 2015            | 2020            | 2025             |
| **City & County of Honolulu**                    |                 |                 |                  |
| Projected Resident Population                     | 1,016,800       | 1,043,900       | 1,070,100        |
| Percent Annual Change                             | 0.5%            | 0.5%            |                  |
| **Kakaako District**                              |                 |                 |                  |
| Projected Resident Population                     | 12,500          | 19,000          | 25,000           |
| Percent Annual Change                             | 8.7%            | 5.6%            |                  |
| Percent of County Total                           | 1.2%            | 1.8%            | 2.3%             |

Extrapolated from State of Hawaii DBEDT 2040 Series and City & County of Honolulu 2008 Socioeconomic Projections, and The Hallstrom Group/CBRE.
The average daily O‘ahu visitor census is also forecast to climb meaningfully over the coming ten years, as shown below, expanding by circa 20 percent from current levels by 2025 if sufficient lodging is available.

These figures reflect the moderation of recent forecasts made by the Department of Business, Economic Development and Tourism (DBEDT) and the University of Hawai‘i Economic Research Organization UHERO, and are significantly below the 5.05 percent compounded annual rate of visitor arrivals expansion during the previous five years (2010 through 2015).

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Average Daily Population</td>
<td>98,186</td>
<td>108,405</td>
<td>118,519</td>
</tr>
<tr>
<td>Percent Annual Change</td>
<td>2.0%</td>
<td>1.8%</td>
<td></td>
</tr>
<tr>
<td>Projected Total Annual Expenditures</td>
<td>$6,896,215,000</td>
<td>$7,994,603,000</td>
<td>$9,001,123,000</td>
</tr>
<tr>
<td>Percent Annual Change</td>
<td>3.0%</td>
<td>2.4%</td>
<td></td>
</tr>
</tbody>
</table>


Although visitor spending on O‘ahu has been buffeted in the past two years (2013-14) due to the strengthening of the dollar relative to the Japanese yen and Australian dollar, the trend appears to be stabilizing based on recent indicators, and moderate expansion in visitor spending is anticipated over the near to mid-term.

Even with the recent instability in these two specific demographic sectors, visitor spending increased at a rate of 7.16 percent compounded annually in the five full years from 2009.

All primary factors contributing to demand are in favorable alignment and indicative of a continuing general up-cycle, even if subdued relative to the major post-recessionary gains.

Based on the anticipated expansion of the resident and visitor de facto population and spending levels, we have developed a model estimating the demand for additional in-center and big box retail and restaurant gross floor area on O‘ahu over the 2015 through 2025 projection period.

The results from the model are summarized in the following chart. We forecast a macro demand for just over two million square feet of gross leasable floor area during each period, or a total of 4.1 million square feet by 2025.
Based on recent population and spending trends, we anticipate that approximately 48 to 55 percent of near to mid-term demand for additional commercial space on O'ahu will be directed towards the Kaka'ako to Waikīkī corridor encompassing the subject.

### 1.4.3 Micro (Specific) Demand Analysis

On a micro, or specific, basis demand for the subject can be analyzed as a function of the strength of demand for the existing competitive inventory in the makai-oriented Kaka'ako-Waikīkī corridor, and using available data points on potential patronage populations and other available market insights.

The projected expansion of the Kaka'ako District population, anticipated to double within the next decade, and the growth of the O'ahu visitor population (which is strongly focused in Waikīkī), anticipated to increase by 20 percent, were discussed foregoing. Each of these groups, within the context of the overall O'ahu market, is also a specific (or micro) subject sector indicator.

A third specific patronage indicator can be taken from the attendance counts at Ala Moana Beach Park, adjacent to Kewalo Basin and less than one-half mile from the heart of the OHA lands, from which significant numbers of subject patrons could be drawn; particularly for any on-water F&B components. An objective of any Kaka'ako Makai master plan would be to attract park-goers.
(residents and visitors). At present, F&B opportunities are extremely limited in the Park and there are no retail or service opportunities. This represents a large untapped potential market and also quantifies the numbers of individuals in the effective market area and their trending over time.

The table below summarizes Park attendance over the past several decades. Although subject to periodic downturns during poor weather years, the number of visitors has steadily increased since the turn of the century, growing at a compounded rate of 3.41 percent annually.

<table>
<thead>
<tr>
<th></th>
<th>Total Attendance (1)</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Percent</td>
</tr>
<tr>
<td>2014</td>
<td>2,697,657</td>
<td>2.5%</td>
</tr>
<tr>
<td>2013</td>
<td>2,631,860</td>
<td>7.4%</td>
</tr>
<tr>
<td>2012</td>
<td>2,450,863</td>
<td>-7.1%</td>
</tr>
<tr>
<td>2011</td>
<td>2,637,353</td>
<td>7.7%</td>
</tr>
<tr>
<td>2010</td>
<td>2,449,634</td>
<td>1.5%</td>
</tr>
<tr>
<td>2009</td>
<td>2,414,038</td>
<td>13.6%</td>
</tr>
<tr>
<td>2008</td>
<td>2,125,493</td>
<td>24.3%</td>
</tr>
<tr>
<td>2007</td>
<td>1,710,509</td>
<td>38.0%</td>
</tr>
<tr>
<td>2006</td>
<td>1,239,616</td>
<td>-27.5%</td>
</tr>
<tr>
<td>2005</td>
<td>1,708,992</td>
<td>11.4%</td>
</tr>
<tr>
<td>2004</td>
<td>1,534,223</td>
<td>-14.4%</td>
</tr>
<tr>
<td>2003</td>
<td>1,791,399</td>
<td>2.0%</td>
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<td>2002</td>
<td>1,756,022</td>
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</tr>
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<td>2001</td>
<td>1,827,371</td>
<td>4.8%</td>
</tr>
<tr>
<td>2000</td>
<td>1,743,915</td>
<td>5.2%</td>
</tr>
<tr>
<td>1995</td>
<td>1,353,530</td>
<td>-2.1%</td>
</tr>
<tr>
<td>1990</td>
<td>1,495,693</td>
<td>-2.6%</td>
</tr>
<tr>
<td>1985</td>
<td>1,708,000</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Note: Major downturns in 2004 and 2006 correspond to exceptionally high rainfall during those years; among highest in Honolulu since 1960.

(1) Attendance is based on headcounts taken 3 times by Water Safety Officers over an 8-hour work day.
(2) Estimated year-end figure.
(3) Compounded annual growth rate over five-year period.

Source: City and County of Honolulu, Emergency Services Department, Ocean Safety & Lifeguard Services Division, records, and The Hallstrom Group/CBRE.
Another micro analytic is the vacancy rate of retail and restaurant spaces in the directly competitive centers within the Kaka’ako-Waikīkī makai-oriented corridor, stretching along Ala Moana Boulevard from Ward Avenue into Waikīkī, and thence along Kalakaua Avenue to the Diamond Head neighborhood.

At year-end 2014, the vacancy rate for retail and restaurant space along Kalakaua Avenue was at 0.6 percent, or virtually full occupancy, with base rents ranging from $15 to $40 per square foot monthly (plus percentage rents).

While there is invariably some constant tenant turnover within the 2.1 million square foot Ala Moana Center, the net vacancy rate is consistently below two-percent, and is currently at virtually full occupancy, with base lease rents for in-line spaces ranging from just below $8 per square foot to $23 per square foot (excluding restaurants and anchor stores), plus percentage rents.

Lease-up continues on the under-construction 650,000 square foot Ewa Expansion of the center scheduled for completion in late 2015. More than 54 percent of the project will be occupied by the Nordstrom and Bloomingdale’s anchor stores, and it is anticipated the large majority of remaining in-line retail and restaurant space will be leased by completion or shortly thereafter.

Within the Ward Village centers, occupancy is approaching 100 percent, and there will soon be a shortfall of available space with the potential closure of the 115,000 square feet Ward Warehouse. Numerous restaurant tenants have been recently signed, and podium retail and restaurant spaces within several of the under-construction/proposed residential towers have been spoken for, including the Whole Foods 55,000 square foot location. According to brokers, recent base rents being achieved range from about $4.00 per square foot to more than $7 per square foot monthly (plus a percentage of sales).

Based on these indicators, and discussions with commercial brokers and project leasing agents in the effective area, it is evident there is very high demand for retail space in the makai-oriented Kaka’ako-Waikiki sector in which any OHA Kaka’ako Makai inventory would compete.

We have also completed an analysis of the restaurant spaces within the makai-oriented corridor stretching from the Diamond Head neighborhood (Michel’s Restaurant) to Downtown Honolulu (Rijo Restaurant). We included all restaurants on the shoreline/marina or having a meaningful ocean view that is featured from their space.

We identified a total of 56 individual spaces in 25 locations (many hotels and shopping centers have more than one such space). Of the available spaces there is currently only one vacancy, in Ward Center adjacent to Ryan’s Grill, or less than two percent of the entire sector; and, it is our understanding interest has been expressed in the space and its lease-up is anticipated in the near future.
The restaurants are identified on the following two maps.
Most of the restaurants have been successfully operating for years and are among the most-visited, most stable, top-selling F&B outlets in Hawai‘i.

The strength of the water-oriented restaurant sector is indicated by the ability of Gordon Biersch and Hooters to continue as long-term profitable operations (although only harbor-front) within the failed Aloha Tower Marketplace project, and that Rijo has recently begun operations in a less-desirable (and long-vacant) space within Harbor Court in part because it was the last available location with a quality ocean view.

Rents for makai-oriented restaurants vary widely, and many are operated by hotels and do not pay space lease rents. Among the more recent leases, base rents have typically ranged from $3 per square foot to $4 per square foot monthly (however there have been several outliers reaching into the $5 to $6 range) with percentage rents ranging from 5 percent to 9 percent of gross sales. Typically those with the higher base rents have lower percentage rents, and often there is an “owner’s return”, allowing the owner to recapture some/all of their invested Tenant Improvements, above base rents before percentage rents kick-in.

Total tenant improvements in new F&B spaces generally range from $150 to $250 per square foot for "basic" outlets, such as counter-service or lower/moderate-end full-service restaurants, and from $250 to over $400 per square foot for upper/moderate to upscale (prime or "celebrity chef) restaurants. It is typical for landlords to provide about half the initial TI funds as part of the originating space lease agreements.

In some circumstances, particularly in order to attract a name restaurant to a new space, the landlords will provide a larger portion of the TI; however, it is often accompanied with a base and/or percentage rent basis towards the upper end of the market range. Conversely, a tenant contributing a greater share of the TI, while paying market-level base rents may expect to receive an owner’s return amount before percentage rents are paid above the base amount.

The large majority of brokers and leasing agents interviewed during our investigation implied there was a near unlimited demand for makai-oriented (and especially on-water) restaurant space in Honolulu, as it is the most desirable characteristic in the sector, particularly among the visitor population. All acknowledged the exceptional scarcity of existing and potential product and developer, investor and tenant interest on all levels.

Micro, or specific, analysis also strongly supports the demand for retail and F&B development on the subject OHA lots.
1.4.4 Demand Conclusions

Every available indicator points to there being significant demand for additional makai-oriented retail and F&B space in central Honolulu from Kaka’ako through Waikīkī during the anticipated construction, absorption and ramp-up period for the subject lots development(s).

Patronage populations and their spending levels are increasing, there is projected demand for additional space throughout the island, and the available competitive spaces are at virtually full occupancy with increasing rents and sales.

1.4.5 Supply Analysis

An estimated 2.98 million gross square feet of retail and F&B floor space in major centers and big box development is currently under-construction and/or proposed for O‘ahu over the coming decade, excluding the potentials at the subject properties, with some 2.1 million square feet between the study date and the end of 2020, and another 876,000 announced between 2021 and the end of 2025.

The chart below summarizes the major additions by landowner, project name, or location. However, a significant portion of the inventory additions in the sector will be located at Kapolei, Central O‘ahu or Windward O‘ahu (52.3 percent) and therefore not directly competitive with the potential subject product.

<table>
<thead>
<tr>
<th>PROPOSED MAJOR RETAIL SUPPLY ADDITIONS ON OAHU</th>
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<tr>
<td><strong>Additions to Supply</strong></td>
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<tr>
<td>Project</td>
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<tr>
<td>Ala Moana Center Expansion</td>
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<tr>
<td>International Market Place</td>
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<tr>
<td>Kamehameha Schools Kakaako</td>
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<tr>
<td>OHA Kakaako Makai</td>
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<tr>
<td>Ward Villages</td>
</tr>
<tr>
<td>Kapolei Projects</td>
</tr>
<tr>
<td>Central Oahu</td>
</tr>
<tr>
<td>Windward Oahu</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

| **Subtractions from Supply**                   |
| King’s Village (net change)                    | 18,764                    |                  |
| Ward Villages                                 | 115,000                   |                  |
| **Total**                                     | **133,764**               | **0**            |

| **Net Total Additional New Supply**            |
| **2,104,173**                                 | **876,000**               |

Source: Developers, EIS, Brokers, and The Hallstrom Group/CBRE
Approximately 1.1 million net square feet of the additional supply over the next five-plus years, or 50.8 percent of the total will be located in the Kaka’ako-Waikiki corridor and potentially competitive with the subject (including the loss of space at King’s Village and Ward Warehouse). Yet, a substantial portion of the new space at Ala Moana Center, International Marketplace, King’s Village, and in the SALT project on KS lands has already been pre-leased and should be at or near fully absorbed before any Kaka’ako Makai inventory comes on-line.

Several of the large spaces within the under-construction and proposed mixed-use residential towers at Ward Village have also been pre-leased (such as Whole Foods) or are the subject of strong interest.

It is anticipated there will be only moderate to minimal amounts of competitive inventory in the specific study area when the envisioned Kaka’ako Makai product comes onto the market between 2018 and 2025.

Apart from potential development of several restaurant bays on HCDA lands on the diamond head side of Kewalo Basin, and perhaps a few restaurant spaces in the Ala Moana Ewa Expansion project, major makai-orientated restaurant spaces will continue to be limited.

The amount of additional quality space in the directly competitive sector will be more limited in the 2021 through 2025 as Ala Moana Center will be substantially built out from a commercial perspective and there are scarce quality sites remaining in Kaka’ako-Waikiki (with the possible exception of the Food Pantry holding on Kuhio Avenue).

The most significant direct competitor in this time-frame could be via development of the HCDA holdings directly across Kewalo Basin from the subject properties, which have direct harbor frontage and a strong makai-orientation. The lands are currently in the beginning of the master planning process. However, the amount of total floor space will be limited to between 70,000 and 100,000 square feet, with likely only three or so restaurant spaces.

1.4.6 Comparison of Demand and Supply Indicators and Absorption Estimates

The chart on the following page summarizes the comparison of retail and F&B space demand and supply indicators during the projection period. There will be a slight over-supply during the coming five-plus years (through 2020), however much will be the result of massive inventory addition in Kapolei, well outside the primary study area.

Based on anticipated regional resident (from City & County forecasts) and visitor population growth trends, it is projected that between 2015 and 2020 the de facto population growth in the primary market areas, excluding the nominal growth districts of Waianae, North Shore, Koolauloa and East Honolulu, will be some 44,456 persons, of which 77 percent will be residents and 23 percent visitors.
About 48.3 percent of the increased population and their associated spending/demand will be focused towards the Primary Urban Center (encompassing the study corridor), 41.4 percent to Ewa/Kapolei, 9.2 percent in Central O'ahu, and 1.1 percent to Koolaupoko (lower windward).

This compares generally well with the proposed major center and big box inventory additions for the period, with 50.8 percent of supply for 2015 through 2020 planned for the Primary Urban Center (which attracts more shoppers from throughout the island than other districts), 43.7 percent for Ewa/Kapolei, and the remainder to other areas of the island.

From 2021 through 2025, the de facto population of the primary growth areas is forecast to increase by an additional 35,568 persons, of which 36.3 percent will be in the PUC, 48.2 percent in Ewa/Kapolei, and 15.5 percent in Central O'ahu. Koolaupoko is projected to see no population increase for the period.

In this instance the population and associated demand figure comparisons indicate planned major center/big box supply floor area additions will be under-supplied in the PUC with only 32 percent of proposed space for Honolulu, while 44 percent is developed in Ewa/Kapolei, and 13 percent for Central O'ahu.

The currently proposed supply for this 2021-25 will fail to meet anticipated demand by some 1.2 million square feet for the period. Assuming an equitable distribution of demand based on de facto population, this means the PUC, and primarily the Downtown to Waikiki area, will be undersupplied by some 425,000 square feet (36 percent of total island demand) to 470,000 square feet (40 percent).

Overall the comparison of demand and supply projections indicate the central Honolulu study area will be in a general supply balance from 2015 through 2020, but meaningfully under-supplied from 2021 through 2025. Given the superior competitive qualities of the subject location, it is evident there will be meaningful unmet demand available to absorb a significant amount of retail and F&B space developed on the OHA Kaka'ako Makai whether on a free-standing basis or within a master plan context.
The foregoing comparison assumes the subject captures only the residual demand within the market, that remaining after all of the other proposed projects are fully absorbed. This is the most conservative technique as it does not reflect any potential competitive/superior benefits the Kaka’ako Makai properties.

Given the attributes of the subject properties, we believe they could capture a reasonable market share of regional demand on a competitive basis regardless of the number or size of proposed projects. This is considered a moderate technique and most appropriate within a diverse urban setting.

Based on historic capture rates achieved by other projects in the Kaka’ako-Waikiki Corridor, and the timing, scale and characteristics of the proposed inventory, it is reasonable to assume that well-designed and well-priced commercial development on the OHA sites could readily achieve a market share of 16.6 percent (one-sixth of total regional demand) as free-standing developments and up to 25-plus percent (one-quarter of regional demand) within a master planning concept.

As shown in the following table, this would equate to absorption of between 425,000 and 645,000 square feet of gross leasable floor area during the initial 12 years of product offering; commencing with pre-leasing in 2019 through 2030.

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand (1)</th>
<th>OHA Kakaako Properties</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Free-Standing</td>
<td>Within Master Plan</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Square Feet</td>
<td>% of Mkt.</td>
<td>Square Feet</td>
<td>% of Mkt.</td>
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<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td>Master Planning &amp; Entitlements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td>Site Preparation &amp; Infrastructure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>207,443</td>
<td></td>
<td></td>
<td>Initial Construction and Pre-Leasing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>207,443</td>
<td>70,000</td>
<td>33.7%</td>
<td>105,000</td>
<td>50.6%</td>
<td>(2)</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>1,056,845</td>
<td>175,000</td>
<td>16.6%</td>
<td>265,000</td>
<td>25.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>1,072,698</td>
<td>180,000</td>
<td>16.8%</td>
<td>275,000</td>
<td>25.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021-2025</td>
<td>2,544,429</td>
<td>425,000</td>
<td>16.7%</td>
<td>645,000</td>
<td>25.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2026-2030</td>
<td>2,544,429</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

(1) Projected mid-point of Kakaako-Waikiki Corridor during period in sq. ft.
(2) Percent of regional market during two-year period 2019 (pre-leasing) and 2020 (opening year).

Source: The Hallstrom Group/CBRE
An integrated master plan would maximize the opportunities for a subject development within the context of the larger community and insure complimentary use types and scales. Free-standing development would be piecemeal, erratically timed and lack homogeneity, which could result in ruinous competition, hamper space absorption and negatively impact tenant business.

1.4.7 Appropriateness of the Subject Sites for Commercial Use and Potential Absorption Estimates

The subject properties would be a superior location for mixed-use retail and F&B development, as they have (within an overall development context):

- Superior, extended frontage/exposure along a major Honolulu thoroughfare in an urban corridor having a long-established, well-recognized retail and F&B orientation that is expanding towards the holding.

- Extensive, highly-desirable frontage along the harbor basin and shoreline with dynamic and unique view panoramas down the shoreline towards Waikiki and Diamond Head not found elsewhere on private lands in Honolulu.

- Sufficient size (both individually and combined) to support moderate to large-scale projects that would provide a critical mass/cumulative attraction and destination potentials.

- While the Kaka‘ako District is in a transitioning stage there are existing and proposed complimentary uses in the larger neighborhood which will provide linkages and support for the subject project(s), and under-construction and proposed high-rise residential towers which will provide patrons for the tenant businesses.

The subject businesses can also provide currently-lacking services to Kewalo Basin users. There are no on-site F&B outlets for boaters and their guests/patrons to buy coffee/breakfasts, lunch or packaged food and drinks before departing for daily activities; for boat operators to buy parts or supplies; or, for places for non-participants to pass the time awaiting their return. However, they would eventually be in competition for these patrons with the project(s) developed on the HCDA lands on the other side of the harbor.
1.4.8 Competitive Rents and Gross Sales

The chart above summarizes the current asking rents for retail spaces islandwide (averages), in specific center types, in the Kaka'ako to Waikīkī corridor, and for makai-oriented restaurants.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Net Rents per Sq. Ft. GLA</th>
<th>Percentage Rents (1)</th>
<th>Gross Sales per Sq. Ft. GLA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>All Oahu Averages</td>
<td>$2.98</td>
<td>$10.75</td>
<td>4.2%</td>
</tr>
<tr>
<td>Specialty Centers</td>
<td>$4.62</td>
<td>$11.92</td>
<td>2.0%</td>
</tr>
<tr>
<td>Regional Centers</td>
<td>$4.21</td>
<td>$14.37</td>
<td>5.5%</td>
</tr>
<tr>
<td>Waikiki (Prime)</td>
<td>$12.25</td>
<td>$40.00</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ala Moana/Kakaako</td>
<td>$3.75</td>
<td>$20.25</td>
<td>6.0%</td>
</tr>
<tr>
<td>&quot;Makai&quot; Restaurants</td>
<td>$2.50</td>
<td>$8.00</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

(1) For those leases having % rents paid in excess of base rents. Some leases do not require % rents.
(2) Typically those having higher base rents have lower percentage rents, and there is often an
"owner's return" for recapturing Tenant Improvements before percentage rents are charged.

Source: Brokers/Leasing Agents, Center Tenant Rolls, and The Hallstrom Group/CBRE

1.5 RESIDENTIAL CONDOMINIUM MARKET ANALYSIS

1.5.1 Overall Honolulu

Over the past decade, the inventory of residential condominiums in the Kaka'ako District has surged, with the majority of Honolulu's new projects constructed within a two-mile radius of the OHA makai lands. The most recent completions in Ala Moana/Kaka'ako include Moana Pacific, Hokua, Ko'olani, Pacifica Honolulu, Vanguard Lofts, 909 Kapiolani, One Ala Moana, Halekauwila Place, and Keola Lai. Two upper-end condominiums, Capitol Place and The Pinnacle Honolulu, were built in 2008 in Honolulu's Financial District. Luxury Waikīkī multi-family projects include Allure Waikīkī, The Watermark, and the Trump International Hotel & Tower Waikīkī, a condo-hotel.

While the focus has been primarily on top-end/luxury class product, with numerous such projects currently under construction (Waiea, Anaha, Park Lane, and others), there are also affordable to mid/upper market priced projects under construction including 801 South Street, The Collection and others.
The recently constructed and pre-sale inventory has been received well in the current up-cycle market and there are dozens of other projects in the advanced planning stages ready to commence development. Most have been built on sites mauka of Ala Moana Boulevard, with a makai-orientation, or along Kapiolani Boulevard. None of the recently built, under-construction or proposed projects is waterfront, but many offer unobstructed ocean views. Re-sales of existing inventory has been slowed of late, much the result of having a wider-range and larger numbers of competitive new product from which to select.

Central, urban Honolulu from Downtown to Waikīkī has become the favored location for high-rise condominiums on O‘ahu. The area enjoys proximity to the major employment centers in the state; a wide-range of public parks, facilities and services; the amenities offered by Waikīkī; excellent shopping and dining opportunities; and, superior weather. The corridor promotes pedestrian, public, and alternative transportation, which will be enhanced by the under-construction HART rail line that will bi-sect Kaka‘ako, and has a vibrant and expanding cultural scene.

1.5.2 O‘ahu Historic Statistics and Trends

The attached chart illustrates the cyclical nature of the condominium market as reflected in secondary sales data (excluding new inventory) from 1994 to current. Starting in 2010 the recovery in the volume of transactions has continued to grow, reaching 4,874 in 2013. However, in 2014 sales volume decreased a slight 1.3 percent with only 4,810 sales. As of year-to-date April 2015 there has only been 1,433 sales, which if annualized would bring it to approximately 4,299 sales, about a 10.6 percent decrease, much lower than 2014.

After stabilizing in 2007 and 2008, the median sale price for O‘ahu condominium units declined in 2009 and remained flat in 2010 and 2011. 2012 marked the beginning of the recovery with the median price rebounding 5.8 percent. The median sales price grew 4.6 and 5.4 percent further in 2013 and 2014, respectively. Year-to-date April 2015 indicates continued improvement with an increase of 4.3 percent to a record median sale price of $365,000.
Recent demand for condominium units has reduced both supply and the median days on market. Sustaining the recent upward trend, the number of active listings is currently just over 1,900 units. With current up-cycle economic conditions the "days on market" have shortened to 21 and 24 days in 2013 and 2014, respectively, and still currently sits at 24 days as of April 2015.

### SUMMARY OF ISLAND OF OAHU REAL ESTATE CONDOMINIUM SALES STATISTICS

**Condominium Number of Listings**

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<tbody>
<tr>
<td>No. of Listings</td>
<td>3,366</td>
<td>3,001</td>
<td>2,408</td>
<td>1,834</td>
<td>1,765</td>
<td>1,574</td>
<td>1,591</td>
<td>1,421</td>
<td>1,254</td>
<td>2,480</td>
<td>2,333</td>
<td>2,730</td>
<td>1,946</td>
<td>2,150</td>
<td>1,709</td>
<td>1,478</td>
<td>1,576</td>
<td>1,627</td>
<td>1,902</td>
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<th>Condominium Median Days on the Market</th>
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<tbody>
<tr>
<td>Median Days of Market</td>
<td>79</td>
<td>77</td>
<td>69</td>
<td>52</td>
<td>42</td>
<td>34</td>
<td>32</td>
<td>24</td>
<td>18</td>
<td>39</td>
<td>39</td>
<td>43</td>
<td>49</td>
<td>34</td>
<td>41</td>
<td>31</td>
<td>21</td>
<td>24</td>
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</table>

*YTD April 2015

All four indicators discussed: sales volume, median sales price, number of listings, and median days on market, demonstrate that the market has rebounded relative to the lows of the 2008-09 recession. The market is in an expansion mode with an increase in sales prices and number of listings, and a decline in the average days on market.

Even though there has been a slight decline in sales volume, the market is still looking optimistic, especially with the new developments in the Kaka‘ako area. The current market is fueled by low interest and increasing consumer confidence, although there is concern that quantitative easing by the Federal Reserve may result in interest rates rising to adverse levels in the near-term.

The timing and magnitude of a rise in the interest rate remains uncertain given the limited, but steady economic growth being experienced at the national level. Brokers indicate that absorption has improved, prices are showing general appreciation, and the most recent uptick in inventory is a result of more sellers desiring to cash-in on the strong up market. As long as interest rates remain modest and there are no major economic events that undermine the current real estate market, the continued sector growth and up-cycle stability is anticipated over the near to mid-term.

Additional information and studies found useful in evaluating Honolulu’s multifamily market were CBRE’s Q4 2014 Multi-Housing Outlook Report for Honolulu and Colliers International Year-End 2014 Apartment Market Report for O‘ahu.
1.5.3 Recent Developments

Following several years of minimal new condominium construction, Honolulu’s skyline has again become dotted with construction cranes. Three condominium projects were completed in 2014 and early 2015: ONE Ala Moana, Waihonua, and The Cove Waikiki; and many others are under construction including 801 South St - Building A, Symphony, Waiea, Ritz-Carlton Residences – West, Collection (Tower), 400 Keawe, and Park Lane Ala Moana. A number of other projects have been announced and are expected to start construction in 2015 and 2016.

Beginning in 2012 investors demonstrated their willingness to undertake the risks associated with new construction. Pent-up demand for new product, together with limited resale inventory, has created an environment of rapid absorption of new project. Potential purchasers are again camping out overnight to secure the unit of their choice.

This cycle is not unlike the last cycle that commenced in 2003 and saw 13 upscale projects located in Honolulu’s urban core completed in the ensuing eight years: the Vanguard Lofts and Loft @ Waikiki (mid-rises), Lanikea, Ko’olani, Hokua at 1288 Ala Moana, Moana Pacific, 909 Kapiolani, Keola Lai, The Watermark, Trump Tower, the Allure Waikiki, and Pacifica Honolulu. Two upper-end condominiums, Capitol Place and The Pinnacle Honolulu, were built in 2008 in Honolulu’s Financial District.

Summary schedules of unit features for each newly completed project as well as proposed projects are summarized on the following Table. The schedule includes major project features. Where information was not sufficient to populate the table, a brief project description is found in the Future Inventory section below.

The following map shows the approximate locations of recently constructed condominiums and some proposed condominiums from Waikiki to Downtown Honolulu.

Future Inventory

Following years of no new construction, the first new high-rise project was announced in late 2011. While prime units in Waihonua were absorbed quickly, it took nearly two years for the remaining to be sold. Units in ONE Ala Moana, released in December 2012, were absorbed almost immediately. With the economic recovery, numerous projects are under construction and have been announced.

There are eight mid and high-rise developments under construction in the subject market area totaling 2,410 units. This includes work force units, such as the sold out 635 unit 801 South Street Building A, and ultra-luxury projects like The Ritz-Carlton Waikiki Residences – West Tower and Park
Lane Ala Moana. Nine additional towers have been firmly announced totaling 2,800 units including affordable to ultra-luxury units. Many of the planned projects have already commenced pre-sales and construction is expected to begin shortly. The status and timelines of the under construction and announced projects, and other commercial development and redevelopment projects, vary and are presented in the following tables and section with proximate locations shown on the accompanying map. The Kaka’ako area, the hot bed of most development activity, is outlined in red with a dashed line and the holdings of major land owners have also been outlined. Not shown are the Waikiki projects to the east.
1.5.4 Projects Under-Construction or Completed in 2015

**Waihonua**

Waihonua is a 43-story tower located at 1189 Waimanu Street being developed by local real estate heavy weight Alexander & Baldwin (A&B). Situated in Kaka’ako, the tower has 341 unit types ranging from one-bedroom one-bath to three-bedroom three-bath units, with living areas ranging from 645 to 2,369 square feet.

At its release on December 2011, developer prices ranged from $375,000 to $1,934,400. As of September 19, 2012 a total of 267 units, or 78.3 percent, were under contract. On August 22, 2013 A&B announced that the project had sold out, indicating an average absorption of 17 units per month. Construction was completed in early 2015.

According to the project brochure residences will have the following features:

**The Residences**
- One, two and three bedroom contemporary and comfortable floor plans
- Custom wood front entry doors
- Hardwood entry foyers, kitchens and living areas
- Volume ceilings in living rooms and bedrooms
- Dual central air-conditioning units with individual controls in two and three bedroom residences
- Living areas are wired for ceiling fans
- Wood doors and high quality hardware throughout
- High-speed internet
- Individually metered electricity
- Full-size stacked washer/dryer

**The Kitchens**
- Custom gourmet kitchen cabinetry
- Full height pantries
- Polish granite counter tops with stainless steel single compartment sink
- Contemporary plumbing fixtures
- Bosch European stainless steel appliances
- Built-in microwave oven
- Beautiful hardwood floors

**The Bedrooms & Baths**
- Quality carpets in all bedrooms
- Walk-in closets in most master bedrooms
- Full-sized tubs with porcelain tile surround
- Custom cabinetry with stone countertop
- Toto toilet with washlet option
- Porcelain under mounted rectangle sinks with Kohler fixtures
- Porcelain tile floors

Source: www.Waihonua.com

Building amenities include: a private movie theater, club room with full kitchen, residents’ lounge/multi-purpose room, infinity edge pool, fitness center, barbeque dining pavilions and lounge seating, outdoor lounges around the spa, a lawn, two visitor guest suites, owner’s storage and surfboard areas, and secured entry with controlled access.
Anaha

Presently under-construction in the Ward Villages master planning area, Anaha, meaning “Reflection of Light” was designed by Solomon Cordwell Buenz of Benjamin Woo Architects. The project will house 311 residential units and approximately 17,000 square feet of retail space. Amenities will include concierge services, infinity pool and hot tub, barbecue pavilion, play area, tennis courts, theatre room, business center and Dog Park.

The condominium will include studios, one-, two-, and three-bedroom units in addition to penthouses (some to be sold as loft space). Prices range from high $400,000 to high $500,000 for studios and from $600,000 to more than $4 million for one to three bedroom units. Penthouse units are priced at between more than $1 million to $14 million.

The total project cost exclusive of land is budgeted at about $401 million when the tower is completed in early to mid-2017. According to the Howard Hughes Corp. which is developing the project 77.5 percent, or 241, of the units have been pre-sold, equating to an absorption rate of just over 16 units per month since sales began in February 2014. A total of $58.3 million in deposits have been collected, representing some $312.3 million in potential sales value.

Waiea

Also located in the Ward Villages fronting Ala Moana Boulevard, Waiea which means “Water of Life,” was the first of the two ultra-luxury high-rise residential towers being constructed by The Howard Hughes Corporation to break-ground. This 36-story, 171 unit tower will offer one-, two- and three-bedroom units in addition to villas and penthouses. It will feature a fitness and yoga center, theatre room, catered dining rooms, a library, bar & lounge, 24 hour security, concierge services, valet parking, overnight guest suites, guest parking, dedicated elevators for prime units and a dedicated service elevator. The 7th floor deck will include an infinity pool, hot tub, barbecue pavilions, event lawn, play area and dog park. The podium will contain approximately 8,000 square feet of new retail space.
Designed by the Vancouver-based architect, James K.M. Cheng in collaboration with WCIT Architecture, Waiea will offer the finest quality high-rise condominium residences built in Hawai‘i to date. The project cost exclusive of land is budgeted at $403 million and is funded by Blackstone Real Estate Debt Strategies. Prices for Waiea range from more than $1 million to $7 million for the one-, two- and three-bedroom units and villas. The penthouses are priced from $4 million to a record high of $20 million.

Pre-sales started in February 2014 and as of May 2015 Hughes announced that 86.5 percent or 148 of the units have been reserved, equivalent of an absorption rate of 9.8 units pre-sales per month. Total deposits of $106.3 million representing 547.9 million in potential sales volume have been received.

Construction is anticipated to be completed by the end of 2016.

**Ritz-Carlton Residences, Waikīkī (West Tower)**

The Ritz-Carlton Residences, Waikīkī - Beach west tower is a 36-story 309-unit ultra-luxury high-rise "branded residences" condo-hotel under construction on the 3.5-acre site at 2121 Kuhio Avenue. A related entity of the California based developer Pacrep LLC also developed the nearby condo-hotel Trump Waikīkī International Hotel & Tower in 2009. Budgeted to cost some $275 million dollar to complete, the under-construction project will have studio to three-bedroom units and penthouse units priced from $550,000 to $15,000,000.

The project commenced pre-sales in June 2013 and was sold out by February 2014, an average absorption of 38.6 units per month, with heavy participation by Japan buyers. 85 percent of the units were spoken for during a single weekend private, invitation-only sales event. Project completion is estimated for early 2016.

According to the project website, it will feature an open air lobby reception, concierge services, valet parking, bell services, housekeeping, in-residence dining and catering services, luxury beach and shopping services, the Ritz Kids’ program. Amenities include pools, spa, fitness center, owners’ lounge, and storage. The project’s commercial component will include Dean & Deluca, BLT Market, and Sushi Sho.
Ritz-Carlton Residences – Waikīkī (East Tower)

Given the success of the first offerings in the complex (the west tower) Pacrep 2 LLC quickly announced plans for a second one housing 246 luxury residential units and four commercial units within a 39 story building. Construction began in February 2015 and is scheduled to be finished in mid to late-2017.

Pre-sales for the second tower started in April 2014, and reportedly more than 96 percent of the units had sold as May 2015, an average of 18 units per month. The project is located at 2139 Kuhio Avenue.

Residence types and starting prices are as follows:

According to the developer’s public report, amenities will include a theatre, kids lounge, a swimming pool, and a spa. Unit owners will also be able to access certain facilities located in Tower 1, the west tower, including fitness and yoga rooms and a swimming pool.
The Collection

In February 2012 Alexander & Baldwin announced its acquisition from Kamehameha Schools of the former Comp USA site at the corner of Ala Moana Boulevard and South Street for $23 million. The Collection, with a construction budget of $200 million, began construction in October 2014 and is scheduled for completion in late 2016.

The complex will contain 464 residential units with retail and restaurant spaces within a 43-story tower (having 397 units), a four level mid-rise (54 units), and a 14 urban town homes. The one-, two, and three-bedroom units are priced from $380,000 to $1,038,000.

Pre-sales commenced on August 2013 and as of May 2015 the developer reported a total of 437 units, or 94 percent, were under contract, with the large majority being local resident purchasers. The average absorption rate has been at 20.8 units per month.

Amenities include a lobby gallery and e-lounge, entertainment “flex” rooms, the club/party room with full kitchen, fitness center, yoga room, a community workshop, surfboard and bike storage areas, pool, outdoor lounges around the spa, barbeque dining pavilions and lounge seating, kids play area, dog washing and play area. More information and renderings are available on the project website.

The Symphony

In February 2012 San Diego-based developer OliverMcMillan and local land owner and luxury automobile dealer Joe Nicolai partnered to build a 45-story luxury residential condominium tower with 388 units and an estimated construction cost of $380 million. The 2.4-acre site is located at the northwest corner of Ward Avenue and Kapiolani Boulevard, across the street from the Blaisdell Center. A luxury car dealership is planned on the ground floor of the tower podium.

The developer was granted exemption from a rule intended to preserve view planes and permitted to design the tower running east-west along Kapiolani Boulevard that allows for better unit
views. "Market-priced" units include one-, two-, and three-bedroom models ranging from $500,000 and $3,000,000.

There are also "affordable-priced" units in the project with prices set according to HUD/HCDA guidelines and available for families having household incomes at 140 percent or less of the median for Honolulu. These units range in price from the upper-$200,000 to about $600,000.

Sales of the 288 market-priced residences started in June 2013, and according to the project website 251, or 87.2 percent of the units have been sold as of June 2015. This equates to an absorption rate of 10.5 units per month.

The 100 affordable-priced units (referred to as "reserve housing" under HCDA guidelines) were not offered until late 2013 and were all spoken for within several months, and now have a long wait list.

The project broke ground in late 2013 with completion expected in 25 months.

Listed amenities on the project website include a recreation deck, seventh floor terrace lounge, all-inclusive, state-of-the-art fitness center with yoga studio; private movie theater multi-media rooms, social dining room with catering kitchen, infinity-edge pool and Jacuzzi spa, entertainment cabanas for outdoor dining, elevated spa and daybed retreat, shaded lounges and barbeque dining stations, owner's storage, wellness center, guest suites, and saunas.

**801 South Street - News Building**

On August 22, 2012 Downtown Capital LLC acquired the 3.69-acre former Honolulu Advertiser site located along South Street between Kapiolani Boulevard and Kawaihao Street. In the first phase which will be completed in June/July 2015, local developer Marshall Hung is constructing a 635-unit, 46-story, 400-foot tower south of fronting on South Street. A second phase, that recently commenced construction, will be a slimmer 400-foot tower with 410 units fronting Kapiolani Boulevard.
The exceptionally high density development was permitted under the November 2011 HCDA Kaka’ako Mauka Plan that allows twice as much density for high-rise residential projects if at least 75 percent of the units are “work-force housing” targeted to residents earning between 100 and 140 percent of Honolulu’s median income. All of the planned units in both towers are priced as workforce housing units.

Units in the first tower, 801 South Street, are priced from $253,000 to $501,300 with living spaces ranging from 411 to 423 square feet for studios, 542 to 579 square foot one-bedrooms, and 776 to 867 square foot two-bedroom units. In order to reduce costs, the complex has virtually no amenities apart from a parking garage and some small meeting rooms. Apart from the old Advertiser Building which has been converted to office space there are no other commercial/retail bays. Common area maintenance fees are projected to be affordably between $275 and $375 per month.

All units in the first tower were reserved during a pre-sale lottery held on March 23, 2013. Construction commenced in June 2013. The second tower will have one-, two-, and three-bedrooms priced from $360,000 to $692,000. The 410 units in Tower B similarly sold out in two months. There is an extensive waiting list for units.

The development cost for both towers is estimated at $400 million.

400 Keawe

In February 2014 local developer Castle & Cooke Homes Hawai‘i announced a partnership with major land owner Kamehameha Schools to build a six-story 96-unit (95 residential and one ground floor commercial) condominium project on 1.52 acres at 400 Keawe Street in Kaka’ako.

Construction of the 65 foot high mid-rise began in November 2014 and is anticipated to be completed by December 2015. The project will feature a variety of units with one to three-bedroom floor plans ranging in size from 581 to 1,327 square feet. The proposed project will have nine different floor plans:
The following chart summarizes the price range for each bedroom type.

<table>
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<tr>
<th>Floor Plan</th>
<th>Unit No.s</th>
<th>Category</th>
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<td>2</td>
<td>1,327</td>
<td>64</td>
<td>1,391</td>
</tr>
</tbody>
</table>

*Larger lanais on Floor 2

As of December 15, 2014, marketing of the project's residential units had commenced, and the first private lottery for selected buyers resulted in immediate reservations for 40 of the project's 47 market units. The remaining units were all sold by February 2015, equating to an overall absorption rate of some 23.5 units per month.

The affordable-priced, or reserve, units were fully subscribed via a lottery in February 2015 and there is a waiting list.
Vida at 888 Ala Moana

In June 2014, MKVida LLC, a partnership between local development firms Kobayashi Group and The MacNaughton Group, announced Vida at 888 Ala Moana, a luxury tower to be located on the mauka side of Ala Moana Boulevard, between Ward Avenue and Koula and Auahi Streets, on 3.4 acres owned by Kamehameha Schools.

The proposed project consists of a 400 foot high 39-story tower containing 262 two-and three-bedroom units ranging in size from 1,418 square feet to a 5,073 square foot penthouse. Standard units range in price from $998,000 to $4.7 million; prices for the penthouse units have not been disclosed.

Planned tower amenities include guest suites, movie rooms, Dog Park, amenity/pool (two) deck, craft room, outdoor theater, dining areas with a professional kitchen; children play areas, game rooms, a putting green, men and women’s outdoor spas, and storage for bikes and surfboards. Shops and restaurants also are planned for commercial spaces fronting the street.

Two architecture firms, Los Angeles-based Arquitectonica and Honolulu-based Benjamin Woo Architects, produced the tower design. It is oriented to face makai-diamond head to take advantage of the views looking across Kewalo Basin Harbor.

Pre-sales began in May 2015 and within the last month 141 are under-contract.

Park Lane Ala Moana

In early 2014 a partnership between Ala Moana Center owner General Growth Properties, and BlackSand Capital (a Hawai’i based investment firm with ties to Hawai’i development firms Kobayashi and The MacNaughton Group) announced the Park Lane at Ala Moana project. The complex, built on the ewa/makai edge of the Ala Moana Center property overlooking Ala Moana Boulevard and Ala Moana Beach Park, where a center parking lot previously stood, is comprised of a row of mid-rise ultra-luxury residences extending approximately one-quarter mile from Piikoi Street to fronting Neiman Marcus.
At build-out it will include seven six and seven-story buildings containing 215 units ranging from 850-square-foot one-bedroom residences to 6,000-square-foot five-bedroom penthouses. Prices for one-bedroom residences start at $1.192 million and range up to $28 million for the five-bedroom penthouses. The prices are the equivalent on average of about $2,400 a square foot, among the highest seen on O'ahu.

The units will offer ten-foot ceilings and ocean views across Ala Moana Park. Some will contain private tropical gardens, pools or spas, and enclosed garages. Lanais range from 300 to 1,100 square feet with vented outdoor grills and cooking areas.

Other project features include a vast Great Lawn, 24/7 security, and a spa and fitness facility. A 5th floor lane will run the length of the complex offering residents a park like setting and private entrance to the Shopping Center.

Sales of the 108 "unrestricted" units commenced in November 2014 and were reportedly sold out by March 2015. The 107 owner-occupant unit sales began in January 2015, and the project website shows only eight unit currently listed for sale. The indicated absorption rate for the inventory thus far is 25.6 units per month.

Construction, which is tied to the redevelopment of the Ala Moana Center ewa wing, started in mid-2014 and completion of the first phase is expected by late 2016 with the final phase being completed by the end of 2017.

**Gateway (Two Towers)**

In November 2014 Howard Hughes’ Ward Village announced it received approvals for the first project within the second-phase of its master-planned neighborhood, The Gateway which will contain 236 units and 200,000 square feet of retail in two towers across from Kewalo Basin Harbor.

The project will be located along the mauka frontage of Ala Moana Boulevard on a portion of the site currently developed with Ward Warehouse. Plans call for market rate housing in two towers above large mixed-use (commercial, parking and amenities) podiums. The ewa tower is to have 113 units in a 35-story, 400 foot
high-rise, while the diamond head tower will have 123 units in a 28-story, 311 foot building.

Gateway will be designed by Richard Meier & Partners, renowned for designing the Getty Center in Los Angeles, with executive architect, Architects Hawai‘i. According to the developer, one tower will "jut like a blade into the skyline" and the other will be "a shimmering cylindrical building". Between the two, a one-acre green space will flow with water, walkways, and native plants. Gateway will feature a variety of residences, from two-story villas to penthouses.

Plans and prices have only been announced for the cylindrical (diamond head) tower. One to three-bedroom units ranging in size from 995 square feet to 2,574 square feet will have asking prices of $1.5 million to $8.5 million, with podium villas at $4.1 million to $7.0 million.

Amenities will be spread over two floors and include a comprehensive fitness center, spa (with sauna and treatment rooms), yoga room, dining pavilion with kitchen, pool deck with cabanas, private bar, theater, wine cellar, guest suites, board room, play area, dog park, pet spa, and one-acre park.

Currently, the project is offering only private developer-connected reservations, with general public pre-sales to begin in mid-2015.

**Aloha Kai**

The proposed Aloha Kai condominium is a residential high-rise to be developed by Aloha Kai Development, LLC on the site currently housing the Central YMCA on Atkinson Drive between Ala Moana Center and Waikīkī. Current plans call for a 35-story condominium containing 118 residential condominium units in 1-, 2-, and 3-bedroom configurations within a 30 floor tower set above a five story podium housing a small commercial unit, a lobby and parking. A new 30,000-square-foot YMCA facility will also be developed on approximately 18,000 square feet of the site.

In October 2013 the site was recently up-zoned AMX-3 High Density Apartment Mixed Use District to allow the development of the 350-foot high condominium tower. The taller building will
allow more space between Aloha Kai and the adjacent buildings which will have less of an impact on private views. The change in zoning also includes an affordable housing requirement that the prior A-2 zoning did not call for. The project is anticipated to start construction in late 2015 or early 2016 and be completed in early 2018.

Unit models, sizes, and prices, or a pre-sale commencement date have not been released. No list of proposed amenities is currently available.

Keauhou Place

The residential component within a larger Stanford Carr/Kamehameha Schools mixed-use development, Keauhou Place will occupy a 2.17 acre site of what is now a parking lot at 555 South Street, in the interior of Kakaʻako; the northwest portion of Kamehameha School’s Master Plan Block A in Kakaʻako, Oʻahu, Hawaiʻi.

Keauhou Place is proposed with a 43-story 388-unit residential condominium that will include 133 one-bedrooms, 215 two-bedrooms, and 40 three-bedroom units. Additionally the complex features 35 townhomes within an attached low-rise configuration that will offer 19 two-bedroom and 16 three-bedroom types. Five commercial condominiums along Halekauwila Street comprise approximately 2,940 square feet of ground floor space.

A total of 85 reserve housing units will be expand affordable housing alternatives in the Kakaʻako area for buyers earning less than 140 percent of the Honolulu Area Median Income (AMI). The project is anticipated to be completed in mid-2017.

Selling prices for units in the tower range from $357,700 to $1.4 million and from $645,000 to $990,000 for the low-rise townhomes.

Project features include lobby, recreation deck, swimming pool/spa, BBQ areas, fitness center, community room with full kitchen, garden, children’s play area, and storage.
Pre-sales of investor units commenced in late November, followed by sales for owner-occupants, and then for the reserve (affordable) units. 71 percent of the market-price units, or 240 units, have been reserved as have 98 percent of the reserve inventory, or 83 units.  The average overall absorption rate has been at 46.5 units per month.

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<th>KEAOUHOU PLACE UNIT MIX</th>
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<tbody>
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</tr>
<tr>
<td>A</td>
</tr>
<tr>
<td>B</td>
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<tr>
<td>C</td>
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<td>5</td>
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Block M - H. Hughes

Howard Hughes' Ward Village received approval February 5, 2014 from the Hawai’i Community Development Authority for its fifth mixed-use project, the second residential and commercial development in Phase Two of the Ward Village Master Plan. Located at the 'ewa-makai corner of Queen Street and Kamake'e Street, the building will include a highly-anticipated grocery store, new retail space and homes for local residents.

The development will feature a 50,000-square-foot flagship Whole Foods Market, the specialty grocer’s largest store in Hawai’i. The project will also include approximately 12,000 square-feet of additional retail space, district-wide parking and a tower with approximately 466 total residences.

The approved project will be designed by internationally recognized architects Bohlin Cywinski Jackson in collaboration with executive architect, Architects Hawai’i, and a team of local consultants.

Additional Proposed Projects

Additional proposed projects include 803 Waimanu and the proposed condo-hotel at the King's Village site in Waikiki.

HCDA's report of Project Activity in the Kaka'ako Community Development District, most recently update December 4, 2014, noting the status, size and location of recently completed, under construction, permitted, and pending approval projects has been reviewed in preparing this report.
1.5.5 Project Absorption

Unit absorption data in the above cited completed projects, as well as those under construction, are summarized in the following schedules.

### RECENTLY COMPLETED AND UNDER-CONSTRUCTION CONDOMINIUM PROJECT ABSORPTION

<table>
<thead>
<tr>
<th>Neighborhood</th>
<th>Project</th>
<th>Total</th>
<th>Sold or Reserved</th>
<th>% Sold</th>
<th>Price Range</th>
<th>Absorption Units per Month</th>
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Source: Brokers, New Articles, Websites and The Hallstrom Group/CBRE

### SELECTED PROJECT ABSORPTION

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<thead>
<tr>
<th>Neighborhood</th>
<th>Address</th>
<th>Year Built</th>
<th>First Recording</th>
<th>Total No. Units</th>
<th>Approx. No. Presales</th>
<th>Monthly Est. Presale Rate*</th>
<th>Presales as % of Total</th>
<th>Average Price</th>
<th>Average Price per SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waikiki</td>
<td>1837 Kalakaua Ave.</td>
<td>2010</td>
<td>Nov-10</td>
<td>292</td>
<td>122</td>
<td>12.2</td>
<td>41.0%</td>
<td>$482,119</td>
<td>$724</td>
</tr>
<tr>
<td></td>
<td>Trump Tower</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>223 Sandaloga Blvd.</td>
<td>2009</td>
<td>Oct-09</td>
<td>424</td>
<td>424</td>
<td>17.7</td>
<td>100.0%</td>
<td>$1,490,715</td>
<td>$1,518</td>
</tr>
<tr>
<td></td>
<td>Loft at Waikiki</td>
<td>2007</td>
<td>Apr-08</td>
<td>36</td>
<td>13</td>
<td>1.5</td>
<td>36.1%</td>
<td>$685,340</td>
<td>$634</td>
</tr>
<tr>
<td></td>
<td>The Watermark</td>
<td>2008</td>
<td>Apr-08</td>
<td>166</td>
<td>166</td>
<td>8.2</td>
<td>94.9%</td>
<td>$1,210,567</td>
<td>$954</td>
</tr>
<tr>
<td></td>
<td>Lanikea at Waikiki</td>
<td>2005</td>
<td>Jul-05</td>
<td>100</td>
<td>100</td>
<td>4.2</td>
<td>100.0%</td>
<td>$588,260</td>
<td>$561</td>
</tr>
<tr>
<td>Kakaako / Ala Moana</td>
<td>Pacifica Honolulu</td>
<td>2011</td>
<td>Nov-11</td>
<td>489</td>
<td>477</td>
<td>20.4</td>
<td>97.0%</td>
<td>$589,898</td>
<td>$695</td>
</tr>
<tr>
<td></td>
<td>Kooli Ilo</td>
<td>2008</td>
<td>Jan-09</td>
<td>282</td>
<td>316</td>
<td>14.7</td>
<td>99.6%</td>
<td>$418,194</td>
<td>$630</td>
</tr>
<tr>
<td></td>
<td>909 Kapolei</td>
<td>2007</td>
<td>Aug-07</td>
<td>73</td>
<td>39</td>
<td>9.4</td>
<td>74.9%</td>
<td>$502,672</td>
<td>$629</td>
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<tr>
<td></td>
<td>Moana Pacific</td>
<td>2007</td>
<td>Jan-07</td>
<td>717</td>
<td>637</td>
<td>29.9</td>
<td>88.8%</td>
<td>$1,401,464</td>
<td>$1,294</td>
</tr>
<tr>
<td></td>
<td>Koolani</td>
<td>2006</td>
<td>Mar-06</td>
<td>370</td>
<td>369</td>
<td>15.4</td>
<td>99.7%</td>
<td>$870,467</td>
<td>$658</td>
</tr>
<tr>
<td></td>
<td>Hokua at 1288 Ala Moana</td>
<td>2006</td>
<td>Jan-06</td>
<td>247</td>
<td>247</td>
<td>10.3</td>
<td>100.0%</td>
<td>$1,125,092</td>
<td>$587</td>
</tr>
</tbody>
</table>

*Assumes a 24 month presale marketing period.
1.5.6 Market Interviews

Over the course of this assignment numerous market participants were interviewed.

It was general consensus that the urban Honolulu condominium market has been doing very well, as demonstrated by the rapid sale figures in newly released projects and increasing sale prices. It was also general consensus that the market for work force priced housing, projects priced similar to the 801 South Street towers, is deep and unlikely to be satisfied anytime soon as few projects that truly cater to this buyer group are coming online and there is pent up demand.

Most market participants remain very bullish on the "middle" market, stated this segment is just beginning to pick up, and believe there are several years left of price increases and rapid absorption.

Some brokers expressed concern the luxury market may becoming saturated with more projects coming online even as there is unsold inventory remaining at others. However, most acknowledged that it is new emergent trend in the sector and it is really unknown how deep this market is within a robust economy and emergence of Kaka'ako as a desirable location.

There were widely varying views shared regarding the luxury market:

- Many brokers pointed out that ultra-luxury buyers are often cash buyers purchasing investment properties or second- and third-homes, and they are not restrained by fluctuating market conditions like most buyers.
- Some brokers pointed out that the market out of Asia is growing with more buyers coming from countries other than Japan such as Korea, China, and Southeast Asia. While some expressed concerns the devaluation of the yen and Japan's economic challenges could stymie absorption, there was acknowledgement it didn't seem to be a major issue thus far despite the deep devaluation over the past two years.
- A few brokers pointed out the remaining inventory that Howard Hughes has in Waiea as evidence that the ultra-luxury market is not that deep.
- A couple of brokers pointed out that developers such as The Kobayashi/MacNaughton Group have a faithful following that buys into each of their projects and rolls over to the next project as it is released. With ONE Ala Moana just completed, and Park Lane just being released, there is concern that the following will be unable to help absorb Vida at 888 Ala Moana; but initial pre-sales have been very positive in the first month of offering.
- A similar concern was voiced regarding the Howard Hughes newly announced projects such as the Gateway Towers that are scheduled to come to market with inventory remaining in Waiea and Anaha.

Overall, the sentiment for the luxury market was optimistic but cautious.
One developer of a project that recently started construction has added a second crane to expedite construction and minimize the risk of a sudden market turn.

In summary, from Brokers and developer perspectives, the overall urban Honolulu condominium market is positive and the outlook over the next few years is very optimistic for affordable and low to mid-market priced units, but is more moderated/cautious for the luxury sector.

1.5.7 Appropriateness of the Subject Site for Residential Use and Potential Absorption Estimates

Demand for new units in Kaka'ako is strong, as demonstrated by the absorption rates of competitive projects, both historic and under-construction/proposed. Over the past 43 months some 3,535 condominium units have been sold or reserved via pre-sale, or an average of 987 new units per year, spread somewhat equally across a broad pricing spectrum, as shown below.

![ABSORPTION OF NEW KAKAAKO/ALA MOANA CONDO UNITS SINCE DECEMBER 2011](image)

We anticipate a similar scale of demand for Kaka'ako area units will continue throughout current up-cycle given:

- The chronic need for substantial numbers of new housing units in Honolulu for residents, which even construction at the current high level cannot address;
- The additional demand created by investors/off-island owners for makai-oriented upscale units in Kaka'ako/Ala Moana; and
- The scarcity of quality, major development opportunities in the urban core.

From a current market context, the only major near-term obstacle to continuing high absorption of offered product in the study area would be a meaningful increase in mortgage interest rates that would lessen the ability of residents to purchase the affordable and low to mid-market priced units.
Even when the inevitable down-cycle occurs, the velocity of absorption may slow for a period, but the underlying demand from residents will continue to grow and would be expressed in the subsequent market recovery.

Projects currently under-construction report presale absorption rates ranging from 9.8 units per month to instantaneous sellouts, with most averaging 20 to 40 unit sales per month. Affordable/workforce/reserve units are selling out even faster as evidenced by the two towers in 801 South Street.

The OHA Kaka’ako Makai lands are a highly appropriate and superior location for condominium development as:

- It is centrally located in a high demand area proximate to employment, shopping/entertainment, recreational facilities and public services.
- The product would have a strong makai-orientation, a very desirable feature in the market.
- Excellent and unblockable ocean and city panoramas would be available from most units.
- The sites are sufficient size to support major projects of varying scale.
- Residential development would be reflective of the trends in the Kaka’ako community.
- The quality, competitiveness, and absorption of the units would be enhanced within a master planned project with retail/restaurant and cultural features and facilities.

The subject properties would be highly competitive with any product type which was developed upon them, especially in the upper market to luxury segment of the market owing to the makai-orientation and superior views. There is no doubt the inventory would capture a moderate to high market share if competitively priced.

We estimate residential condominium development at Kaka’ako Makai could achieve a market share of 15 to 20 percent of the total demand for regional demand as shown in the table on the following page.

Realistically, the demand for affordable/reserve units is virtually limitless and far greater numbers could be absorbed at the subject or elsewhere in the study area if more units were made available. The above demand reflects the recent construction history of such units.

We conclude the subject could potentially achieve absorption of 600 to 1,200 market-priced condominium units by 2030, particularly within a master planned project, with the limitations on numbers allowed to be built appearing to be more of constraint than market demand.

The affordable/reserve units which would be required as part of any market-priced development would be fully absorbed during pre-sale offering, or within a free-standing fully affordable project.
Leasehold residential is no longer competitive in the Hawai‘i market; although it might be palpable for affordable-priced units merely due to a lack of other options. However, in order to attract the best prices for finished inventory and developer interest the OHA Kaka‘ako Makai sites would have to be sold in fee simple.

### POTENTIAL DEMAND FOR RESIDENTIAL UNITS ON KAKAAKO MAKAI BY TYPE ASSUMING INITIAL PRE-SALE BEGINS IN 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Units</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand For Subject Units</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Upper-Market Luxury</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>250</td>
<td>20.0%</td>
<td>50</td>
</tr>
<tr>
<td>2020</td>
<td>250</td>
<td>20.0%</td>
<td>50</td>
</tr>
<tr>
<td>2021-2025</td>
<td>1,250</td>
<td>20.0%</td>
<td>250</td>
</tr>
<tr>
<td>2026-2030</td>
<td>1,250</td>
<td>20.0%</td>
<td>250</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>3,000</strong></td>
<td></td>
<td><strong>600</strong></td>
</tr>
<tr>
<td><strong>Low to Mid-Market</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>350</td>
<td>15.0%</td>
<td>53</td>
</tr>
<tr>
<td>2020</td>
<td>350</td>
<td>15.0%</td>
<td>53</td>
</tr>
<tr>
<td>2021-2025</td>
<td>1,750</td>
<td>15.0%</td>
<td>263</td>
</tr>
<tr>
<td>2026-2030</td>
<td>1,750</td>
<td>15.0%</td>
<td>263</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>4,200</strong></td>
<td></td>
<td><strong>630</strong></td>
</tr>
<tr>
<td><strong>Affordable/Reserve</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>400</td>
<td>15.0%</td>
<td>60</td>
</tr>
<tr>
<td>2020</td>
<td>400</td>
<td>15.0%</td>
<td>60</td>
</tr>
<tr>
<td>2021-2025</td>
<td>2,000</td>
<td>15.0%</td>
<td>300</td>
</tr>
<tr>
<td>2026-2030</td>
<td>2,000</td>
<td>15.0%</td>
<td>300</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>4,800</strong></td>
<td></td>
<td><strong>720</strong></td>
</tr>
</tbody>
</table>

*Source: The Hallstrom Group/CBRE*
1.6 HOSPITALITY MARKET ANALYSIS

1.6.1 Overview

After achieving record-levels of visitor days and visitor spending during a strong market period extending from 2004 into 2007, O'ahu tourism fell sharply with the onset of the national recession and the failure of Aloha and ATA airlines in early 2008. By the end of 2009, visitor days and expenditures were down by 5 and 12 percent from pre-recession figures, respectively, and hotel operating statistics were down by 15 percent.

The movement towards stabilization and recovery began in 2010, with the primary statistics making solid gains and the year turning out more vibrant than anticipated by most analysts. 2011 demonstrated a strengthening of the trend, with 2012 and 2013 becoming two of the best tourism years on record. This indicated a complete recovery had been made and the market was operating at stabilized levels within an up-cycle context; a particularly healthy trending given the continuing fragile state of many of the world’s economies.

While there were concerns the sharp rise in Average Daily Rates (ADR) in Waikiki, traditionally considered an inexpensive Hawai‘i destination, coupled with spiking occupancies, was creating an overheated market with inevitable compression on the horizon, continued gains were anticipated to extend in 2014; albeit at reduced rates relative to the prior three years.

However, the move towards further significant industry growth was stymied beginning by late 2013 by the slumping Japanese sector, a critical demographic among Waikiki visitors, which resulted from the rapidly declining value of the yen (relative to the dollar) and the movement of the Japan towards recession.

Although an all-time high of 5.1 million tourists came to the island by air in 2013, up four percent from the prior year, the total number of visitor days was off marginally (2.2 percent), and total expenditures were down by more than four percent. Despite the decline in the latter two categories, they were still the second-best marks on record behind only 2012.

2014 saw little change from 2013 figures. Total arrivals reached 5.16 million (again a new record), total visitor days were virtually identical to the prior year; but spending again was down by another 3.4 percent (still the third highest total ever and 5 percent above the pre-recession peak) as the dollar further strengthened against foreign currencies.

This trends since late 2013 through 2014 are indicative that the post-recession recovery "boom" has drawn to a close and a stabilized trend has emerged.
This stabilization in tourism indicators over the past six quarters is primarily a result of two factors:

1. **The major devaluation of the Japanese yen, and the lessening relative value of the Australian and Canadian dollars.** Per person per day spending among these groups is off between eight and ten percent from their peak in 2012; with the Japanese and Australian segments being major O'ahu (and especially Waikīkī) demographics.

   In example, while Japanese visitors spent the equivalent of 17 percent more yen in 2014 versus 2012, the more than 25 percent devaluation of the yen relative to the dollar meant their expenditures on the island were down by about ten percent on a dollar basis.

2. **Rising vacation costs, notably air fares and lodging, has softened demand for Hawai'i vacations among some Americans.** With the rise in ADR and push towards high-end retailing and dining, Waikīkī of today is a meaningfully more expensive vacation locale than in past decades, becoming among the more costly destinations in America. This has priced-out some demographics and made alternative destinations more competitive.

   However, the continuing strong national economy and rising personal income levels, coupled with an expansion in the number of flights to the islands, and that alternative destinations are now strongly up-pricing, is helping overcome Waikīkī cost issues and is spurring domestic travel, helping to keep visitor statistics at high/stabilized levels despite the softening of the Japan and Australian segments.

While the softness in the Japanese demographic is expected to continue through 2015 (although their general economy appears to be recovering from recession), and the US dollar to continue relative strengthening, the sharp drop in oil/gasoline/fuel prices is expected to lower (or at lease stabilize) the cost of a Hawai'i vacation over the next year, making it a more attractive and competitive destination for mainland travelers. At the least, the drop in gas prices has lowered the at-home living costs for prospective Hawai'i vacationeers enabling them to save more towards a trip to the islands.

Recognizing the potential favorable impact of lowering fuel prices on the major component of airfares and decreasing day-to-day living costs for visitors, and the continuing vitality of the US economy, the State Department of Business, Economic Development and Tourism (DBEDT) revised its projections for the industry slightly upwards in its 2014 fourth quarter forecast. It currently projects the following rates of growth for key indicators statewide.
The most recent University of Hawai‘i Economic Research Organization (UHERO) forecasts were not so bullish, but still projected continuing albeit modest expansion in visitor arrivals.

In its county-by-county forecasts made in May, UHERO projected a rise in Visitor Arrivals to O‘ahu of 0.3 percent for 2014 (in actuality the count grew by 1.16 percent) and growth of 0.3 percent again in 2015.

It is evident the rapid recovery and major annual growth in virtually all indicators experienced in the post-recession era (2010-2013) has moderated statewide and on O‘ahu with the neighbor islands following traditional patterns and trailing behind by one to two years.

Overall, the industry will still be within an extended positive period with no major downturns evident on the horizon. The ability to weather the Japanese recession and currency issues while still maintain some expansion in 2014 was testimony to its resiliency.
Should fuel prices remain low for an extended period (as is being generally forecast), the Japanese economy experience any meaningful recovery and the US economy remain solid, minor to moderate upward revision in near to mid-term industry forecasts could occur in 2015.

What expansion does occur in 2015 is anticipated during a strong summer season based on airline reservations and hotel bookings to date. Waikiki typically experiences exceptional high summer volumes, and the number of visitor days and hotel ADRs are expected to be higher than for the same period last year.

### 7.6.2 General Tourism Statistics and Trends

The table below displays the primary statistics and trending for O‘ahu tourism from 2000 through 2014.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>4,776,940</td>
<td>4.80%</td>
<td>68.75%</td>
<td>6.61</td>
<td>16.58%</td>
<td>31,575,706</td>
<td>22.17%</td>
<td>$5,904,657</td>
<td>28.35%</td>
<td>$187,000</td>
<td>5.06%</td>
<td>36,300</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>4,626,937</td>
<td>-1.63%</td>
<td>67.72%</td>
<td>6.88</td>
<td>4.13%</td>
<td>29,380,797</td>
<td>-6.95%</td>
<td>$3,375,000</td>
<td>-5.97%</td>
<td>$162,899</td>
<td>-2.20%</td>
<td>36,300</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>4,209,887</td>
<td>-0.68%</td>
<td>66.36%</td>
<td>6.94</td>
<td>1.10%</td>
<td>29,494,656</td>
<td>0.34%</td>
<td>$5,125,000</td>
<td>-4.65%</td>
<td>$173,742</td>
<td>-4.99%</td>
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</tr>
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<td>-4.10%</td>
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<td>7.27</td>
<td>4.43%</td>
<td>29,579,916</td>
<td>0.29%</td>
<td>$5,206,000</td>
<td>1.46%</td>
<td>$175,794</td>
<td>1.17%</td>
<td>36,600</td>
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<tr>
<td>2004</td>
<td>4,476,279</td>
<td>10.08%</td>
<td>64.80%</td>
<td>6.80</td>
<td>-6.46%</td>
<td>30,438,357</td>
<td>2.90%</td>
<td>$5,350,000</td>
<td>2.88%</td>
<td>$175,777</td>
<td>-0.02%</td>
<td>35,987</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>4,751,855</td>
<td>6.14%</td>
<td>64.07%</td>
<td>6.89</td>
<td>-1.32%</td>
<td>32,740,281</td>
<td>7.56%</td>
<td>$6,679,200</td>
<td>6.15%</td>
<td>$173,464</td>
<td>-1.31%</td>
<td>34,340</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>4,606,438</td>
<td>-3.06%</td>
<td>62.13%</td>
<td>6.80</td>
<td>-1.31%</td>
<td>31,323,778</td>
<td>-4.33%</td>
<td>$5,536,650</td>
<td>-2.51%</td>
<td>$176,761</td>
<td>1.90%</td>
<td>34,006</td>
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<tr>
<td>2007</td>
<td>4,596,330</td>
<td>-0.22%</td>
<td>61.31%</td>
<td>6.78</td>
<td>-0.56%</td>
<td>31,342,644</td>
<td>-0.58%</td>
<td>$5,729,200</td>
<td>3.47%</td>
<td>$184,000</td>
<td>4.10%</td>
<td>33,988</td>
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<tr>
<td>2008</td>
<td>4,195,655</td>
<td>-8.76%</td>
<td>62.47%</td>
<td>7.13</td>
<td>5.23%</td>
<td>29,900,974</td>
<td>-3.99%</td>
<td>$5,644,500</td>
<td>-1.48%</td>
<td>$180,775</td>
<td>2.59%</td>
<td>34,081</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>4,032,198</td>
<td>-3.83%</td>
<td>62.81%</td>
<td>7.35</td>
<td>3.09%</td>
<td>29,638,655</td>
<td>-0.08%</td>
<td>$5,031,600</td>
<td>-10.66%</td>
<td>$169,784</td>
<td>-10.06%</td>
<td>34,027</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>4,273,657</td>
<td>5.99%</td>
<td>61.79%</td>
<td>7.37</td>
<td>0.27%</td>
<td>31,495,094</td>
<td>4.27%</td>
<td>$5,660,600</td>
<td>9.32%</td>
<td>$174,664</td>
<td>2.87%</td>
<td>33,782</td>
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</tr>
<tr>
<td>2011</td>
<td>4,397,935</td>
<td>2.91%</td>
<td>61.43%</td>
<td>7.59</td>
<td>2.99%</td>
<td>32,983,238</td>
<td>4.73%</td>
<td>$6,527,600</td>
<td>18.67%</td>
<td>$197,900</td>
<td>13.31%</td>
<td>35,001</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>4,904,045</td>
<td>11.51%</td>
<td>62.34%</td>
<td>7.31</td>
<td>-3.65%</td>
<td>35,864,092</td>
<td>8.73%</td>
<td>$7,672,500</td>
<td>17.54%</td>
<td>$213,915</td>
<td>8.10%</td>
<td>35,326</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>5,100,169</td>
<td>4.00%</td>
<td>61.93%</td>
<td>6.67</td>
<td>-6.00%</td>
<td>35,059,623</td>
<td>-2.24%</td>
<td>$7,358,700</td>
<td>-4.09%</td>
<td>$209,691</td>
<td>-1.89%</td>
<td>35,751</td>
<td></td>
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<tr>
<td>2014</td>
<td>5,159,078</td>
<td>1.16%</td>
<td>63.23%</td>
<td>6.79</td>
<td>-1.22%</td>
<td>35,050,158</td>
<td>-0.03%</td>
<td>$7,109,500</td>
<td>-3.39%</td>
<td>$202,841</td>
<td>-3.36%</td>
<td>35,453</td>
<td></td>
</tr>
</tbody>
</table>

Source: State DBEDT, The Hawai‘i Visitors & Convention Bureau, First Hawaiian Bank, and The Halstead Group/CBRE

The two most critical figures for the industry are Total Visitor Days and Total Visitor Expenditures, as having more people (a higher daily visitor count) spending more money over the long-term is the surest sign of a fundamentally strong and sustainable market. The graph below illustrates that while there have been periodic down-cycles and spikes, the steady expansion of O‘ahu tourism and trending has been inexorable and appears favorable on a going-forward basis.

We note, that as Waikiki is the destination for the large majority of visitors to O‘ahu and has most of the islands tourism plant, the trending data in the urban resort district are the driving force behind and virtually identical to the island-wide indicators.

In the near to mid-term the primary market considerations include:

1. The continuing strengthening of the dollar in currency exchange rates. The yen has dropped to about 121 to the dollar, off nearly 15 percent from early 2014, and the Australian and Canadian dollars are down by similar margins.
2. Apart from the instability in the Japanese visitor demographic, the other Asia/Pacific sectors have shown impressive gains in recent years. Australia, despite recent currency concerns, has emerged as a major demographic component in the Waikīkī visitor industry during this decade. And their frequency of return rate is steadily growing; Waikīkī has become a primary destination for an expanding contingent of repeat visitors. After monumental gains in excess of 30 percent in the total number of visitors from Australia, Korea and China in 2012 over the prior year, there was a further increase by over 15 percent in 2013, and about 10 percent in 2014. The rapidly expanding, free-spending latter group is projected to increase many-fold during the remainder of this decade, particularly as modern, new hotel product comes-on line in Waikīkī.

3. The number of scheduled “air seats” coming into the islands (the large majority of which land in Honolulu) has fully-recovered from and moved beyond pre-recession levels. Having sufficient air transport capacity is vital to Hawai’i tourism.

After falling by 16 percent in April 2008 with the abrupt closure of ATA and Aloha Airlines, seat capacity was slow to recover during the subsequent recession, given a poor credit environment, high costs of fuel and significant losses experienced by major carriers throughout their systems.
Statewide all of the "lost" seats have been recovered and an additional 15 percent added. On O‘ahu, an additional 14 percent seats have been added over pre-recession levels.

Route additions by Alaska Air, Allegiant Air, and other carriers, increased numbers of flights by Qantas and WestJet, and the commencement of regularly scheduled charter flights from China, has created much of the additional capacity. And, should Southwest Air enter the Hawai‘i market as projected by some in 2015-16, capacity into the state and inter-island should be sufficient to competitively serve any expanding visitor demands.

4. The post-recession regeneration of Waikiki continues apace. Over the past five years billions of dollars have been spent on renovation of more than a dozen hotels, focusing on the interior areas of Waikiki (particularly the Kuhio Avenue Corridor) which were in significant need of refurbishment and repositioning. Numerous commercial centers and spaces have been developed in the district, and several of the existing primary centers were meaningfully renovated/upgraded.

Current construction activity includes the twin condotel towers within the Ritz-Carlton project, total redevelopment of the International Marketplace, another timeshare tower at the Hilton Hawaiian Village, and several hotel renovation projects. Major re-development is also pending for the Sheraton Princess Kaiulani, the Moana Westin, the King’s Village site and elsewhere, with additional planned hotel refurbishments.

Waikiki was in vital need of such a resurgence in capital investment, particularly if it hopes to attract increasing numbers of Chinese, Korean and Japanese visitors which seek "the best and newest" accommodations and upscale shopping, and a younger generation of American travelers looking for modern, branded hotels with a more trendy, chic appearance (without regard for their parents desired Hawaiian look).

5. The homeless issue in Waikiki is being successfully addressed with the implementation of new laws ("No Sit-Lie Bans"), more aggressive policing, and increased public and private assistance programs. Prior to these enhanced undertakings there was an increasing homeless population and associated crime rate since early in the decade generating numerous major media reports of late in the islands and nationwide. Visitors, particularly among long-time repeaters, were expressing their displeasure with the situation and vowing not to return until the issue is adequately addressed.

Honolulu has historically had among the very lowest crime rate for any major American city and Waikiki is still considered an exceptionally safe destination, and the perception is increasing with the apparent going-forward success of the recent programs.

6. External influences outside the control of Hawai‘i. A continuing successful Waikiki visitor industry requires stable oil prices, non-recessionary economies in the primary demographic nations, favorable currency exchange rates, and a relative level of worldwide peace.

Any of these factors, along with numerous others, could emerge and quickly damage O‘ahu tourism, just as the financial (and associated airline) crises did in early 2008 after Waikiki had just enjoyed one its best-ever first quarters.
Over the long-term we believe the factors remain strongly favorable for Waikiki.

The majority of tourists to O'ahu will continue to seek the classic Waikiki vacation experience centered on sunny weather, the beach, ocean, shopping, restaurants, night life, cultural and historic attractions, and activities within an urban resort environment. Such an experience will remain readily-available and be enhanced by the on-going construction/renovation boom.

1.6.3 Hotel Operating Statistics and Trends

The primary O'ahu hotel operating statistics (ADR, occupancy and RevPAR), shown on the following table, have generally reflected tourism trends; with the exception of 2013, when ADRs and RevPAR continued to grow by double-digits over the prior year and occupancy was stable within a moderating industry environment.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>$124.09</td>
<td>2.48%</td>
<td>79.00%</td>
<td>8.41%</td>
<td>$98.03</td>
<td>11.10%</td>
</tr>
<tr>
<td>2001</td>
<td>$106.62</td>
<td>-14.08%</td>
<td>72.02%</td>
<td>-8.84%</td>
<td>$76.79</td>
<td>-21.67%</td>
</tr>
<tr>
<td>2002</td>
<td>$102.12</td>
<td>-4.22%</td>
<td>74.90%</td>
<td>4.00%</td>
<td>$76.49</td>
<td>-0.39%</td>
</tr>
<tr>
<td>2003</td>
<td>$105.52</td>
<td>3.33%</td>
<td>75.72%</td>
<td>1.09%</td>
<td>$79.90</td>
<td>4.46%</td>
</tr>
<tr>
<td>2004</td>
<td>$112.51</td>
<td>6.62%</td>
<td>81.19%</td>
<td>7.22%</td>
<td>$91.35</td>
<td>14.33%</td>
</tr>
<tr>
<td>2005</td>
<td>$125.74</td>
<td>11.76%</td>
<td>85.20%</td>
<td>4.94%</td>
<td>$107.13</td>
<td>17.28%</td>
</tr>
<tr>
<td>2006</td>
<td>$123.96</td>
<td>-1.42%</td>
<td>82.58%</td>
<td>-3.08%</td>
<td>$102.37</td>
<td>-4.45%</td>
</tr>
<tr>
<td>2007</td>
<td>$168.36</td>
<td>35.82%</td>
<td>76.80%</td>
<td>-7.00%</td>
<td>$129.30</td>
<td>26.31%</td>
</tr>
<tr>
<td>2008</td>
<td>$169.92</td>
<td>0.93%</td>
<td>74.90%</td>
<td>-2.47%</td>
<td>$127.27</td>
<td>-1.57%</td>
</tr>
<tr>
<td>2009</td>
<td>$150.06</td>
<td>-11.69%</td>
<td>72.30%</td>
<td>-3.47%</td>
<td>$108.49</td>
<td>-14.75%</td>
</tr>
<tr>
<td>2010</td>
<td>$149.67</td>
<td>-0.26%</td>
<td>78.20%</td>
<td>8.16%</td>
<td>$117.04</td>
<td>7.88%</td>
</tr>
<tr>
<td>2011</td>
<td>$165.05</td>
<td>10.28%</td>
<td>80.90%</td>
<td>3.45%</td>
<td>$133.53</td>
<td>14.08%</td>
</tr>
<tr>
<td>2012</td>
<td>$183.51</td>
<td>11.18%</td>
<td>84.70%</td>
<td>4.70%</td>
<td>$155.43</td>
<td>16.41%</td>
</tr>
<tr>
<td>2013</td>
<td>$209.01</td>
<td>13.90%</td>
<td>83.70%</td>
<td>-1.18%</td>
<td>$174.94</td>
<td>12.55%</td>
</tr>
<tr>
<td>2014</td>
<td>$221.18</td>
<td>5.82%</td>
<td>84.40%</td>
<td>0.84%</td>
<td>$186.68</td>
<td>6.71%</td>
</tr>
</tbody>
</table>

Note: As Waikiki contains the large majority of hotel rooms/visitor units on Oahu, the ADR for Waikiki-only is virtually identical to the island-wide data, and the occupancy is generally one point higher.

Source: PKF Hawaii, Hospitality Advisors, and The Hallstrom Group/CBRE

This dissonance is attributable to visitors cutting back on their “discretionary” spending (shopping, high-end dining, and costly activities) while still requiring the same level of lodging.

The trend continued through 2014, although at only half the level of increase, with continuing year-over-year gains in ADR and occupancy.

To an even greater degree than general tourism statistics, Waikiki hotel data mirrors (and drives) the island-wide averages as the large majority of hotel rooms/visitor units on O’ahu are in the district.
For the past three full years (2012 through 2014) annual increases in ADR have grown at 10.3 percent compounded annually, mostly driven by escalations in 2012-13, and occupancy rates have averaged 84.3 percent, up more than ten full points from the recessionary years.

O‘ahu ADR now stands at a record high of $221.18, up almost six percent from the full-year 2013 figure. The chart below shows the compounded annual ADR escalation rate for selected time-frames since 1974.

<table>
<thead>
<tr>
<th>Period</th>
<th>Years</th>
<th>Compounded Annual Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Full-Years Only)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Last 3 Years</td>
<td>2012-2014</td>
<td>10.3%</td>
</tr>
<tr>
<td>Last 5 Years</td>
<td>2010-2014</td>
<td>8.0%</td>
</tr>
<tr>
<td>Last 10 Years</td>
<td>2005-2014</td>
<td>7.0%</td>
</tr>
<tr>
<td>Last 20 Years</td>
<td>1995-2014</td>
<td>4.2%</td>
</tr>
<tr>
<td>Entire Study Period</td>
<td>1974-2014</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

The post-recessionary ADR spike appears to be over, although meaningful gains of three to six-plus percent are anticipated for full-year 2015 based on first quarter data and summer booking rates.

Given the concerns among hoteliers that Waikiki has priced itself away from some core demographic groups, and the expectations for generally stabilized O‘ahu tourism in 2015 and 2016, we project that ADR escalation will slow in the next several years towards a sustainable long-term growth rate of circa four percent compounded annually. However, collective O‘ahu ADR may be pushed higher by the properties seeking to capitalize on costly renovations and repositioning efforts during a generally strong tourism period; such as the Aqua Oasis.

Occupancy rates on O‘ahu and Waikiki, which are traditionally the highest and most stable for any island or locale, have recently been experiencing what is widely-considered as a marginally over-heated state. This is somewhat remarkable given it has occurred during a post-recession recovery period with spiking ADR.

For full-year 2014, island-wide occupancy was at 84.4 percent, up marginally from the 83.7 percent of 2013, and the second highest mark since 2005. Occupancy is anticipated to be in the low to mid-80s percent in 2015.
The long-term stability of hotel occupancy on O’ahu is demonstrated in the following chart showing average annual rates for selected periods since 1974.

<table>
<thead>
<tr>
<th>Period</th>
<th>Years</th>
<th>Average Annual Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Full-Years Only)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Last 3 Years</td>
<td>2012-2014</td>
<td>84.3%</td>
</tr>
<tr>
<td>Last 5 Years</td>
<td>2010-2014</td>
<td>82.4%</td>
</tr>
<tr>
<td>Last 10 Years</td>
<td>2005-2014</td>
<td>80.4%</td>
</tr>
<tr>
<td>Last 20 Years</td>
<td>1995-2014</td>
<td>78.4%</td>
</tr>
<tr>
<td>Entire Study Period</td>
<td>1974-2014</td>
<td>79.2%</td>
</tr>
</tbody>
</table>

The graph below displays the trending of ADR and occupancy rates on O’ahu from 1974 through 2014.
According to Smith Travel Research/Hospitality Advisors, Hawai’i hotels set a new record for total hotel revenue in 2014 at $5.4 billion, up 5.6 percent from the previous year, and the fifth consecutive year of major gains. Total Hawai’i hotel room revenues also reached all-time heights at $3.7 billion.

According to their survey, Hawai’i also ranked among the top five markets in the country in regards to occupancy (fifth), ADR (second) and RevPAR (second).

1.6.4 Projected Lodging Demand/Supply Levels

Even with the market stabilizing and growth trends nominalizing, the demand for additional lodging inventory on O’ahu, widely considered to be in a period of “tight supply”, will continue to rise over the near to mid-term as quantified on the table below.

Anticipating that tourism variables will return towards more long-term "average" levels during the remainder of this decade, we project by 2025 there will be a demand for some 7,129 new hotel rooms, timeshare units and resort condominium units; an increase of 18.3 percent above the current stock.

As shown below, there are some 4,910 maximum proposed potential transient lodging units scheduled to be added to the O’ahu visitor accommodations plant over the coming 10-plus years. This estimate does not include the currently discussed plans for hotel use in the HCDA area along Kapiolani Boulevard.

This is a highly bullish count as:

- Many of the units will be condominiums, of which some will be put to residential use, and not for transient lodging.
- It assumes numerous projects in the Ko Olina and Hoakalei resort areas will be built during the forecast period; however, apart from the Four Seasons Ko Olina there have been no projects announced, no site sales, and no entitlement processes undertaken. It is not probable all of the 2,000 units anticipated by the community master developers will be constructed by 2025.
- A recent study by the Hawai’i Tourism Authority estimated there are 3,583 “illegal/uncertified” transient rental units on O’ahu, mostly homes and condominium units in residential neighborhoods. The County is planning to crack-down on these units with more than 1,000 under review at present. To the extent these units are closed the total supply of visitor units will decrease and the demand for legal units elsewhere on the island will increase.

The unmet demand for lodging will be at least 2,219 new rooms/units on O’ahu by 2025, even if significant new inventory is added. We anticipate moderated demand and lessening supply between 2026 and 2030, resulting in an unmet demand of some 2,000 units for that period.
It is apparent the demand/supply balance for lodging units will be favorable through the OHA Kaka’ako Makai development period, and given the scarcity of resort-zoned sites on O’ahu the condition is anticipated to persist over the long-term.

While hotel developers would prefer fee simple development sites, leasehold hotels are not uncommon in the islands and the subject sites could still attract interest in offered as leasehold parcels.

Hotel ground leases typically have a structure calling for base rents (generally at to below market levels for a commercial site) and percentage rents based on operating revenues paid to the extent
they surpass the base rent amount. This allows the landowner to share in the upside/success of the hotel during up-cycle periods and buffers the hotelier during down-cycles.

Percentage rents can be based on a percentage of total revenues or departmental sales. The table below summarizes the most recent percentage based hotel rent structures.

The demand for timeshare intervals, which remained relatively strong on O‘ahu throughout the recession in comparison to the other islands, has shown meaningful upward trending subsequently. There has been a development surge of the product on O‘ahu in recent years, with additions averaging 253 full units per year over the past decade, as shown below, with the island comprising an increasing share of statewide inventory.

---

**PROPOSED ADDITIONS AND DEDUCTIONS TO OAHU LODGING ACCOMMODATIONS INVENTORY BY 2025**

<table>
<thead>
<tr>
<th>Project</th>
<th>Forecast Date</th>
<th>No. of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Additions to Inventory</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Courtyard North Shore</td>
<td>2015</td>
<td>144</td>
</tr>
<tr>
<td>Ritz-Carlton Towers (1)</td>
<td>2016/2018</td>
<td>589</td>
</tr>
<tr>
<td>Hilton Hawaiian Village T/S</td>
<td>2016</td>
<td>307</td>
</tr>
<tr>
<td>Moana Surfrider (1,2)</td>
<td>On-Hold</td>
<td>44</td>
</tr>
<tr>
<td>Ko Olina Resort T/S (3)</td>
<td>Max. by 2025</td>
<td>1,200</td>
</tr>
<tr>
<td>Ko Olina Resort Hotel (3)</td>
<td>Max. by 2025</td>
<td>1,200</td>
</tr>
<tr>
<td>Four Seasons Resort (1,2)</td>
<td>2017</td>
<td>160</td>
</tr>
<tr>
<td>Hoakalei Hotel/T/S (4)</td>
<td>Max. by 2025</td>
<td>900</td>
</tr>
<tr>
<td>Waikiki Trade Ctr. Conversion</td>
<td>2017</td>
<td>240</td>
</tr>
<tr>
<td>Kapolei Hotels</td>
<td>By 2025</td>
<td>300</td>
</tr>
<tr>
<td>Airport Hotel</td>
<td>By 2020</td>
<td>135</td>
</tr>
<tr>
<td><strong>Deductions from Inventory</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sheraton Princess Kaiulani (1,2)</td>
<td>On-Hold</td>
<td>(264)</td>
</tr>
<tr>
<td>Ohana Waikiki West (2)</td>
<td>2016</td>
<td>(45)</td>
</tr>
</tbody>
</table>

**Maximum Net Inventory Additions by 2025** 4,910

Note: T/S = Timeshare

(1) Project will contain condominium units which may be put to residential, not transient, uses.

(2) Net change in units following redevelopment/renovation.

(3) Allowances based on optimistic developer’s projections.

Only one project (Marriott T/S) announced to date.

(4) In master plan. No project, land sale, or developer to date.

Source: Developers and The Hallstrom Group/CBRE
More than half of recent demand, estimated at some 120 to 140 units per year has been focused towards Waikiki, with the remainder to Ko Olina. The estimated absorption and pricing of units for major timely Waikiki projects is shown in the following table. We note in some instances pricing is extrapolated from points-based systems.
The Waikiki market is currently dominated by Hilton and Wyndham, two of the major timeshare programs, and Marriott is currently committed to Ko Olina and could not accept leasehold land for development due to the terms of its program.

Fee simple tenure is meaningfully more desirable than leasehold for timeshare development, but there still may be interest in the subject lands were they made available for timeshare use.

Marriott, Starwood and Hyatt would be the most likely parties to operate a program on the subject parcels, as they are not currently represented in the Waikiki market and there are few alternatives available in the urban resort district or otherwise in central Honolulu.
1.6.5 Appropriateness of the Subject Sites for Hospitality Use and Potential Absorption Estimates

The O‘ahu visitor industry is in the midst of a major positive market cycle, though beginning to show signs of stabilization at/near record levels following massive post-recession recovery and growth. The hotel and timeshare sectors are operating strongly with high occupancies and sales, respectively.

There is substantial interest in new development opportunities and investment in existing properties, and a need for new inventory Islandwide to attract younger and Asian visitors who comprise ever-increasing shares of the market.

The OHA Kaka‘ako Makai lands are a highly appropriate and superior location for hospitality development for many of the same reasons as it is for residential and commercial use:

- It is centrally located, proximate to desirable shopping, dining and entertainment venues at Ward Villages and Ala Moana Center and an evolving Kaka‘ako scene.
- It is close by parks, including Kaka‘ako Waterfront and Ala Moana Beach which offer scenic low-intensity recreational opportunities and open spaces.
- The product would have a strong makai-orientation, possibly even waterfront, a very desirable feature in the market.
- Excellent and unblockable ocean and city panoramas would be available from most rooms/units.
- The sites are sufficient size to support major projects of varying scale.
- The quality, competitiveness, and absorption of the rooms/units would be greatly enhanced within a master planned project with retail/restaurant and cultural features and facilities. Outside of a master planning context the desirability of the subject sites would drop meaningfully; although the waterfront parcels would still be somewhat competitive.

The OHA Kaka‘ako Makai sites would be suitable for a broad range of hotel types from smaller limited service (which is the type of facility most commonly being constructed in the current economy) to a four-plus star full service urban resort, with these two extremes providing the best returns to the underlying land at the present time.

On a residual basis, allowing for every other proposed hotel to be developed and achieve market level operations, there will still be a minimum unmet demand of 2,219 lodging units on O‘ahu over the next decade (hotel and timeshare), with a more probable figure being between 2,500 and 3,500 rooms/units.

The subject sites, within a master planning context would be a superior and highly competitive location, with few alternatives available, and could capture a market share in excess of the residual demand.
We estimate hospitality development at Kaka'ako Makai could achieve a market share of 20 percent of the total demand for regional demand for the period 2015 through 2030 as shown following.

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Units</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand For Subject Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>1,007</td>
<td>20.0%</td>
<td>201</td>
</tr>
<tr>
<td>2021-2025</td>
<td>2,443</td>
<td>20.0%</td>
<td>489</td>
</tr>
<tr>
<td>2026-2030</td>
<td>2,000</td>
<td>20.0%</td>
<td>400</td>
</tr>
<tr>
<td>Totals</td>
<td><strong>5,450</strong></td>
<td></td>
<td><strong>1,090</strong></td>
</tr>
</tbody>
</table>

Source: The Hallstrom Group/CBRE

1.7 OFFICE MARKET ANALYSIS

1.7.1 Overview

The Honolulu metropolitan office market contains some 11.25 million square feet of gross leasable floor area, and is generally comprised of three sectors:

- Standard/traditional office and business uses, as typified in the Downtown financial district towers, which comprise a significant share of the market.
- Medical office uses, a specialized sub-market either in free-standing or mixed-use buildings or in conjunction with major medical facilities
- Other Specialized uses, such as technology-oriented, research & development, institutional and government which can be housed in traditional office spaces or specialized improvements.

The traditional office sector in Honolulu has been relatively stable (“flat”) for many years, with few additions to supply and limited demand factors. In 2014, despite the widespread up-cycle economy on O’ahu, there was a negative absorption of 177,462 square feet of floor space, a vacancy rate of 14.6 percent, and continuing static rent structures.
This trend continued in the first quarter of 2015, with the Honolulu/O’ahu office sector further declining with a net negative absorption of 19,633 square feet and vacancy moving up to 15.8 percent of available inventory.
The indicators would have worse Islandwide were it not for positive absorption in West O‘ahu and Waikiki in 2014 (6,475 square feet and 13,719 square feet for the year, respectively) and early 2015 (9,042 and 7,712, respectively).

Rents have remained basically unchanged for several decades.

The other/specialized sector remains a minor sub-set of the office market with some potential for technology and R&D uses, but weak current demand for institutional and government users.

The on-going movement toward smaller, alternative work spaces, telecommuting, and “right sizing” of offices, in conjunction with scarce major new corporations locating to Honolulu and self-officing in the visitor industry, will inhibit demand for traditional office space over the mid to long-term.

With high development costs and a generally stagnant rent structure, returns to underlying sites are limited and may not be competitive with some alternative uses.

Based on our analysis of the traditional and specialized sectors of the office market, we do not consider this use to be a viable alternative for the OHA Kaka‘ako Makai sites. Development of this type is presently non-economic, is expected to remain that time over the near to mid-term.
1.7.2 The Medical Office Sector

The medical component is the strongest sector with significant demand and rapid absorption of new spaces in Honolulu.

It is estimated there is about two million square feet of medical office space on O‘ahu (excluding hospitals and clinics), most located in central Honolulu, and the current vacancy rate in this sector is about four percent.

The demand for medical office space is increasing as Hawai‘i’s generally well-insured population ages, particularly in close proximity to a hospital or clinic which can provide support and services for the practice and patients. Rents of $4.00 to $4.50 per square foot monthly are achievable in the prime, proximate locations, nearly twice that for standard office space.

Medical practitioners seek out central urban locations with access to major thoroughfares and plentiful parking (preferably free). New projects with such characteristics have been quickly absorbed.

There have been several additions to the medical space sector in recent years, all of which have been well-received; notably those near Pali Momi Hospital and in Kapolei.

Hale Pawaa, a new 124,000 square foot free-standing building in central Honolulu (1401 S. Beretania) was also well-received by the market, with the last three available spaces nearing the contract stage. The absorption of space in the facility averaged about 20,000 square feet per year.

There is the potential for a major loss of medical office floor space in the near to mid-term if General Growth Properties decides to convert their Ala Moana towers away from office spaces to other uses (most likely condominiums) as has been discussed.

The 196,600 square foot Ala Moana Building is primarily occupied by doctors and dentist providers, as is a significant portion of the 174,300 square foot Ala Moana Pacific Center. General Growth has wavered on whether to extend terminating leases past 2019, if not there would be a major influx of practitioners seeking new locations at the time when the OHA Kaka‘ako Makai inventory would be potentially coming on-line.

End-user (doctor) interest in medical office space is moderate to favorable, although younger practitioners may have financial difficulty setting up an office in new space. Developer interest is also moderate to favorable but somewhat specialized and limited in a market of the size of Honolulu. Rents are steadily increasing, but the space can be more costly to construct than other office or commercial uses.
1.7.3 Appropriateness of the Subject Sites for Medical Office Use and Potential Absorption Estimates

Demand for medical office space in central Honolulu is expected to increase with an expanding and aging population. It is estimated demand for new space will be some 825,000 square feet of gross leasable area over the next 15-plus years (through 2030), or some 55,000 square feet annually.

The OHA Kaka’ako Makai parcels would be an appropriate location for medical office given:

• Their prominent central location;
• Ease of access onto Ala Moana Boulevard;
• Potential for cooperation with the existing UH School of Medicine and Cancer Center facilities; particularly if a clinic, emergency room or operating rooms were opened; and
• Ability to absorb potentially displaced practices from the Ala Moana office buildings within a proximate distance.

We conclude medical office space could comprise contributory demand for the upper floors of a mixed-use commercial project on the subject; especially if sufficient parking (preferably free) is made available. While demand would be greater within a master planned context, there could still be a viable, if reduced, component within free-standing developments.

Although the preference is for fee simple sites, leasehold office development is not uncommon in Honolulu.

Our mid-point subject absorption estimates are shown below and do not include any excess demand which would result from the closure of the Ala Moana buildings. We forecast the Kaka’ako Makai product could capture approximately 15 percent of the projected Islandwide demand.

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Sq. Ft.</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand For Subject Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>55,000</td>
<td>15.0%</td>
<td>8,250</td>
</tr>
<tr>
<td>2020</td>
<td>55,000</td>
<td>15.0%</td>
<td>8,250</td>
</tr>
<tr>
<td>2021-2025</td>
<td>275,000</td>
<td>15.0%</td>
<td>41,250</td>
</tr>
<tr>
<td>2026-2030</td>
<td>275,000</td>
<td>15.0%</td>
<td>41,250</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>605,000</strong></td>
<td></td>
<td><strong>90,750</strong></td>
</tr>
</tbody>
</table>

Source: The Hallsworth Group/CBRE
1.8 INDUSTRIAL MARKET ANALYSIS

1.8.1 Overview

Although a somewhat lower-order urban use than those discussed foregoing, the current strength of the Honolulu industrial sector and associated high and increasing land prices deserve analysis and consideration given the in-place restrictions which could make the high returns for residential and resort uses unachievable.

O'ahu currently has some 34 million square feet of industrial space with an overall vacancy rate of only 2.6 percent as of year-end 2014; the lowest for any market sector. Nearly 215,000 square feet of floor space was absorbed last year and 126,528 more square feet were absorbed in the first quarter of 2015.
Rents are beginning to increase rapidly.
Significant new development is occurring in Ewa/Kapolei where there are available zoned lands but little in central Honolulu which is nearing effective build-out.

Kaka’ako has 1.7 million square feet of industrial space, a figure which will decline as redevelopment continues in the district, and currently achieves higher rents than anywhere on the island apart from the acutely under-supplied windward side. The supply of industrial space and lands in Kaka’ako are rapidly diminishing as they are converted into higher order uses such as condominium or commercial, or are being disrupted or taken for the rail right-of-way.

The limited (and in some respects decreasing) availability of developable industrial land, particularly in urban Honolulu, is commencing widespread appreciation in land values in what is expected to be a major upsurge over the near to mid-term. While the potential values would be at best half to 60 percent of the potential achievable under the maximal residential or resort uses, it does provide a baseline for analysis. Industrial land prices in Honolulu are typically near or above the $100 per square foot mark, with recent HART rail right-of-way purchases in Kaka’ako at from $150 to $170 per square foot for the underlying land.

1.8.2 Appropriateness of the Subject Sites for Industrial Use and Potential Absorption Estimates

Demand for industrial space in urban Honolulu is exceptionally high, particularly in the Kaka'ako area, as service goods providers seek locations close to their patrons. Development interest in the sector is strong throughout the island (although there are no real opportunities in Kaka’ako), rental rates and land prices are moving strongly upward, and the amount of available supply is shrinking.

Although it would not exploit the excellent view potentials or water-orientation of the OHA Kaka’ako Makai parcels, the sites are:

- Centrally located;
- Have access to a major thoroughfare; and,
- Are proximate to many users of industrial services and goods.

We estimate the demand for industrial space in Honolulu will average some 100,000 square feet annually over the next 15 years (through 2030), less than half of the total Islandwide. The figure would be higher if more space was being made available in/near the urban core, but instead the supply is shrinking.

Given the limited amount of competing space available, the OHA Kaka’ako Makai lands could capture a large part of the demand, upwards of 25 percent, resulting in a potential total demand through 2030 of 275,000 square feet, as shown below.
Leasehold tenure is common in the Honolulu industrial land market and given prevailing land prices and return (or rental) rates can result in present values of sites under long-term leases being greater than fee simple values.

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Demand for Sq. Ft.</th>
<th>Kakaako Makai Capture Rate</th>
<th>Est. Demand For Subject Sq. Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>100,000</td>
<td>25.0%</td>
<td>25,000</td>
</tr>
<tr>
<td>2020</td>
<td>100,000</td>
<td>25.0%</td>
<td>25,000</td>
</tr>
<tr>
<td>2021-2025</td>
<td>500,000</td>
<td>25.0%</td>
<td>125,000</td>
</tr>
<tr>
<td>2026-2030</td>
<td>500,000</td>
<td>25.0%</td>
<td>125,000</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,100,000</strong></td>
<td></td>
<td><strong>275,000</strong></td>
</tr>
</tbody>
</table>

Source: The Hallstrom Group/CBRE
1.9 CULTURAL USES AND ATTRACTIONS MARKET ANALYSIS

In 2012, the State of Hawai‘i transferred nine parcels of land, ranging from under 1 acre to over 7 acres each, to the Office of Hawaiian Affairs (OHA) as part of a settlement of ceded land revenue claims dating back to 1978. The property consists of approximately 30 acres in Kaka‘ako Makai. The property was valued at approximately $200 million. Currently, the parcels generate about $1.1 million dollars annually. Existing land use zoning for OHA parcels include waterfront commercial, mixed-use, and mixed-use industrial.

OHA’s goal is to steward these lands in a way that fulfills their kuleana (right, privilege, concern, responsibility) to Native Hawaiians and honors Kaka‘ako as wahi pana (storied, noted, legendary place). OHA expects the land to be a source of revenue to grow and support its programs created to enhance opportunities for Native Hawaiians, and also wants to create a place that Hawaiians can come.

In addition to traditional real estate land uses, OHA is interested in understanding the market and financial implications of including signature cultural attractions as part of the development, that would allow for the expression of culture on the site, serve as defining elements for the masterplan, and serve as cultural anchors that would draw visitors to the site.

As part of our market evaluation of potential cultural uses for the Kaka‘ako Makai sites, we conducted the following tasks:

- Assessed the site specific to the market potential for cultural attractions;
- Evaluated the size and demographics of the resident and tourist markets available to potential entertainment and cultural development.
- Assessed the competitive environment locally through an examination of the performance of cultural institutions and other attractions on O‘ahu.
- Conducted waterfront redevelopment case studies for a variety of comparable destinations nationwide.
- Evaluated attraction and entertainment alternatives for compatibility with OHA objectives, site characteristics and market conditions.
- Developed attendance and operating profiles for uses that received the highest number of points in the evaluation.
In the next phase of work, the detailed financial analysis, we will develop estimates of attendance, physical planning parameters, and estimates of revenues, operating expenses, and development costs for cultural uses included in the masterplan.

1.9.1 Why evaluate the market for cultural attractions?

Although they are not traditional real estate uses and typically operate as non profit organizations, there are a number of important reasons to evaluate the market potential for cultural attractions.

- Similar to traditional real estate uses, cultural attractions have markets and their performance is affected by demand and supply.
- Cultural attractions do operate with a different business model than traditional real estate uses, as they tend to rely on a mix of earned and contributed income, reflecting their balance of multiple bottom lines. Cultural attractions are mission driven, but also need to support themselves and generate revenue to be successful. Many cultural attractions encounter challenges with long term economic sustainability. Conducting market analysis and business planning before they are developed can increase their long term economic sustainability.
- It is important to “right-size” cultural attractions based upon market demand and physical planning factors. Cultural facilities that are under-built are not always able to attract their potential visitation due to lack of critical mass and/or excessive lines and poor visitor experience. On the other hand, cultural attractions that are over-built for the market often face challenges generating enough revenue to cover operating costs.
- The development and operation of cultural attractions often require decisions balancing organizational mission and business considerations. Business planning and market analysis can help quantify these tradeoffs to provide key decision makers with better information. In this case, cultural attractions will require some subsidy from the traditional real estate. Given the importance of preserving revenue for other OHA activities, market and financial analysis can help OHA leadership value the benefits and costs of the inclusion of cultural attractions.
- Cultural attractions often serve as anchor attractions, drawing visitors and spending to developments and creating economic value for the destination. Market and financial analysis is necessary before economic impact potential can be measured.
1.9.2 Methodology for Evaluating Market Potential Cultural Attractions

The methodology for the market potential for cultural attractions involves the following components:

- Evaluation of the strengths and challenges of the concept, vision, or goals.
- Assessment of the strengths, weaknesses, opportunities, and threats for the site from a market perspective.
- Review of the size and characteristics of available resident and tourist markets;
- Evaluation of the competitive market for all attractions, since cultural facilities compete with all types of attractions for people’s time and spending.
- Assessment of industry benchmarks and metrics nationally. Cultural attractions tend to operate with a fairly high degree of consistency in key operating metrics, despite difference in markets and geographies.
- Professional judgment. AECOM has been evaluating the economics of attractions for over 55 years. While there is a great deal of quantitative analysis that can be conducted, there are also qualitative factors that need to be integrated into the determination of market potential.
1.9.3 Site Analysis

In this section, we evaluate the site from a market perspective, focusing on the strengths and challenges of the site that will either contribute to market potential or will need to be addressed as part of the business plan for the cultural attraction.

Key considerations related to the site are as follows:

• Kaka’ako Makai is an important cultural and historical resource for Hawaiians and the broader community.

• Located in the ahupua’a of Waikīkī, the parcels are within the former coastline and nearshore fisheries belonging to the ‘ili of Ka‘ākaukukui and Kukulu‘e‘o.
  » These lands were part of a productive agrarian and aquaculture landscape that included traditional practices such as pa‘akai harvesting, fish pond farming activities, and salt beds. The coastal and flat plains are well known for chiefly residence, healing practices, ancestral places, coastal trails, and burials.
  » By the early 20th Century, Kaka’ako had seen a major transition, including the development of salt works, a human quarantine center and cemetery, a coastal battery and fort, Native Hawaiian occupation, the Magoon tenement, and the Ward Estate.
  » Subsequent to that, the area become a prime industrial corridor and one of the first residential areas for working class families.

• Recent planning efforts identified three major themes for redevelopment:
  » Create a kīpuka, cultural oasis, where Hawaiian national identity can flourish.
  » Support the development of a cultural marketplace that invests in intellectual capital.
  » Create a cohesive and multi-functional planned community for live, work and play.
1.9.3.1 Kaka’ako District

- Kaka’ako District is centrally located between downtown and Waikiki, comprising 600 acres bounded by Piikoi, King, Punchbowl Streets and Ala Moana Boulevard.

- To date, the State has invested over $217 million on improvement district projects in Kaka’ako.

- HCDA estimates that between 1988 and 2010, there was $225 million public investment in infrastructure, $2.2 billion in private developments, and $529 million in public-sector development in Kaka’ako.

- There is rapid population growth expected in the next 15 years, fueled by significant mixed-use and residential development projects.

- There are a number of cultural and community assets already located in Kaka’ako, including Thomas Square Park, the Neil Blaisdell Center, the Honolulu Museum of Art, and the Kaka’ako Beachfront Park. Many of these are currently undergoing their own planning efforts that will likely result in increased investment and new attractions.

- Much of the development is occurring as part of masterplanned efforts by the Howard Hughes Corporation and Kamehameha Schools.
1.9.3.2 Summary of Strengths and Challenges

**Strengths and Opportunities**

There are a number of strengths and opportunities associated with the OHA sites, including:

- Kaka'ako has many existing cultural and community assets.
- There are multiple public and private planning efforts that are likely to result in increased investment and a greater critical mass of activity in the area.
- The large number of residential developments planned will greatly increase the onsite market.
- The site has enough land area to create a destination and accommodate just about any cultural use envisioned.
- There is already major development interest in the area. As a successful and active real estate market, there is an opportunity to utilize real estate income to subsidize cultural attractions.
- The site has waterfront and beautiful views.
- With OHA as the landowner and planner for the land, there is an opportunity to create unique cultural destinations that tell the story of Hawaii from the Hawaiian perspective.

**Weaknesses and Threats**

Challenges to the site from a market perspective include:

- OHA does not control properties immediately surrounding its properties, including the Kaka'ako Waterfront Park and the former Obama Library site. It is possible that uses may be developed that are either incompatible or competitive with cultural attractions planned on the OHA properties.
- The existing blend of land uses are not all compatible with cultural attractions. Phasing will be an important consideration in planning for the success of any cultural attraction.
- There is limited parking on site. Any major visitor attraction will have to incorporate and plan for parking and its associated costs.
- Current visibility and access to the site is modest, and much of the site, including the “piano lot” is currently interior to the rest of the property.
1.9.4 Available Markets Evaluation

The size and characteristics of the resident and tourist markets from which an attraction draws its attendance are important factors in determining the potential audience demand. As part of our analysis, AECOM researched and analyzed both the resident and tourist markets in O'ahu. AECOM collected data on historical resident population, projected resident market population growth and demographics, and tourism levels and characteristics.

1.9.4.1 Resident Market Definition

Visitation to attractions has a direct relationship to market proximity. For the purposes of this study, AECOM has divided the resident market into two sub-market segments, primary and secondary markets, based on distance from the project site:

- Primary market: Up to 30 minute drive time from Kaka'ako Makai.
- Secondary market: 30 to 60 minutes from the project site or the remainder of O'ahu.
1.9.4.2 Primary and Secondary Markets

- The total resident market includes a household population of 943,000 million in 2014.
- Approximately 67 percent of the resident population is in the primary market and 33 percent is in the secondary market.
- Household size is smaller in the primary market with 2.77 persons per household, compared to 3.41 in the secondary market.
- In comparison, the state of Hawaii has a total household population of 1.4 million. These residents are included as part of the overnight tourist market.

<table>
<thead>
<tr>
<th>Household Population</th>
<th>2010</th>
<th>2014</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Market (30 min)</td>
<td>623,000</td>
<td>636,000</td>
<td>662,000</td>
</tr>
<tr>
<td>Secondary Market (Other O‘ahu)</td>
<td>295,000</td>
<td>307,000</td>
<td>324,000</td>
</tr>
<tr>
<td><strong>O‘ahu Total</strong></td>
<td>918,000</td>
<td>943,000</td>
<td>986,000</td>
</tr>
<tr>
<td><strong>Hawaii</strong></td>
<td>1,317,000</td>
<td>1,356,000</td>
<td>1,420,000</td>
</tr>
</tbody>
</table>

Source: ESRI, AECOM
1.9.4.3 Historic and Projected Resident Market Growth

- O'ahu grew modestly from 765,000 in 1980 to 956,000 in 2010 at an average rate of 1.1 percent annually.
- Future growth is forecast to continue to be modest from 2020 to 2040, at a rate of 0.4 percent annually.
- In comparison the state of Hawaii has grew at 1.7 percent annually from 1980 to 2010, and is forecast to grow at 0.7 percent from 2020 to 2040.

Source: Research and Economic Analysis Division Department of Business, Economic Development and Tourism, March 2012, AECOM
1.9.4.4 Resident Market Key Demographics

- On the surface, median household income levels are higher than other urban areas such as Seattle and Los Angeles. However, when adjusted for the higher cost of living on O’ahu, median household income levels in the primary and secondary markets are relatively low compared to other major West Coast mainland cities. Discretionary income is lower as a result of higher costs of living in Hawaii overall. The secondary market, outer O’ahu, has higher income levels than the primary market.

- The primary market is slightly older than the United States as a whole, with fewer children and a greater percentage of young professionals and Baby Boomers. The secondary market, on the other hand, has a greater number of young professionals and children than the primary market and the nation as a whole.

- The age demographics for O’ahu should be considered when planning the visitor experience for a cultural attraction.
Education levels in the primary market are higher than in Hawaii and the United States, with nearly 34 percent of the population in the primary market with some form of college degree, compared to 30 percent in Hawaii and 29 percent nationwide.

The resident market is over 50 percent Asian/Pacific Islanders in the primary market and over 40 percent Asian/Pacific Islander in the secondary market.

As part of our market analysis, we examined the Native Hawaiian population since this is an important target market for OHA. Of the total O’ahu population, approximately one quarter is Native Hawaiian & Other Pacific Islander (US Census 2013).

The Native Hawaiian population is younger than both the primary and secondary markets, with a higher percentage of the population under 24 years old.
• Median household income levels are lower for Native Hawaiians than the primary and secondary markets, at $65,000 compared to $67,700 and $77,700. Education levels among Native Hawaiians are also lower than the primary and secondary market with 17 percent with college degrees compared to 34% and 27%.

• While many attractions on O‘ahu can support relatively high prices, it will be important to incorporate a local discounting strategy to accommodate key markets and include programming relevant to the local Native Hawaiian market.
1.9.4.5 Tourist Market Overview

- AECOM uses the number of overnight leisure visitors as the basis for the size of the tourist markets in attendance analysis for attractions.

- While business and other visitors may also attend, the overnight leisure market is the core market for cultural attractions and used for consistent analysis and comparison with metrics at comparable institutions nationwide.

- To understand the size and nature of the O’ahu tourist market, AECOM reviewed estimates and demographic data provided by the Hawaii Tourism Authority (HTA).

1.9.4.6 Tourism to O’ahu and Hawaii

- The region has a stable tourist market with 8 million tourists to Hawaii in 2013, including 5 million visitors to O’ahu, 75 percent of whom stayed exclusively on O’ahu.

- Leisure visitors those visiting friends and relatives (VFR) accounts for 90 percent of total visitation to the island.
1.9.4.7 O'ahu Visitor Origin

- In 2013, O'ahu visitors were 57 percent domestic and 43 percent international.
- For the second year, arrivals from Japan exceeded arrivals from the western United States to be the leading visitor arrival market for O'ahu.
- Arrivals from Oceania and Other Asia surpassed Canada, which had previously been the leader among the smaller markets visiting O'ahu for most of the past decade.

**Oahu Arrivals by Origin, 2013**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>1,132,000</td>
<td>1,186,000</td>
<td>1,193,000</td>
<td>1,410,000</td>
<td>1,458,000</td>
<td>6.5%</td>
</tr>
<tr>
<td>US West</td>
<td>1,255,000</td>
<td>1,347,000</td>
<td>1,319,000</td>
<td>1,393,000</td>
<td>1,429,000</td>
<td>3.3%</td>
</tr>
<tr>
<td>US East</td>
<td>961,000</td>
<td>987,000</td>
<td>976,000</td>
<td>1,016,000</td>
<td>1,015,000</td>
<td>1.4%</td>
</tr>
<tr>
<td>Oceania</td>
<td>128,000</td>
<td>154,000</td>
<td>202,000</td>
<td>260,000</td>
<td>343,000</td>
<td>27.9%</td>
</tr>
<tr>
<td>Other Asia</td>
<td>100,000</td>
<td>156,000</td>
<td>195,000</td>
<td>274,000</td>
<td>321,000</td>
<td>33.9%</td>
</tr>
<tr>
<td>Canada</td>
<td>169,000</td>
<td>197,000</td>
<td>223,000</td>
<td>209,000</td>
<td>219,000</td>
<td>6.7%</td>
</tr>
<tr>
<td>Other</td>
<td>189,000</td>
<td>204,000</td>
<td>190,000</td>
<td>232,000</td>
<td>136,000</td>
<td>-7.9%</td>
</tr>
<tr>
<td>Europe</td>
<td>76,000</td>
<td>83,000</td>
<td>86,000</td>
<td>89,000</td>
<td>99,000</td>
<td>6.8%</td>
</tr>
<tr>
<td>Latin America</td>
<td>14,000</td>
<td>15,000</td>
<td>17,000</td>
<td>20,000</td>
<td>24,000</td>
<td>14.4%</td>
</tr>
</tbody>
</table>

Source: HTA

CAGR= compound annual growth rate or year-over-year growth rate
1.9.4.8 O'ahu Visitor Profile

- Overnight visitors stay on average of 7 nights on O'ahu and 8.6 nights in Hawaii overall.
- Visitors to O'ahu are 58 percent repeat visitors, with an average of 4.4 trips.
- The average party size is 2.16 persons, suggesting Hawaii is not primarily a family destination.
- O'ahu experiences very little seasonal peaking, with no month capturing more than 11 percent of total visitation. Domestic tourism peaks in July and International tourists peak in August and throughout the fall.

### Oahu Visitor Profile, 2013

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg Party Size</td>
<td>2.16</td>
</tr>
<tr>
<td>Avg Length of Stay (Oahu)</td>
<td>7.0</td>
</tr>
<tr>
<td>Avg Length of Stay (HI Total)</td>
<td>8.6</td>
</tr>
<tr>
<td>Average # of Trips</td>
<td>4.4</td>
</tr>
<tr>
<td>Repeat Visitors</td>
<td>58%</td>
</tr>
</tbody>
</table>

Source: HTA

### Oahu Seasonality by Visitor Origin, 2013

![Graph showing seasonality by visitor origin in Oahu, 2013](image)
1.9.4.9 O'ahu Visitor Characteristics

- Income levels among O'ahu visitors are highest for United States, Canadian other Oceania (Australia/ New Zealand) travelers. Nearly 50 percent of Japanese tourists to O'ahu have household income levels between $50,000 and $100,000.
- Overall, 70 percent of O'ahu visitors stay in hotels, followed by a mix of condo, timeshare and other accommodations.
1.9.4.10 O‘ahu Visitor Activity Profile

- The most popular activity for US visitors is time at the beach following by self-guided exploration of the Island. The most popular activity for Japanese visitors is shopping in malls and department stores.
1.9.4.11 Hawaii Visitor Characteristics

- Detailed visitor characteristics for statewide tourism are also provided by the Hawaii Tourism Authority (HTA).
- Approximately 21 percent of visitors to Hawaii are retirees.
- Education levels among tourists are high, with nearly 70 percent of travelers with college and advanced degrees.
- Tourists to Hawaii are approximately 29% between the ages of 41 and 59, 28% between 25 and 40 years old, and 19% above the age of 60. Children under 12 are 11% of the total visitor market. Nearly half of Hawaii tourists are visiting with a spouse and 15% of travelers are in Hawaii with their children.

![Hawaii Visitors Employment Status, 2013](image1)

![Hawaii Visitors Educational Attainment, 2013](image2)

![Hawaii Visitors by Age, 2013](image3)

![Hawaii Visitors by Companion Type, 2013](image4)
1.9.4.12 Summary of Available Markets

- AECOM quantified the size of each market segment available to a new cultural attraction in Kaka‘ako Makai and projected market sizes through 2020.
- The total available market in 2020 is 5.8 million, with 995,000 in the resident market and 4.8 million in the tourist market.

<table>
<thead>
<tr>
<th>Summary of Available Markets</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident Market</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary Market (0-30 minutes)</td>
<td>623,000</td>
<td>641,000</td>
<td>667,000</td>
</tr>
<tr>
<td>Secondary Market (Remainder O‘ahu)</td>
<td>295,000</td>
<td>310,000</td>
<td>328,000</td>
</tr>
<tr>
<td>Total Resident Market</td>
<td>918,000</td>
<td>951,000</td>
<td>995,000</td>
</tr>
<tr>
<td>Overnight Leisure Tourists</td>
<td>3,879,000</td>
<td>4,618,000</td>
<td>4,758,000</td>
</tr>
<tr>
<td>Total Available Markets</td>
<td>4,797,000</td>
<td>5,569,000</td>
<td>5,753,000</td>
</tr>
</tbody>
</table>

*Source: Hawaii Tourism Authority, ESRI, AECOM*
1.9.4.13 Summary and Implications

### Resident Market

- The resident market is modest sized and expected to continue growing slowly.
- Education levels in the resident market are strong compared to state and national averages.
- The resident market also has relatively strong income levels compared to national averages and West Coast cities on the mainland. However, after factoring in the cost of living, the income levels and discretionary income are lower than West Coast cities on the mainland. Local discounting will be important.
- The resident market is a captive audience, and new cultural attractions are likely to do well given the limited supply and high cost of leaving O'ahu. However, reinvestment is important.

### Tourist Market

- The O'ahu and Hawaii tourist market is a very large and mature market, with very high ratio of tourists to residents.
- It is also a challenging and distracted market that is primarily based in Waikiki.
- The major focus of many visitors is on water-based activities and the outdoors, as well as shopping.
- Japanese tourism is the highest of all origin locations and growing. Chinese and Korean visitors are increasing; group travel may increase as a result.
- Visitors have a relatively long length of stay, with sufficient time to do a variety of activities.
- There is a high repeat visitation rate, which is favorable for new attractions. Reinvestment in new visitor experiences is essential in a market with repeat visitation.
- Most tourists stay in hotels, which is favorable for marketing efforts.
- Flat seasonality reduces potential capacity problems and the need to overbuild to account for seasonal peaks.
- Tourists are a mix of ages and life stages, with a mix of seniors, adults, and families.
1.9.5 Review of Competitive Environment

Cultural attractions compete with a variety of leisure and cultural activities for resident and tourist leisure time and spending. Therefore, it is important to understand the types and performance of local attractions. There are well over 40 formal attractions on O'ahu of all types, in addition to informal attractions such as shopping centers, the beach, experiences such as visiting the North shore, and tourist-oriented programming offered in the hotels and resorts. AECOM researched operational characteristics for the following destinations:

- **Commercial Attractions**
  - Dole Plantation
  - Sea Life Park Hawaii
  - Wet n’ Wild Hawaii

- **Zoo / Aquaria / Gardens**
  - Honolulu Zoo
  - Waikiki Aquarium
  - Waimea Valley Botanical Garden
  - Honolulu Botanical Gardens

- **Cultural / Historical Attractions**
  - World War II Valor in the Pacific National Memorial
  - Polynesian Cultural Center
  - Bernice P. Bishop Museum
  - Honolulu Museum of Art
  - Hawaii Children’s Discovery Center
  - Iolani Palace
  - Hawaii Plantation Village
1.9.5.1 Key Metrics

The table below summarizes key attendance and operating metrics for attractions in the local market.

<table>
<thead>
<tr>
<th>Name</th>
<th>Location</th>
<th>Attendance</th>
<th>Adult Admission</th>
<th>Size</th>
<th>Visitors per Exhibit SF</th>
<th>Est. Visitor Origin</th>
<th>Penetration Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial Attractions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dole Plantation</td>
<td>Wahiawa</td>
<td>850,000</td>
<td>$5-$8.50</td>
<td>60</td>
<td>n/a</td>
<td>15%</td>
<td>85%</td>
</tr>
<tr>
<td>Sea Life Park Hawaii</td>
<td>Makapu'u Point</td>
<td>500,000</td>
<td>$29.99</td>
<td>62</td>
<td>n/a</td>
<td>20%</td>
<td>80%</td>
</tr>
<tr>
<td>Wet n' Wild Hawaii</td>
<td>Kapolei</td>
<td>350,000</td>
<td>$47.99</td>
<td>25</td>
<td>n/a</td>
<td>85%</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Zoo / Aquaria / Gardens</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Honolulu Zoo</td>
<td>Honolulu</td>
<td>668,000</td>
<td>$14</td>
<td>42</td>
<td>n/a</td>
<td>64%</td>
<td>36%</td>
</tr>
<tr>
<td>Waimea Valley Botanical Garden</td>
<td>Haleiwa</td>
<td>330,000</td>
<td>$16</td>
<td>150</td>
<td>n/a</td>
<td>23%</td>
<td>77%</td>
</tr>
<tr>
<td>Waikiki Aquarium</td>
<td>Honolulu</td>
<td>300,000</td>
<td>$12</td>
<td>19</td>
<td>00</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>Honolulu Botanical Gardens (incl. 5 sites)</td>
<td>Oahu</td>
<td>205,000</td>
<td>Free-$5</td>
<td>508</td>
<td>acres</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Cultural / Historical Attractions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Polynesian Cultural Center</td>
<td>Lā‘ie</td>
<td>650,000</td>
<td>$49.95</td>
<td>42</td>
<td>n/a</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>USS Arizona Memorial</td>
<td>Honolulu</td>
<td>500,000</td>
<td>Free</td>
<td>n/a</td>
<td>n/a</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Pacific Aviation Museum Pearl Harbor</td>
<td>Honolulu</td>
<td>150,000</td>
<td>$25</td>
<td>n/a</td>
<td>7 acres</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>USS Bowfin Submarine Museum and Park</td>
<td>Honolulu</td>
<td>222,000</td>
<td>$12</td>
<td>n/a</td>
<td>n/a</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Bernice P. Bishop Museum</td>
<td>Honolulu</td>
<td>350,000</td>
<td>$19.95</td>
<td>140</td>
<td>00</td>
<td>5.0</td>
<td>70%</td>
</tr>
<tr>
<td>Honolulu Museum of Art</td>
<td>Honolulu</td>
<td>250,000</td>
<td>$10</td>
<td>176</td>
<td>00</td>
<td>5.0</td>
<td>70%</td>
</tr>
<tr>
<td>Hawaii Children's Discovery Center</td>
<td>Honolulu</td>
<td>120,000</td>
<td>$10</td>
<td>n/a</td>
<td>35,000</td>
<td>3.4</td>
<td>85%</td>
</tr>
<tr>
<td>Iolani Palace</td>
<td>Honolulu</td>
<td>111,000</td>
<td>n/a</td>
<td>371</td>
<td>00</td>
<td>n/a</td>
<td>50%</td>
</tr>
<tr>
<td>Hawaii Plantation Village</td>
<td>Waipahu</td>
<td>60,000</td>
<td>$13</td>
<td>50</td>
<td>n/a</td>
<td>n/a</td>
<td>50%</td>
</tr>
</tbody>
</table>

1/ General admission price excluding dinner show; tickets for luau / show start at $99.95

Source: Individual attractions/institutions, AECOM.
1.9.5.2 Aggregate Attraction Attendance

- Aggregate institutional attendance per capita is a metric used by AECOM to evaluate the number of attractions relative to size of available markets, including both resident and tourist markets. It is a generally indicator of market saturation and supply relative to demand, but can also be affected by quality of markets and quality of attractions.

- As shown in the accompanying figure, the ratio is very high for Honolulu relative to almost 20 other markets, is very high and indicates that the market is likely well-supplied with respect to attractions.

- Honolulu also has the second highest ratio of visitors to residents among key comparable cities, so resident based attractions may face even greater challenges.
1.9.5.3 Gap Analysis

- As part of our evaluation of the existing supply of attractions in Honolulu, AECOM conducted a gap analysis of major attraction types for markets similar in size to Honolulu and/or character. We understand that not all of these are even likely nor desired for the OHA properties, but the analysis provides a broad context for understanding any gaps.

- Attraction gaps in the Honolulu market include multimedia / new cultural concepts, observation experiences such as an observation deck or wheel, a science center (depending on Bishop Museum future plans), a major “eatertainment” attraction, and a theme / amusement park.
1.9.5.4 Attractions Under Development

There are also a number of planned attractions that are relevant to consider for a proposed new cultural attraction at Kaka’ako Makai.

**PA‘I Arts & Culture Center**

- Ola Ka ‘Ilima Artspace, a mixed-use arts development planned to open in 2016 in Kaka’ako blending live/work space for artists with a non-profit cultural anchor.
- PA‘I Arts & Culture Center will be dedicated to Native Hawaiian dancers, musicians, visual artists, cultural practitioners and those interested in experiencing Native Hawaiian cultural traditions.
- The project includes 84 units of affordable live/work space for low-income artists and 20,000 square feet of community and green space.
- The total project budget is $38.4 million, of which approximately $4.5 million will be raised from philanthropic sources.

**Center for Hawaiian Music and Dance**

- The Hawaii Tourism Authority is currently planning an expansion to the Hawaii Convention Center to include a cultural center that preserves, promotes and highlights the richness of Hawaiian music and dance, and connects Hawai‘i’s host culture with the visitor and local community.
- The center will be a collecting institution, preserving artifacts and recordings that celebrate the legacy of Hawaiian music and dance.

**Hawaiian Cultural Center Paradise Park**

- The proposal to convert this former botanical and zoological garden into the Hawaiian Cultural Center, a center for hula and music, was approved in October 2014. The facility is planned to open in 2017. Plans for the 47.4-acre property include re-landscaping the park as a series of hula gardens and adding interior exhibits/museum to emphasize the origins and evolution of the Hawaiian Islands, the Hula, and the ahupua’a of Mānoa Valley. The $10 million project also includes a multimedia theater, gift and snack shop, and expanded parking.
1.9.5.5 Review of Competitive Environment

Summary

- Attendance to attractions on O’ahu ranges from less than 100,000 to 850,000. Overall, attractions on O’ahu have strong penetration rates, with an average of 12.7 percent in the resident market and 4.9 percent in the tourist market. Given the large size of the tourist market, this is a relatively strong penetration rate.

- Most attractions include a mix of indoor and outdoor exhibit area. When available, the ratio of visitors to indoor exhibit area, a key industry benchmark, is between 3.5 and 5 persons per square foot, slightly low for national industry standards. The slightly lower ratio implies a need to create greater critical mass to attract visitation.

- Pricing at attractions ranges from $5 to $50, excluding the most premium luau / show tickets at the Polynesian Cultural Center which start at $100 per person. The majority of attractions are fairly modestly priced.

- The O’ahu market has many garden / botanical attractions, largely due to the lush landscape, optimal weather, and interest in outdoor activities from locals and tourists alike.

- As seen in the mix of visitor origin, top performing attractions are nearly all reliant on the tourist market, with the exception of the Honolulu Zoo and Wet ’n Wild.

- Significant cultural programming in hotels in Waikiki, including luaus, hula, lei making, and ukulele classes, provide added competition for Hawaiian culturally-oriented attractions, as they do not require tourists to leave their hotels.

- Many cultural attractions face challenges generating both earned and contributed income.

- There are a few planned projects in the pipeline that, if successful, may be competitive to a Hawaiian cultural attraction at Kaka’ako Makai.

Implications

- New attraction concepts on O’ahu will need to attract a mix of residents and visitors in order to maximize financial viability.

- New offerings need to be special, unique and compelling to draw tourists to Kaka’ako Makai. Interviewees have noted the challenge in drawing tourists from Waikiki past the Ala Moana Shopping Center, with the exception of trips to the North Shore or the Polynesian Cultural Center, which offers a full-day experience.

- Given the financial challenges of generating earned and contributed revenue, the operating budget for a new attraction at Kaka’ako Makai should take advantage of the real estate potential to provide ongoing operating support.

- Reinvestment and renewal of visitor experience within a cultural attraction is especially important given the modest growth in the resident market and high percentage of repeat visitors.
1.9.6 Waterfront Entertainment/Development Case Studies

AECOM profiled several waterfront developments anchored by cultural and other attractions in other cities throughout the United States. These include:

- **San Francisco:** Pier 39 and the Embarcadero
- **Vancouver:** Granville Island and Village at False Creek
- **Seattle:** Waterfront and Pike’s Place Market
- **Chicago:** Navy Pier
- **Baltimore:** Inner Harbor
- **San Diego:** Seaport Village

The case studies following provide a number of lessons learned related to waterfront development. Notable lessons include:

- Most include a mix of cultural nonprofit and commercial attractions as well as public private partnerships, including public infrastructure improvements and public funding for capital.
- The business model often involves cross subsidization, for instance developing office space or housing to subsidize other uses.
- Waterfront development can be more expensive because of historic uses, environmental issues, major infrastructure needs, and building constraints.
- The most successful projects serve resident and tourist markets, and include a strong recreation and programming component to activate the sites.
- Many projects involve eating experiences and food on the waterfront and/or have attractions that maximize the views or the relationship to the water.
- Design has a tremendous impact in the activation of public spaces and creation of a sense of place.
1.9.6.1 San Francisco

**Pier 39**

- Pier 39 is a retail entertainment destination adjacent to ever-popular and historic Fisherman’s Wharf. It is currently home to the Marine Mammal Center, Aquarium of the Bay, restaurants, specialty retail shops, theaters, commercial attractions, and a historic two-story carousel.
- Many tourists come to see the views of the Golden Gate Bridge and Alcatraz.
- There are an estimated 8 million visitors annually, most of whom are tourists.

**The Embarcadero / Ferry Building**

- The Ferry Building is located in San Francisco and is a nearly 3 acre mixed-use waterfront development. The Ferry Building project was completed in 2003 and included a more than $100 million, four-year renovation.
- The historic rehabilitation of the building was structured as a public private partnership between the Port of San Francisco and private developers.
- The project includes 175,000 square feet of waterfront office space, 65,000 square feet of retail marketplace space, open-air cafés, and restaurants, including the Ferry Plaza Farmers Market.
- The vision for the Ferry Building Marketplace is to be a “people’s marketplace serving residents and travelers alike...shops large and small celebrate food in all its forms, offering everything from artisan cheeses to the freshest of local fish. Restaurants and cafés serve cuisine representing the quality and cultural diversity of San Francisco’s best chefs.”
- Since the Ferry Building opened, a number of restaurants and attractions have developed along the Embarcadero, including the new and expanded Exploratorium science oriented museum and Sunday Streets.
1.9.6.2 Seattle

Seattle Waterfront

- Waterfront Seattle is a multi-year program to rebuild Seattle’s waterfront following the removal of the Alaskan Way Viaduct. The program spans the waterfront from Pioneer Square to Belltown.
- Waterfront Seattle is led by the City of Seattle’s Office of the Waterfront, working closely with civic leaders, stakeholders and the broader Seattle public. Major redevelopment has been funded by City and other bond sources in preparation for private developer initiatives.
- New attractions to the waterfront include: the Great Wheel, Seattle Aquarium, Olympic Sculpture Park (part of the Seattle Art Museum), and Tillicum Village, a Northwest Coast Native American heritage center. Other development includes a variety of retail and open spaces.

Pike’s Place Market

- The iconic Pike’s Place market was founded in 1907 and includes a 9-acre historic district overlooking Elliott Bay.
- Pike’s Place Market includes a farmers market, crafts market, various specialty food outlets, small independent businesses, restaurants, and housing.
- Apartments located above the market floors are home to 400 residents and many low-income seniors.
- Annual visitation to Pike’s Place is estimated at 10 million.
- Since the Ferry Building opened, a number of restaurants and attractions have developed along the Embarcadero, including the new and expanded Exploratorium science oriented museum and Sunday Streets.
1.9.6.3 Chicago

Navy Pier

- Originally built in 1914 as a municipal recreational pier with freight and passenger ship docking facilities, Navy Pier is now a lifestyle entertainment attraction, located on Lake Michigan in Chicago.

- Navy Pier includes 50 acres of restored and renovated historic buildings which house retail, restaurants, and attractions including the Chicago Children’s Museum, a 15-story Ferris wheel, gardens, parks, and an IMAX Theater.

- Navy Pier’s initial redevelopment and renovation in the 1990s cost approximately $195 million.

- Current plans for a $165 million update to attract new shops, attractions, and a boutique hotel is expected to open in summer 2015. This project has been financed with $115 million from bonds and $50 million from the Chicago Children’s Museum and private sources. The current plans focus on spaces that allow more for evening and year-round entertainment, more compelling landscape and design features, and a more engaging relationship between visitors and the water.

- Navy Pier is one of Chicago’s top tourist destinations, drawing 8 to 9 million visitors annually. It is governed and operated by a non-profit organization.
1.9.6.4 Baltimore

Baltimore Inner Harbor

- Baltimore’s Inner Harbor is a 100-acre mixed use entertainment, retail, museum, and sports zone, lauded by the American Institute of Architects as a premier example of urban waterfront redevelopment.
- The project has included over $2.5 billion in cleanup and development, completed by 2000 and financed by a combination of city and state bonds, federal allocations, public-private ventures, and private financing.
- The Harbor is home to the Harbor Place Festival Marketplace, numerous museums including The National Aquarium, The Maryland Science Center, and The Port Discovery Children’s Museum, historic sites, NFL and MLB stadiums, hotels, restaurants, entertainment and events venues, and harbor cruises.
- Visitation and visitor spending reached an all time high in recent years with total onsite spending reaching $5 billion.
1.9.6.5 San Diego

Seaport Village and The Headquarters at Seaport

- Seaport Village is San Diego’s waterfront shopping and dining complex on the Bay, including more than 70 shops, restaurants, and galleries on 90,000 square feet of property.

- Seaport Village opened in 1980 and is operated by GMS Realty. The land is owned by the Port of San Diego.

- Attractions at the site include the USS Midway (adjacent) and a historic carousel.

- The site was designed to be a car-free environment, with four miles of pedestrian paths. It is located in walking distance from the San Diego Convention Center and the cruise ship terminal.

- The Headquarters at Seaport, which is the former home of the San Diego Police Department has recently been redeveloped as an open air lifestyle center with a mix of specialty retail, dining, and entertainment venues. This new project is drawing a mix of residents and tourists.
1.9.7 Evaluation of Potential Attraction and Entertainment Alternatives

As part of the market analysis, AECOM conducted an evaluation of a wide variety of cultural and commercial attraction types. While many of these are not necessarily suitable for the Kaka’ako Makai development, this approach allows for a systematic approach to determining which uses have the greatest potential given market conditions, the competitive environment and existing supply, and client goals.

The process for evaluation involves the following:

- Evaluation criteria are developed that reflect a range of client goals. In this case, goals reflect the need for balance between mission and economic sustainability.
- The criteria are weighted by importance.
- Each candidate land use is scored on a scale from 1 to 5, then multiplied by the weight of the criteria determined in the previous step.
- Based upon the relative scores, the top-scoring attractions are then included for further, more detailed market evaluation, and key attendance and operating characteristics are profiled in the section following.

The uses included in this analysis listed below:

- Aquarium
- Art museum
- Children’s museum
- Cultural or interpretive center
- Eatertainment destination
- Garden attraction / botanical garden
- Branded multimedia cultural institution
- Natural history museum
- Observation deck/tower
- Outdoor water park
- Science center
- Specialty retail village or district
- Theme park or attraction
- Wheel attraction
- Zoo / live animal attraction
1.9.7.1 Initial Screening Process

The criteria used to screen the broad list of possible attractions are listed below. The definition of the scores, from 1 to 5, are listed in the chart below.

- What uses are consistent with OHA’s mission and vision for Kaka’ako Makai?
- What uses will require operating subsidy and which will generate positive net revenues?
- Will future uses create a sense of place and destination experience?
- Will the future use attract both residents and visitors?
- What uses have strong market demand?
- What uses are appropriate for the site, scale, and neighboring uses in the neighborhood?

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Consistent with OHA Vision</th>
<th>Need for Operating Subsidy</th>
<th>Creates a Destination</th>
<th>Appeal to Mix of Residents &amp; Tourists</th>
<th>Market Potential/Demand</th>
<th>Appropriate for Development; Scale, Site and Other Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not at all by definition</td>
<td>Requires more than 50% operating subsidy</td>
<td>Attraction only exists due to surrounding uses and/or has specialized appeal</td>
<td>Appeals to one market only</td>
<td>No opportunity</td>
<td>Not at all</td>
</tr>
<tr>
<td>2</td>
<td>Minimal</td>
<td>Requires less than 50% operating subsidy</td>
<td>Attraction primarily relies on existing destination and/or has specialized appeal</td>
<td>Appeals to one market primarily</td>
<td>Limited potential / competition</td>
<td>Minimal</td>
</tr>
<tr>
<td>3</td>
<td>Somewhat consistent depending on execution</td>
<td>Break even</td>
<td>Attraction with mix of primary purpose and secondary visitors</td>
<td>Attraction both market, but weighted to one more</td>
<td>Strong market potential depending on execution</td>
<td>Somewhat</td>
</tr>
<tr>
<td>4</td>
<td>Very consistent depending on execution</td>
<td>Positive net revenue</td>
<td>Anchor attraction with primary purpose visitors</td>
<td>Modest appeal to both markets</td>
<td>Good market potential</td>
<td>Fairly consistent</td>
</tr>
<tr>
<td>5</td>
<td>Very consistent by definition</td>
<td>Very strong revenue</td>
<td>Major “must see” anchor, destination attraction with spillover impact</td>
<td>Equal appeal to both</td>
<td>Strong market potential / no competition</td>
<td>Very consistent</td>
</tr>
</tbody>
</table>
1.9.7.2 Results of Screening Process

The possible attractions were all weighted below with the criteria shown on the previous page. The first chart shows the rankings prior to weighting. The second chart shows the weight of the criteria (i.e. the relative importance of the rankings) and the weighted ranking results. These results are summarized on the next page sorted by ranking.

<table>
<thead>
<tr>
<th>Ranking Inputs - Unweighted</th>
<th>Consistent with OHA Vision</th>
<th>Need for Operating Subsidy</th>
<th>Creates a Destination</th>
<th>Appeal to Mix of Residents &amp; Tourists</th>
<th>Market Potential / Demand</th>
<th>Appropriate for Development, Scale, Site and Other Uses</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aquarium</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Art Museum</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Children’s Museum</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Cultural Center / Interpretive Center</td>
<td>5</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Eatertainment Destination</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Garden Attraction / Botanic Garden</td>
<td>5</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Licensed Multimedia New Cultural Concept</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Natural History Museum</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Observation Deck/Tower</td>
<td>3</td>
<td>5</td>
<td>5</td>
<td>3</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Outdoor Water Park</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Science Center</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Specialty Retail Village/District</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Theme / Amusement Park</td>
<td>1</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Wheel Attraction</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Zoo / Live Animal Attractions</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

| Category Weight | 5 | 4 | 5 | 2 | 5 | 3 |

| Weighted Ranking | | | | | | | | |
|-------------------|-----------------------------|-----------------------------|------------------------|---------------------------------------|----------------------------|-------------------------------------------------------|-------------|
| Aquarium          | 20                         | 8                           | 15                     | 8                                     | 10                         | 9                                                      | 70          |
| Art Museum        | 15                         | 4                           | 15                     | 6                                     | 5                          | 12                                                     | 57          |
| Children’s Museum | 15                         | 4                           | 5                      | 4                                     | 5                          | 12                                                     | 45          |
| Cultural Center / Interpretive Center | 25                         | 4                           | 15                     | 6                                     | 10                         | 12                                                     | 72          |
| Eatertainment Destination | 10                         | 12                          | 20                     | 8                                     | 15                         | 12                                                     | 77          |
| Garden Attraction / Botanic Garden | 25                         | 8                           | 15                     | 8                                     | 5                          | 3                                                      | 64          |
| Licensed Multimedia New Cultural Concept | 20                         | 12                          | 20                     | 10                                    | 25                         | 15                                                     | 102         |
| Natural History Museum | 20                         | 4                           | 10                     | 4                                     | 10                         | 9                                                      | 57          |
| Observation Deck/Tower | 15                         | 20                          | 20                     | 6                                     | 25                         | 15                                                     | 108         |
| Outdoor Water Park  | 5                           | 16                          | 10                     | 2                                     | 5                          | 3                                                      | 41          |
| Science Center     | 20                         | 8                           | 15                     | 4                                     | 15                         | 12                                                     | 74          |
| Specialty Retail Village/District | 5                           | 16                          | 20                     | 6                                     | 10                         | 9                                                      | 66          |
| Theme / Amusement Park | 5                           | 20                          | 20                     | 4                                     | 15                         | 3                                                      | 67          |
| Wheel Attraction   | 5                           | 16                          | 20                     | 4                                     | 20                         | 12                                                     | 77          |
| Zoo / Live Animal Attractions | 5                           | 8                           | 10                     | 4                                     | 5                          | 3                                                      | 35          |

Source: AECOM
• AECOM evaluated 15 uses. As shown below, there were a total of 120 possible points. There were 6 attraction types which scored more than 60% of the total number of points.

• There were two attraction types that received over 80% of possible points: an observation deck or tower attraction and a licensed multimedia cultural attraction. In addition, 4 uses scored between 60% and 64% of total points: entertainment destination, a wheel attraction, a science center, and a cultural / interpretive center. Key attendance and operating metrics for these 6 uses are profiled in the following section.

• The other uses scored lower than 60% of possible points are not considered likely candidates for the Kaka‘ako Makai development.

<table>
<thead>
<tr>
<th>Weighted Ranking Results</th>
<th>Consistent with OHA Vision</th>
<th>Need for Operating Subsidy</th>
<th>Creates a Destination</th>
<th>Appeal to Mix of Residents &amp; Tourists</th>
<th>Market Potential / Demand</th>
<th>Appropriate for Development: Scale, Site and Other Uses</th>
<th>Total Score</th>
<th>% Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential Uses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Observation Deck/Tower</td>
<td>15</td>
<td>20</td>
<td>25</td>
<td>6</td>
<td>25</td>
<td>15</td>
<td>106</td>
<td>88%</td>
</tr>
<tr>
<td>Licensed Multimedia New Cultural Concept</td>
<td>20</td>
<td>12</td>
<td>20</td>
<td>10</td>
<td>25</td>
<td>15</td>
<td>102</td>
<td>85%</td>
</tr>
<tr>
<td>Entertainment Destination</td>
<td>10</td>
<td>12</td>
<td>20</td>
<td>8</td>
<td>15</td>
<td>12</td>
<td>77</td>
<td>64%</td>
</tr>
<tr>
<td>Wheel Attraction</td>
<td>5</td>
<td>16</td>
<td>20</td>
<td>4</td>
<td>20</td>
<td>12</td>
<td>74</td>
<td>62%</td>
</tr>
<tr>
<td>Cultural Center / Interpretive Center</td>
<td>25</td>
<td>4</td>
<td>15</td>
<td>4</td>
<td>15</td>
<td>12</td>
<td>74</td>
<td>62%</td>
</tr>
<tr>
<td>Aquarium</td>
<td>20</td>
<td>8</td>
<td>15</td>
<td>8</td>
<td>10</td>
<td>9</td>
<td>70</td>
<td>58%</td>
</tr>
<tr>
<td>Theme / Amusement Park</td>
<td>5</td>
<td>20</td>
<td>20</td>
<td>4</td>
<td>15</td>
<td>3</td>
<td>67</td>
<td>56%</td>
</tr>
<tr>
<td>Specialty Retail Village/District</td>
<td>5</td>
<td>16</td>
<td>20</td>
<td>6</td>
<td>10</td>
<td>9</td>
<td>66</td>
<td>55%</td>
</tr>
<tr>
<td>Garden Attraction / Botanical Garden</td>
<td>25</td>
<td>8</td>
<td>15</td>
<td>8</td>
<td>5</td>
<td>3</td>
<td>64</td>
<td>53%</td>
</tr>
<tr>
<td>Art Museum</td>
<td>15</td>
<td>4</td>
<td>15</td>
<td>6</td>
<td>5</td>
<td>12</td>
<td>57</td>
<td>48%</td>
</tr>
<tr>
<td>Natural History Museum</td>
<td>20</td>
<td>4</td>
<td>10</td>
<td>4</td>
<td>10</td>
<td>9</td>
<td>57</td>
<td>46%</td>
</tr>
<tr>
<td>Children’s Museum</td>
<td>15</td>
<td>4</td>
<td>15</td>
<td>4</td>
<td>5</td>
<td>12</td>
<td>45</td>
<td>38%</td>
</tr>
<tr>
<td>Outdoor Water Park</td>
<td>5</td>
<td>16</td>
<td>10</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>41</td>
<td>34%</td>
</tr>
<tr>
<td>Zoo / Live Animal Attractions</td>
<td>5</td>
<td>8</td>
<td>10</td>
<td>4</td>
<td>5</td>
<td>3</td>
<td>35</td>
<td>29%</td>
</tr>
</tbody>
</table>

Source: AECOM
1.9.7.3 Results and Possible Uses Overview

There were 6 attraction types that received greater than 60% of possible points in the evaluation process. As described, the methodology for the evaluation included market, financial, and mission related factors. These 6 cultural and entertainment attractions are as follows:

- **Observation deck / tower**
- **Licensed multi-media new cultural concepts**
- **Eatertainment destination**
- **Wheel**
- **Science center**
- **Cultural / interpretive center**

The following review of the attractions that received a higher number of points includes information on key attendance and operating characteristics. Note that actual market, attendance, and financial potential for each use will be determined by a number of factors specific to the project, site, and markets. Key issues covered in this broad overview includes:

- Attendance and pricing
- Resident-tourist mix
- Size & scale requirements
- Typical investment
- Surrounding uses
- Business model / financial characteristics
- Project examples
1.9.7.4 Observation Deck / Tower Attraction

**Overview / Description**

- Towers that have an observation or viewing deck open to the public
- Usually are notable tourism attractions, and in many markets, are “must see” attractions
- Most have unique attributes, for example their height, historical significance or special features
- Typically integrates exhibits and visitor experiences related to local/regional history and/or culture
- New trend to add thrill experiences such as glass floors or “upcharge” unique experiences

**Key Operating Characteristics**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Market Requirements</strong></td>
<td>Large tourist market drives attendance; size of resident market is less important</td>
</tr>
<tr>
<td><strong>Visitor Profile</strong></td>
<td>All ages, primarily tourists, except for events and facility rentals which can attract more residents through corporate or private events</td>
</tr>
<tr>
<td><strong>Length of Stay</strong></td>
<td>Generally under one hour, depends on visitor experience</td>
</tr>
<tr>
<td><strong>Size</strong></td>
<td>Broad range; average of 800 feet in North America</td>
</tr>
<tr>
<td><strong>Attendance</strong></td>
<td>500,000 to over 1 million, resident market penetration rates under 5%; tourist market penetration typically over 5%</td>
</tr>
<tr>
<td><strong>Capital Investment</strong></td>
<td>Under $100 million to hundreds of millions of dollars depending on design and content</td>
</tr>
<tr>
<td><strong>Typical Location and Adjacent Uses</strong></td>
<td>Urban locations that have good tourist access; some have second gate smaller attractions</td>
</tr>
<tr>
<td><strong>Business Model and Financial Characteristics</strong></td>
<td>Significant revenue generation from admission, retail, food and beverage / restaurant / café, facility or event rentals, and “upcharges” for premium experiences</td>
</tr>
</tbody>
</table>
Observation Deck / Tower Attraction Examples

- One World Observatory, New York, New York
- Space Needle, Seattle, Washington
- CN Tower, Toronto, Ontario, Canada
- 360 Chicago, Chicago, Illinois
- Willis Tower, Chicago, Illinois
- Grand Canyon Skywalk, Arizona
- Skylon Tower, Niagara Falls, Ontario, Canada
- Stratosphere Tower, Las Vegas, Nevada
Observation Deck / Tower Attraction Trends

- Improving Views and Modernizing Content
- Thrill & Extreme Experiences
- Storytelling
1.9.7.5 Licensed Multimedia / Technology Cultural Attractions

**Overview / Description**
In recent years, there have been a number of cultural attractions developed, proposed, and discussed that use licensing or content from major cultural institutions and/or immersive multimedia technology to interpret places or stories. Examples include:

- Orbi, a partnership between SEGA and BBC Earth
- Museum at Prairiefire, a unique partnership with the American Museum of Natural History
- FlyOver Canada, using themed entertainment technology to tell the story of Canada.
- Proposed satellite facilities for the Smithsonian and National Geographic that would involve the use of immersive technology and multimedia.

**Key Operating Characteristics**

<table>
<thead>
<tr>
<th><strong>Market Requirements</strong></th>
<th>Medium to large size local resident and/or tourist market, depending on the attraction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Visitor Profile</strong></td>
<td>Depends on product, all ages, families, groups</td>
</tr>
<tr>
<td><strong>Length of Stay</strong></td>
<td>Varies, from 30 minutes to 2 hours</td>
</tr>
<tr>
<td><strong>Size</strong></td>
<td>Anywhere from 15,000-100,000 SF</td>
</tr>
<tr>
<td><strong>Attendance</strong></td>
<td>300,000-900,000, depending on the attraction and market</td>
</tr>
<tr>
<td><strong>Capital Investment</strong></td>
<td>$5 million to more than $50 million</td>
</tr>
<tr>
<td><strong>Typical Location and Adjacent Uses</strong></td>
<td>Visitor destinations, retail centers, or around other attractions</td>
</tr>
<tr>
<td><strong>Business Model and Financial Characteristics</strong></td>
<td>Can range from break even to margins of 10 to 15% after reinvestment and franchise fees</td>
</tr>
</tbody>
</table>
Examples: BBC / Sega Orbi

Overview / Definition

• A Sega-BBC Earth joint venture that features BBC’s library of content to deliver technologically advanced, nature related experiences
• High tech experiences including 4D theatre, RFID tags, and experiential audio-visual presentations
• Content and building can be completely transformed, which is favorable for customizing for corporate and private rentals

Key Metrics

• Developed by Sega using licensed BBC Earth content
• First facility located in Yokohama, Japan
• Opened in 2013
• 51,000 square feet
• Target market includes a broad age range
• Estimated attendance is 1 million
• Expanding to other Asian markets
Examples: FlyOver Canada

Overview / Definition

- FlyOver Canada is a 30-minute virtual flight ride experience that includes a flight simulation ride taking visitors on a journey through Canada. The attraction uses state of the art technology, similar to the Disney experience “Soarin’ Over California,” including a large dome screen with the latest in projection and ride technology to create a flying experience with special effects such as wind, scents, and mist.
- In the off-season, it is possible to change the content and present other themes for private or special events.
- The first attraction is located in Vancouver at Canada Place in a former IMAX theater.

Key Metrics

- Attendance is estimated to be between 300,000 – 500,000.
- The business model relies on having a consistent, high volume of visitors for a relatively short length of stay.
- It is capacity constrained during peak times by film length and number of theater seats (currently 60 seats).
- Visitors are evenly split between residents and tourists, although will eventually likely be more tourist driven.
- FlyOver Canada is a year-round operation.
- Admission is approximately $20, with discounting for children and seniors.
- The attraction requires approximately 10,000 square feet.
- The initial investment was approximately $16 million in Vancouver.
- The preferred location is an existing destination with other attractions or entertainment.
Example: Museum at Prairiefire

Overview / Definition

- The Museum at Prairiefire is located in Overland Park, outside of Kansas City, Kansas. The museum is an anchor attraction for Prairiefire, an new entertainment retail center, and is one of the first examples of a cultural attraction replacing more traditional entertainment anchors.
- The museum features an ongoing stream of exhibit content from the American Museum of Natural History (AMNH) in New York City, the largest natural history museum in the United States.
- The museum, while not an AMNH owned or operated facility, retains the use of their name in marketing materials and signage.

Key Metrics

- The facility is approximately ___ square feet and includes the following elements:
- The Great Hall – A free area for visitors that features 7 areas including one of only three casts in the world of the very first Tyrannosaurus rex ever discovered; ALIVE, an interactive augmented reality creation experience; a small changing gallery featuring local, regional, and national artists and scientists; The Big Fish Story, an exploration Kansas’s maritime story; a science theater; and a museum café and store.
- The Discovery Room – A hands-on, interactive space where children ages 3-12 and their accompanying caregivers learn about the world around them through inquiry based exploration and discovery.
- The Exhibition Hall – A ___ square foot gallery for traveling exhibits from AMNH.
- Annual attendance is estimated to be ___.
- Pricing ranges from free for the Great Hall to $22 for adult admission to all of the facilities; tickets are also available for the Discovery Room and special exhibitions separately.
- Attendees include a fairly even mix of residents and visitors.
- There are classrooms to support a strong education program designed by AMNH.
1.9.7.6 Eatertainment Destinations

**Overview / Description**

- “Eatertainment” destinations are food-oriented attractions. They typically have co-located farmers or other markets, special food stores, restaurants, and other food-based activities.
- Typically, a unifying theme or idea creates a unique environment.
- There is a wide variety of scale and quality, customer bases and nearby activities.
- There has been exponential growth in the number of recently opened and planned food halls. Some food halls own and operate all the vendors within their spaces. Others include a mix of established, locally known names, including smaller, secondary locations of existing restaurants, permanent locations for food truck concept, or more casual concepts from local well-known chefs.
- There are often multiple food halls within one city. Many of the recent models have been started by local star chefs.

**Key Operating Characteristics**

<table>
<thead>
<tr>
<th>Market Requirements</th>
<th>Medium to large size local resident and/or tourist market, depending on the attraction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitor Profile</td>
<td>Depends on product, all ages, families, groups</td>
</tr>
<tr>
<td>Length of Stay</td>
<td>Varies, from 30 minutes to 2 hours</td>
</tr>
<tr>
<td>Size</td>
<td>Anywhere from 15,000-100,000 SF</td>
</tr>
<tr>
<td>Attendance</td>
<td>300,000-900,000, depending on the attraction and market</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>$5 million to more than $50 million</td>
</tr>
<tr>
<td>Typical Location and Adjacent Uses</td>
<td>Visitor destinations, retail centers, or around other attractions</td>
</tr>
<tr>
<td>Business Model and Financial Characteristics</td>
<td>Can range from break even to margins of 10 to 15% after reinvestment and franchise fees</td>
</tr>
</tbody>
</table>
Eatertainment Destinations Examples

- Pike’s Place Market, Seattle, Washington
- Ferry Building Marketplace, San Francisco, California
- Eataly, New York City, New York
- Sweet Auburn Curb Market, Atlanta, Georgia
- St. Lawrence Market, Toronto, Ontario
- The Market Hall, Seattle, Washington
- Portland Mercado, Portland, Oregon
- Liberty Public Market, San Diego, California (opening summer 2015)
- Ponce City Market, Atlanta, Georgia (opening fall 2015)
- The Cigar Factory, Charleston, South Carolina (opening summer 2015)
- Latincity Food Hall, Chicago, Illinois (opening fall 2015)
- James Beard Public Market, Portland, Oregon (reported to open 2018)
1.9.7.7 Science or Nature Center / Specialty Science Center

**Overview / Description**

- A science center is typically a museum focused on science and technology. Most are very hands-on, and geared towards youth and young people, typically between age 5 and 18.
- Increasingly, science centers are attempting to expand their audience to include adults through evening parties, workshops, or other programming.
- Many include a combination of exhibits, theaters (i.e. planetariums, IMAX), research, education, and programming.
- There are some smaller, specialized nature-based science centers that are focused on nature and science of a particular region and expand to include some cultural elements. Many include environmental education and have outdoor elements and extensive programming.

**Key Operating Characteristics**

<table>
<thead>
<tr>
<th>Market Requirements</th>
<th>Major science centers require medium to large resident populations; specialized centers can have modest to medium resident and visitor markets.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitor Profile</td>
<td>Broad range; traditional science centers target age 5 to 14 (sometimes high school); nature and environmental centers have a wider age range but also attract school groups and families.</td>
</tr>
<tr>
<td>Length of Stay</td>
<td>2 to 3 hours</td>
</tr>
<tr>
<td>Size</td>
<td>Large science centers in major cities are often a minimum of 50,000 exhibit SF and 100,000 SF or more. Smaller, specialized science, nature, or environmental centers can be as small as 10,000 SF.</td>
</tr>
<tr>
<td>Attendance</td>
<td>Major science centers range from 300,000 to over 1 million, but smaller science and nature centers range from tens of thousands to hundreds of thousands, depending on the facility, market, and adjacent outdoor space.</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>Highly variable; Under $10 million to over $250 million depending on scale and quality of exhibitry / design.</td>
</tr>
<tr>
<td>Typical Location and Adjacent Uses</td>
<td>Wide variability; major science centers are often in urban areas; nature or environmental centers typically adjacent to a major outdoor natural area.</td>
</tr>
<tr>
<td>Business Model and Financial Characteristics</td>
<td>Requires subsidy; earned revenue generally between 50% and 80% (fairly high within museum categories).</td>
</tr>
</tbody>
</table>
Science or Nature Center / Specialty Science Center Examples

- California Academy of Sciences, San Francisco, California
- The Discovery Center: Interpretive Center for Chattahoochee River, Roswell, Georgia
- Los Alamos Nature Center, Los Alamos, New Mexico
- Monterey Bay National Marine Sanctuary Exploration Center, Santa Cruz, CA
- Hayward Shoreline Interpretive Center, Hayward, California
- Turtle Bay Museum, Turtle Bay Exploration Park, Redding, California
- Spring Mountains Visitor Gateway, Kyle Canyon, Nevada
- Desert Living Center, Las Vegas Springs Preserve, Nevada
- Nk’Mip Desert Cultural Centre, Osoyoos, British Columbia, Canada
- LOTT Alliance Wet Science Center, Olympia, Washington
1.9.7.8 Cultural Center / Interpretive Center

**Overview / Description**

- Cultural centers promote the culture of specific communities, peoples and places.
- They can be tied to historic locations or sites or specific communities or neighborhoods.
- Cultural centers can operate in a wide range of facility types and components, including various degrees of exhibits and content, performing arts and programming spaces, outdoor facilities, education spaces, and community gathering spaces.
- Most cultural centers have significant programming and education components.
- Most are run by non-profit organizations and require a mix of earned and contributed income.

**Key Operating Characteristics**

<table>
<thead>
<tr>
<th>Market Requirements</th>
<th>Primarily resident based organizations, although some can offer programming or visitor experience that appeal to tourists.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitor Profile</td>
<td>All ages, depending on programs</td>
</tr>
<tr>
<td>Length of Stay</td>
<td>1.5 hours, depends on programming</td>
</tr>
<tr>
<td>Size</td>
<td>Size can range greatly depending on markets and activities. Many are between 10,000 and 50,000 square feet.</td>
</tr>
<tr>
<td>Attendance</td>
<td>Largely program driven, typically between 50,000 and 250,000.</td>
</tr>
<tr>
<td>Capital Investment</td>
<td>Building costs typical for local market plus exhibit costs.</td>
</tr>
<tr>
<td>Typical Location and Adjacent Uses</td>
<td>Wide variability, some are tied to specific neighborhoods or communities.</td>
</tr>
<tr>
<td>Business Model and Financial Characteristics</td>
<td>Requires subsidy; earned revenue generally no greater than 50% of operating expenses (usually less).</td>
</tr>
</tbody>
</table>
Cultural Center / Interpretive Center Examples

- Alaska Native Heritage Center, Anchorage, Alaska
- Skirball Cultural Center, Los Angeles, California
- Latino Cultural Center, Dallas Texas
- Museum of the Chinese in America, New York City, New York
- African American Art & Culture Center, San Francisco, California
- Guadalupe Cultural Arts Center, San Antonio, Texas
- Maori Cultural Centre, New Zealand
- Maui Arts and Cultural Center, Maui, Hawaii
- Indian Pueblo Cultural Center, Albuquerque, New Mexico
II. Pae ‘Āina Meeting Summary
2.0 Executive Summary

In February 2015 the Office of Hawaiian Affairs, supported by Kuhikuhipu‘uone Collaborative (KKP), began the first round of Pae ‘Āina community engagement for the conceptual master planning of Kaka’ako Makai (referred to as “Round 3”). Round 3 of Kaka’ako Makai Community Engagement has consisted of 12 public meetings, 3 meetings with OHA staff and trustees, and 5 small group/individual stakeholder meetings. In addition to these meetings, KKP and OHA established an online engagement forum, which has received 6,248 views and 56 comments. The information contained within this report is meant to be an overview of Round 3 Community Engagement. More extensive reporting and analysis will be included in a Community Engagement Memorandum scheduled to be submitted to OHA on August 31, 2015.

The goals of re-engaging community members during Round 3 meetings were to update stakeholders on what has taken place since receiving the lands in 2012, to inform stakeholders about the current conceptual master planning process, to provide national and international examples of cultural development, and to obtain stakeholder input on Kaka’ako Makai and its implications for OHA beneficiaries and beyond. See Appendix 1 for Pae ‘Āina Presentation. Meetings were designed to garnering thoughtful and creative feedback on what Kaka’ako Makai could be and also how it could contribute to strengthening the Lāhui overall. Pae ‘Āina meetings were held in educational facilities whenever possible and attendees were asked specific questions developed to engage participants in constructive dialogue. See Appendix 2 for Pae ‘Āina Meeting Agenda. These meetings garnered lively discussion and quality feedback relating to the future plan for Kaka’ako Makai. In regard to a Hawaiian urban space many comments focused on the need for Native Hawaiians to be present, a user-friendly experience that is welcoming for Native Hawaiians.
fostering gathering of families, community, and practitioners, and spaces that allow for connection between people and nature (i.e. cultivation of native plants that can be accessed by practitioners). More specific to Kaka’ako Makai and uses that could support both commerce and culture, participants frequently mentioned educational partnerships, Hawaiian business and innovation hubs, markets places that support Native Hawaiian produced products, and Hawaiian health services. Participants also had many ideas on how revenue generated by Kaka’ako Makai could be used, including supporting existing programs, education, and sustainability efforts throughout the Pae Āina.

2.1 Pae ‘Āina Meetings

Although only contractually required to conduct 11 statewide meetings, KKP facilitated 12 meetings in order to ensure that the communities that were initially consulted in OHA’s outreach during the 2012 Kaka’ako Makai settlement discussions were included in the conceptual master planning process. A total of 314 community members attended these meetings, which were coined, “Pae ‘Āina” meetings. See Appendix 3 for Pae ‘Āina meeting announcement.

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaka’ako Makai (John A Burns School of Medicine)</td>
<td>February 17, 2015</td>
<td>135</td>
</tr>
<tr>
<td>Kapolei (University of Hawai‘i West O‘ahu)</td>
<td>February 18, 2015</td>
<td>24</td>
</tr>
<tr>
<td>Hale‘iwa (Waialua Court House)</td>
<td>February 19, 2015</td>
<td>9</td>
</tr>
<tr>
<td>Kane‘hoe (Windward Community College)</td>
<td>February 18, 2015</td>
<td>34</td>
</tr>
<tr>
<td>Kaunakakai, Molokai (Kulana ‘Oiw)</td>
<td>February 21, 2015</td>
<td>7</td>
</tr>
<tr>
<td>Nānākuli (Ka Waihona Public Charter School)</td>
<td>February 23, 2015</td>
<td>17</td>
</tr>
<tr>
<td>Hilo, Hawai‘i Island (University of Hawai‘i Hilo)</td>
<td>February 24, 2015</td>
<td>27</td>
</tr>
<tr>
<td>Kona, Hawai‘i Island (West Hawai‘i Civic Center)</td>
<td>February 25, 2015</td>
<td>17</td>
</tr>
<tr>
<td>Kahului, Maui (Cameron Center)</td>
<td>February 26, 2015</td>
<td>13</td>
</tr>
<tr>
<td>Hāna, Maui (Hāna High School)</td>
<td>February 27, 2015</td>
<td>5</td>
</tr>
<tr>
<td>Lāna‘i City, Lāna‘i (Lāna‘i Elementary and Intermediate)</td>
<td>February 28, 2015</td>
<td>9</td>
</tr>
<tr>
<td>Līhu‘e, Kaua‘i (Kaua‘i Community College)</td>
<td>March 3, 2015</td>
<td>17</td>
</tr>
</tbody>
</table>

Total 314
2.3 OHA Outreach

In addition to the 12 Pae ‘Āina meetings, KKP conducted 3 meetings with OHA. The first was with OHA’s Board of Trustees, the second with OHA staff at Nā Lama Kukui, and the third with neighbor island coordinators. A total of 82 members of OHA participated in these meetings.

OHA MEETINGS

<table>
<thead>
<tr>
<th>Location</th>
<th>Date</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>OHA Board Room (OHA Trustees)</td>
<td>March 4, 2015</td>
<td>9</td>
</tr>
<tr>
<td>OHA Board Room (OHA Staff)</td>
<td>March 6, 2015</td>
<td>61</td>
</tr>
<tr>
<td>OHA Offices (OHA Neighbor Island Coordinators)</td>
<td>March 20, 2015</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>82</td>
</tr>
</tbody>
</table>

2.4 Mindmixer

Mindmixer, an online forum, was utilized to engage community members who may be unable or unlikely to attend Pae ‘Āina meetings. The Mindmixer program allowed users to log on and share feedback on the three questions presented at the Pae ‘Āina meetings. Between February and June 2015, the Kaka’ako Makai Mindmixer site received a total of 6,248 views and participants shared a total of 56 “ideas.” Comments received through mind mixer are included in the Summary of Responses in Section V, below. For a full version of Mindmixer comments see Appendix 5.

2.5 Summary of Responses

In the Pae ‘Āina meetings, OHA meetings, and on the Kaka‘ako Makai mindmixer website participants were asked a series of three questions:

- How would you describe an Urban Hawaiian space?
- What uses would support both commerce and culture at Kaka‘ako Makai?
- Income generated by Kaka‘ako Makai could be used to . . . ?

The summary on the following pages provides a preliminary analysis of the information gathered at Pae ‘Āina meetings, OHA meetings, and through the mindmixer website. See Appendix 4 for a digitized version of the meeting notes.
Question 1: How would you describe an Urban Hawaiian space?

In response to the first question the most common feedback revolved around the concept of a space designed to benefit Native Hawaiians. It was suggested this could take the form of spaces for cultural practitioners to practice (i.e. lomi, la'aulapa'au, hula), Hawaiian owned business, products, foods, and acknowledging and incorporating the history of a particular space in design and programming. The other most frequently mentioned comments explored the user experience and the incorporation and cultivation of the natural elements. See Appendix XX for more detailed chart.
Question 2: What uses would support both commerce and culture at Kaka‘ako Makai

In response to the second question, the most common feedback revolved around the concept of creating a space for Native Hawaiians to practice. This concept of practice took a multitude of forms including the concept of a cultural center, a business hub for Hawaiian entrepreneurs, restaurants, and facilities for cultural practitioners. The second most frequently mentioned comments focused around uses at Kaka‘ako Makai being ocean focused and taking advantage of the areas close proximity to aquatic resources.
**Question 3:** Income generated by Kaka‘ako Makai could be used to...?

In response to the third question, the most common feedback revolved around supporting programs and education for Native Hawaiians.
2.6 Comment Cards & Other Submissions

Comment cards were distributed at Pae 'Āina meetings and left at each OHA office. These cards allowed for individuals to write specific comments, but also directed them to the Mindmixer website described in Section IV. In addition to comment cards, KKP and OHA received 56 comments via email or other written submission. For a complete version of comments that were received through cards or other written formats see Appendix 9. A summary of the comments received is included below.
2.7 Neighboring Stakeholder Meetings

Although the Pae ‘Āina meetings were open to all stakeholders as well as the general public, in the Community Engagement Plan (submitted to OHA March 31, 2015) KKP recommended that OHA engage with stakeholder groups such as ali‘i trusts and neighboring landowners and developers throughout the course of the project. KKP assisted in beginning this process for OHA by facilitating five small group meetings with representatives from OHA and representatives of Queens Health Services, Kamehameha Schools, Lunalilo Trust, Alexander and Baldwin, Inc., and the Ala Moana Kaka’ako Makai Neighborhood Board. Additionally, one meeting was held for Hawai‘i Island legislators at the request of Chair Robert Lindsey.

The purpose of these meetings was to provide information on OHA’s Kaka’ako Makai conceptual master planning process and to establish or strengthen relationships between OHA and neighboring entities. The agenda for these meetings included the Pae ‘Āina presentation, sharing general feedback gathered in Pae ‘Āina meetings, and discussion of questions or comments. Questions arose regarding the timeline of the process and the challenges to development particularly in regard to residential at Kaka’ako Makai. Overall, there was general support for the process and the presentation was received positively. Kamehameha Schools was particularly interested in collaboration with OHA in events and activities that might activate Kaka’ako Makai in the near-term.

These initial meetings were intended to be an introduction and further discussion between OHA and neighboring entities is recommended as the process continues.

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Date</th>
<th>Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hawai‘i Island Legislators</td>
<td>May 27 2015</td>
<td>Lorraine Inouye, Gilbert Kahele, Russell Ruderman, Cindy Evans, Mark Nakashima, Richard Onishi, San Buenaventura, Clift Tsuji, Richard Creagan, Kama Hopkins (OHA), Capson Poepeoe (OHA), Malia Kaaihue (DTL), Lehua Kauhane (DTL)</td>
</tr>
<tr>
<td>Ala Moana Kaka’ako Neighborhood Board</td>
<td>May 14 2015</td>
<td>Larry Hurst (Board Chair), Malia Kaaihue (DTL), Lehua Kauhane (DTL), Kevin Cockett (Cockett Communications)</td>
</tr>
</tbody>
</table>
2.8 Conclusion

This report concludes Round 3 of the Pae 'Āina meetings for Kaka'ako Makai. The feedback gathered in this round will continue to be processed and a more thorough reporting will be included in the Community Engagement Memorandum due to OHA on August 31, 2015, prior to the planning of Round 4.
III. Draft Conceptual Land Use Scenarios
### 3.1 Land Use Scenario 1

**3.1.2 Land Use Scenario 1, No Master Plan**

Individually developed parcels allows for multiple developers, has the least impact on the surrounding infrastructure and overall masterplan of Kaka’ako Makai. Creating a cohesive character to the entirety of OHA’s parcels will be challenging, but can be helped along with cultural guidelines. Adjacent parcels (A, B, C, D, K) have the best chance at creating a contiguous “place”, but E & G will feel separated (maybe connected by bridges, but requiring additional permitting and coordination between developers) Parcels I & L are challenged due to their remote locations from the other parcels. This somewhat “turnkey” solution would require the least start-up time and efforts, but most likely will offer the least return on investment, based on initial research.

**3.1.3 Land Use Scenario 1a, No Master Plan with Residential**

Same as Scenario 1, but with added land value and return due to Residential uses on Parcels E & I. The scenario would call for rezoning and height variance or modification, which would require added time and legislation.

### 3.2 Land Use Scenario 2

**3.2.1 Land Use Scenario 2, Marina**

This scenario looks at physically joining Parcels A, B, C, D, & K with Parcel F/G to create a superblock with a contiguous feel. Ahui Street would be acquired by OHA and any infrastructure in the road would be rerouted as needed. The superblock scenario allows for more development possibilities, and also increases the land value and potential of Parcel F/G.

The superblock also incorporates space for a maoli-centric component, the Kīpuka. This sits at the epicenter of the superblock and establishes the Piko of the place. It is comprised of three interconnected components; the Marina, the Observation Tower, and the Center for Hawaiian Thought (labelled Cultural in the masterplans). The Kīpuka is a space for maoli programming and protocol. It will not only be a place for beneficiaries to connect to their heritage and genealogy, but also be a place for visitors to learn of the Hawaiian people and practices, and their connection to nature and the universe. It will become a visitor attraction and also increase the land value of the parcels.

**Marina**

A marina is implemented to firstly extend the waterfront into Parcel F/G, thereby connecting the parcels to the Harbor and increasing its land value. The marina is also an opportunity to create a body of water that is controlled by OHA, for programming and protocol for their beneficiaries.
The dredging of the Marina will involve permitting, time, and incurred costs which will reduce the return on investment (albeit higher than the return seen from scenarios 1 & 1a).

**Observation Tower**

The Observation Tower is meant to be not only a place to view from, but also a Ko’a, a marker representing the Lāhui. It is a connection of Earth to Sky, and a place for observing the various solar and seasonal cycles. The tower is also a collector of energy. Within it will be places for visitors, beneficiaries, and practitioners for protocol. Its presence and form is meant to be bold and dynamic, representing the persevering nature of the Lāhui.

Following other models, the Tower’s cost would be incurred by a developer, to lighten the burden upon OHA. The developer would receive their return on investment through income from the Tower.

**Center for Hawaiian Thought**

This space is a multilevel facility designed to house maoli programming and exhibits. Components can be for both beneficiaries and visitors, and/or beneficiaries only.

### 3.2.2 Land Use Scenario 2a, Marina with Residential

Same as Scenario 2, but with added land value and return due to Residential uses on Parcels E & I. The scenario would call for rezoning and height variance or modification, which would require added time and legislation.

### 3.3 Land Use Scenario 3

#### 3.3.1 Land Use Scenario 3, Plaza

The components of Scenario 3 are the same components as Scenario 2, with the replacement if the Marina with a Plaza.

**Plaza**

While not as bold as a Marina, the Plaza still provides the same benefits of connecting the Parcels with a public gathering space and increases the land value of Parcel F/G, perhaps with a lower return than a Marina. However, there is no cost of dredging, and rerouting of infrastructure will be drastically less than the Marina scenario.

There is still the opportunity to create an immersive and engaging plaza, with native landscape that is both functional, educational, and interactive. The Plaza not only provides places for programming and protocol, but is also part of the Kipuka, and intertwined component by and for the Kānaka Maoli.
3.3.2 Land Use Scenario 3a, Plaza with Residential

Same as Scenario 3, but with added land value and return due to Residential uses on Parcels E & I. The scenario would call for rezoning and height variance or modification, which would require added time and legislation.

3.4 Related Master Plan Opportunities and Issues

Areas outside of the parcels, but within Kaka’ako Makai have been considered, in order to improve the experience of not only the OHA properties, but of the properties of all stakeholders (HCDA, KS, etc).

- The finger of land between Parcel F/G and the Medical School should be designated as open space; a combination of landscape and hardscape that maintains a mauka/makai zone of open space. Ideally this green zone would continue mauka with open spaces in KS parcels, connecting Kaka’ako Makai to Kaka’ako Mauka.
- The Park lands adjacent to Parcel D & K, converting to open space. A single-story parking structure is intended along Ahui St., but partially sunken and roofed with landscape, to continue the green space.
- Promenades throughout the park to connect the harbor and 'Ewa parcels. This also provides circulation within the park.
- Promenades connecting Parcels I & L. The HCDA parcel between the two parcels is intended to be multi-story parking. Ideally there could be commercial at the base to improve the streetscape experience along the promenade.
- Enhancing the waterway adjacent to Parcel L. The current canal configuration could be expanded to incorporate landscaping (wetlands, etc) and be integrated with the park. Bridges from Parcel L could also connect to the park. Parcel L is also seen as a place of Wellness, with programs that are related to both Hawaiian practices in healing and wellness, but also the potential to collaborate with the UH School of Medicine, and other medical related entities. The incorporation of programs with the park would be of mutual benefit to all.
- Incorporation of Hotel on lots A & F/G. A hotel component would create lodging opportunities with a unique location of both urban marina and Park.
Land Use Scenario 1

NO MASTER PLAN

- Commercial
- Residential
- Cultural
- Wellness

A: Commercial
B: Commercial
C: Commercial - Leased
D: Commercial - Leased
E: Commercial
F/G: Industrial

KAKA’AKO WATERFRONT PARK
CHILDREN’S DISCOVERY CENTER
UH CANCER RESEARCH F/G
OPEN SPACE
GOLD BOND

Commercial
Residential
Cultural
Wellness
Land Use Scenario 1A

NO MASTER PLAN with Residential

- Residential (400 ft)
- Commercial
- Industrial
- Residential (400 ft)
- Commercial
- Commercial
- Commercial - Leased
- Commercial - Leased

Cultural
Wellness
Land Use Scenario 2
MASTER PLAN - Marina

SITE F/G:

- **Attraction 1: Marina** (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation of waterfront
  - Significant cost/risk for entitlements & construction
  - Significant cultural value for ocean access

- **Attraction 2: Tower** (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation attraction and icon

- **Attraction 3: Cultural** (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation of attraction
Land Use Scenario 2A

MASTER PLAN - Marina with Residential Enhancements - Additional Land Area

Commercial/Hotel/Culture (3.7 ac of 7.2 ac)

SITE F/G:

» Attraction 1: Marina* (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation of waterfront
  - Significant cost/risk for entitlements & construction
  - Significant cultural value for ocean access

» Attraction 2: Tower* (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation attraction and icon

» Attraction 3: Cultural* (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation of attraction

*Note: Attractions marked with an asterisk (*) indicate areas with significant cultural value.
Land Use Scenario 3

MASTER PLAN - Plaza

SITE F/G:
» Attraction 1: Plaza (1.5 ac)
   - Reduction in value due to loss of land area
   - Increase in value due to creation of plaza frontage

» Attraction 2: Tower* (1.0 ac)
   - Reduction in value due to loss of land area
   - Increase in value due to creation attraction and icon

» Attraction 3: Cultural (1.0 ac)
   - Reduction in value due to loss of land area
   - Increase in value due to creation of attraction

Commercial/Hotel Enhancement - Additional Land Area (Ohua)
Commercial
Commercial - Leased
Commercial
Commercial
Commercial/Wellness
Commercial/Wellness
Commercial - Leased
Land Use Scenario 3A
MASTER PLAN - Plaza with Residential

SITE F/G:

» Attraction 1: Plaza (1.5 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation of plaza frontage

» Attraction 2: Tower* (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation attraction and icon

» Attraction 3: Cultural (1.0 ac)
  - Reduction in value due to loss of land area
  - Increase in value due to creation of attraction
CONTEMPORARY MAOLI INTERPRETATION

MAOLI INSPIRATION & PROGRAMMING

ICONIC OBSERVATION TOWER

MAOLI INSPIRATION & PROGRAMMING

ACTIVE HARBOUR EDGE

MAOLI INSPIRATION & PROGRAMMING

CONTEMPORARY MAOLI INTERPRETATION

PLAZA BECOMES TRANSITIONAL SPACE TO ACCESS WATER

COMMERICAL EDGE FORMS PLAZA EDGES

ACTIVE PLAZA ZONES FOR MAOLI PROGRAMMING

KIPUKA, CULTURAL CENTER

CONNECTION OPPORTUNITIES TO PARK AND NATURE

GATHERING PLACES

Iconic Observation Tower
Iconic Observation Tower

WITH OBSERVATION TOWER

WITHOUT OBSERVATION TOWER
Iconic Observation Tower

WITH OBSERVATION TOWER

WITHOUT OBSERVATION TOWER
IV. Draft Financial Assessment
PRELIMINARY FINANCIAL ANALYSIS
INSIGHTS

4.1 Objective

The Hallstrom Group/CBRE has begun the process of determining the potential returns available to the Office of Hawaiian Affairs (OHA) associated with their Kakaako Makai holdings.

The goal is to determine the highest & best use potentials of the subject holdings from a financial perspective both in their current condition and within a master planning context. The outcomes from the analysis will provide a comparative tool for use by the trustees in their decision-making process.

To determine the economic feasibility and efficacy of implementing the master plan we have started to model a variety of use and assumptive scenarios for the sites and compare the resulting indicators.

For the initial preliminary tests we have focused on three scenarios for comparative assessment:

1. “As Is” - A collection of free-standing lots put to their highest & best use based on market indicators and subject to all existing land use restrictions.
2. “As Is, with Residential” - Same as “As Is” but assuming high-rise residential would be permitted on Lots E and I.
3. “Maximal Master Plan” - Assuming implementation of the currently envisioned most intense proposed master plan with marina basin, sky tower, cultural features, enhanced entitlements and relocation of Ahui Street.

In all scenarios only the in-place encumbrances extending past 2018-19 were considered (impacting Lots C, D and K), as it was assumed that construction would not begin until approximately that time following several years of planning, entitlement and pre-sales/pre-leasing efforts.

Our preliminary goal was two-fold:

- To quantify whether the maximal master plan (as an initial example) would provide a sufficient increase in returns to the underlying lands to justify moving forward with the project; and,
- To identify on an order of magnitude basis whether the master plan upon implementation would “throw-off” sufficiently enhanced profits to fund the cultural facilities/amenity components.
4.2 Methodology and Market Data

We selected “Aggregate Sales Price” as the basis for the comparative process. This is the sum of the sales prices for the individual parcels which could be achieved in current market conditions under the various scenario assumptions, before costs of sale, bulk or absorption discounts, or allowances for atypical remediation costs.

The preferred method of establishing the price for vacant land is through the Sales Comparison Approach which bases prices upon what others are currently paying for properties having similar attributes in the same market area. It is considered the most appropriate, accurate and insightful methodology when sufficient numbers of comparable sales are available to establish reasonable pricing parameters.

With the on-going up-cycle market stimulating developer and investor interest in building sites there have been numerous timely transactions in central Honolulu (particularly in Kakaako, Ala Moana and Waikiki) supportive of a meaningful application of sales comparison.

The following tables summarize the sales/indicators from a universe of several hundred historic transactions which we considered most insightful to our analysis. These bracketing indicators, with adjustment consideration for a variety of characteristics, provide the basis for our preliminary pricing estimates for the subject parcels within the scenarios.

The first set are for central Honolulu (non-Waikiki) commercial use/zoned properties since late 2012 and show a price range of $175 to $221 per square foot.

The second set contain indicators from properties proposed for residential and mixed-use development in the Kakaako/Ala Moana area since late 2013 and show a price range of $227 to $516 per square foot.
We note some of the higher prices are for parcels within the HCDA TOD planning area and benefit from zoning and density enhancements.

Prices for Kakaako Makai sites used for hospitality and visitor-oriented purposes could be based on indicators taken from the Mixed-Use Resort Precinct of Waikiki as shown below. The transactions, dating from early 2013, show prices ranging from $299 to $619 per square foot. We consider it unlikely that prices at Kakaako Makai could reach the upper-end of the Waikiki scale.

Though the sector is currently among the strongest in the Oahu market, industrial development of the subject properties would represent a lower-order potential use than commercial, residential or hospitality alternatives, so industrial land prices form a “baseline” indicator. Specifically, industrial uses/prices are a consideration for Lot F/G which has little commercial potential “As Is” apart from a master plan and Lot L though waterfront is limited by access issues and difficulty in identifying its highest & best use.
Industrial land prices in Honolulu since 2013 have ranged from $75 to $175 per square foot in accordance with their location, size and other characteristics.

<table>
<thead>
<tr>
<th>Area/Industrial Park</th>
<th>Sales Date Range</th>
<th>Low</th>
<th>High</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kakaako</td>
<td>2014-15</td>
<td>$145.00</td>
<td>$175.00</td>
<td>HART Right-of-Way Takings, mostly smaller parcels.</td>
</tr>
<tr>
<td>Kaili</td>
<td>2013-14</td>
<td>$120.34</td>
<td>$124.32</td>
<td>Fee Simple Sales, moderate size parcels.</td>
</tr>
<tr>
<td>Mapunapuna</td>
<td>2014-15</td>
<td>$75.00</td>
<td>$104.88</td>
<td>Values based on new and renegotiated leases.</td>
</tr>
<tr>
<td>Sand Island</td>
<td>2013-15</td>
<td>$88.13</td>
<td>$94.00</td>
<td>Values based on new and renegotiated leases.</td>
</tr>
<tr>
<td>Airport</td>
<td>2013-15</td>
<td>$90.00</td>
<td>$108.00</td>
<td>Values based on new and renegotiated leases.</td>
</tr>
</tbody>
</table>

Source: The Hallstrom Group/CBRE

The value of the leased fee interests in the two parcels encumbered with long-term ground leases (Lots D and K) were estimated by discounting the contractual and projected rents and eventual reversion of the property to OHA at termination to a present value using prevailing market terms. The process for Lot D, which is leased for the 53 by the Sea restaurant through 2042, and communication antennae through 2035, is shown on the following table with the calculations indicating a preliminary present value of the leased fee interest of $8,100,000 (rounded).

The present value of the leased fee interest in Lot K, which was assumed to be a “land only” reversion given the condition of the in-place structure, was estimated at $5,400,000.

As discussed in our market study, the primary strengths of the subject sites include:
- Central Honolulu location proximate to employment centers, shopping/entertainment, recreation and public facilities;
- Strong makai-orientation with unblockable view planes;
- Many have direct ocean frontage; and,
- Three have direct frontage/access on Ala Moana Boulevard.

The primary weaknesses of the subject sites are:
- The limited development in Kakaako Makai to date (no critical mass);
- Mixed-transitional status of larger neighborhood;
- Potential soil remediation costs; and,
- Limited exposure for most parcels.
Apart from the transfer of the Kakaako Makai lands to OHA several years ago, there have not been any oceanfront land sales or new ground leases in central Honolulu in more than two decades. Shoreline property typically demands a premium in Hawaii. For this preliminary analysis we have been cautious regarding the premium for the waterfront subject sites.

### Leased Fee Valuation Analysis of Site "D"

Assuming Percentage Rents Threshold is Reached

<table>
<thead>
<tr>
<th>Year</th>
<th>By The Sea</th>
<th>Est. % Rents</th>
<th>Antennae</th>
<th>Total</th>
<th>Discounted @ 8.5%</th>
<th>PV of Rents</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
<td>$320,616</td>
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<td>$110,000</td>
<td>$430,616</td>
<td>$396,881</td>
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<td>2016</td>
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<td>$110,000</td>
<td>$430,616</td>
<td>$365,789</td>
<td>$365,789</td>
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<tr>
<td>2017</td>
<td>$320,616</td>
<td>$0</td>
<td>$110,000</td>
<td>$430,616</td>
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<td>2018</td>
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<td>2019</td>
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<td>2020</td>
<td>$352,678</td>
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<td>$456,533</td>
<td>$84,502</td>
<td>$84,502</td>
</tr>
<tr>
<td>2037</td>
<td>$426,740</td>
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<td></td>
<td>$456,087</td>
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<td>2038</td>
<td>$426,740</td>
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<td>$457,314</td>
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<tr>
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<td>$457,118</td>
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<tr>
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<td>$94,821</td>
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<td>$452,561</td>
<td>$57,637</td>
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<tr>
<td>2042</td>
<td>$426,740</td>
<td>$99,562</td>
<td></td>
<td>$456,302</td>
<td>$53,605</td>
<td>$53,605</td>
</tr>
</tbody>
</table>

Totals $10,621,367 $2,431,001 $14,707,445 $5,302,292

Reversionary Interests in 2043 Present Value of Future Reversion Total PV of LF Interest

Land & Improvements $2,807,460 $8,109,752

(1) Rent Reopening Year per Contract, Effective January.
(2) Rent Reopening Year per Contract, Effective May.
(3) Lease terminates.

Source: Lease summary and The Hallstrom Group/CBRE.
We acknowledge there may be a meaningful upside available for all of the scenarios in real dollars, but it would be consistent among the alternatives and therefore not skew the results of our initial comparative analysis.

4.3 Preliminary Indications

“As Is” with their in-place zoning, use limitations, size and access, as free-standing, individually sold parcels outside of a master planning concept, the aggregate sales prices of the OHA Kakaako Makai sites is preliminarily estimated to total between $218 million and $229 million, as shown below.

The estimated prices extend from $125 to $250 per square foot at the mid-range estimates and from $130 to $260 per square foot at the high-end of the probable market range.

“As Is with Residential” with the only change being the assumption that high-rise residential towers up to 400 feet would be permitted on Lots E and I (mauka of Iwalo Street), as are allowable across Ala Moana Boulevard, pushes the potential sales price for those lots meaningfully upward to approaching $300 per square foot. All other subject property prices are unchanged.

The preliminary aggregate sales price for the sites under this scenario increases to between $237 million to $249 million, a gain of up to $20 million or nine percent over the base “As Is” outcome.

### Preliminary Estimated Site Aggregate Sales Prices Based on Sales Comparison

<table>
<thead>
<tr>
<th>Parcel I.D.</th>
<th>Area in Sq. Ft</th>
<th>Use</th>
<th>Current Estimated Value per SF</th>
<th>Total Value</th>
<th>Current Estimated Value per SF</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Mid-Range</td>
<td></td>
<td>High End of Range</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>213,880</td>
<td>Commercial</td>
<td>$250</td>
<td>$53,500,000</td>
<td>$260</td>
<td>$55,608,800</td>
</tr>
<tr>
<td>B</td>
<td>103,673</td>
<td>Commercial</td>
<td>$200</td>
<td>$20,700,000</td>
<td>$210</td>
<td>$21,771,330</td>
</tr>
<tr>
<td>C (1)</td>
<td>74,052</td>
<td>Commercial</td>
<td>$200</td>
<td>$14,800,000</td>
<td>$210</td>
<td>$15,500,920</td>
</tr>
<tr>
<td>D</td>
<td>40,858</td>
<td>Commercial</td>
<td>Leased</td>
<td>$7,700,000</td>
<td>Leased</td>
<td>$8,100,000</td>
</tr>
<tr>
<td>E</td>
<td>95,832</td>
<td>Commercial</td>
<td>$200</td>
<td>$19,200,000</td>
<td>$210</td>
<td>$20,124,720</td>
</tr>
<tr>
<td>G/F</td>
<td>328,050</td>
<td>Industrial</td>
<td>$120</td>
<td>$39,400,000</td>
<td>$130</td>
<td>$42,646,500</td>
</tr>
<tr>
<td>I</td>
<td>141,708</td>
<td>Commercial</td>
<td>$200</td>
<td>$28,300,000</td>
<td>$210</td>
<td>$29,758,680</td>
</tr>
<tr>
<td>K</td>
<td>59,154</td>
<td>Commercial</td>
<td>Leased</td>
<td>$5,400,000</td>
<td>Leased</td>
<td>$5,700,000</td>
</tr>
<tr>
<td>L</td>
<td>229,561</td>
<td>Indust./Med.</td>
<td>$125</td>
<td>$28,700,000</td>
<td>$130</td>
<td>$29,842,956</td>
</tr>
</tbody>
</table>

Total 1,286,768  Aggregate Preliminary Values $217,700,000  $229,103,906

Rounded, $218,000,000  $229,000,000

(1) Encumbered by KKFC lease agreement for 15,000 square feet. Net square footage shown.

Source: The Hallstrom Group/CBRE.
“Maximal Master Plan” reflects the implementation of the currently envisioned master plan in its entirety, with the full marina basin, sky tower and cultural facilities and amenities, creating a cohesive, comprehensive, themed, world-class project. Land use opportunities (through re-entitlement permitting residential and hotel) and sales prices for the lots would be optimized; although the impact of the master plan on Sites I and L would be limited.

Preliminarily projected prices for the Kakaako Makai lots would increase for all but Parcel L upwards to $225 to $325 per square foot for the mid-range estimates and between $250 and $360 per square foot for the high end of the market range.

The indicated aggregate sales prices for the subject properties increases to between $269 million and $293 million, gains of nearly 30 percent above the “As Is” comparative result. These totals do not include the potential ground lease rents for the sky tower site or the percentage overage rents from any leased hotel sites, both of which could be substantial but are yet unquantified at this stage of the assignment.
It preliminarily appears the increase in the aggregate sales prices resulting from the implementation of the maximal master plan over the “As Is” figure should be sufficient to fund the additional entitlement and site development costs associated with the plan while still providing OHA a return above their $200 million asset baseline value. Although changes in outcomes could result when more refined capital cost budgets are developed.

However, it is not known at this time whether or how much there will be in excess of the $200 million baseline to support the development of cultural facilities/amenities and their on-going operation.

### 4.4 Next Steps in Analysis

The next steps in our analysis will be to:

- Preliminarily apply the comparative modeling process to the other emerging scenarios of the proposed master plan with the goal of identifying the most achievable and efficient alternative.
- Refine the sales comparison models based on more in-depth pricing analysis/adjustment, master planning adjustments and more firm development cost estimates.
- Complete a residual-based comparative model based on estimating the “all in” costs of development of the vertical components of the project (buildings) and deducting them from the estimated total value of the finished improvements.
4.5 Cultural Attraction Business Model

Cultural attractions that focus on entertainment while still including an educational or mission driven component typically operate with a mix of earned and contributed income. The business model is based on an appropriate balance of these two types of income.

Earned income includes revenue that is generated in exchange for a service, product, or privilege, and typically includes items such as:

- Admission fees;
- Retail sales;
- Food and beverage sales;
- Program income, which can include a wide variety of activities;
- Membership income; and
- Facility rentals.

Contributed income typically includes sources such as individual donations, grants, public / government funding, sponsorships, and annual fundraisers.

In addition, some cultural facilities benefit from other sources of revenue such as endowments or real estate proceeds.

The amount of earned revenue generated through earned versus contributed income depends on a number of factors, including the type of cultural attraction, the mix of visitors (i.e. residents, tourists, and school groups), attendance potential, pricing and the competitive environment, as well as policy decisions with respect to pricing.

However, generally speaking, the more interactive and entertaining any type of attraction, the greater potential for earned revenue.

Additionally, attractions of all types require reinvestment in order to remain financially viable. The focus of business planning for cultural attractions is to plan for economic sustainability.
Key factors that are important to financial viability are as follows:

- If you build it, they may not come. The core visitor experience needs to drive architecture and design, not vice versa.

- It is ideal to have some type of compelling, signature visitor experience that differentiates the attraction from others.

- Strong governance and management are essential.

- Appropriate physical planning parameters are important – overbuilding can result in operating costs that are not supportable, and under building for the number of visitors can result in lack of enough critical mass to attract visitors and frustrations with lines and crowding, which negatively impact the visitor experience.

- Adequate marketing – ideally cultural attractions should spend 7% of revenues on

- Minimal or no occupancy costs – most cultural attractions cannot support occupancy costs.

- An endowment, or in this case, proceeds from real estate, can provide a long term, fairly stable source of operating funds.

- Budgeting sufficiently for operations and regular reinvestment are important to the continued attraction of visitors and spending.
### Preliminary Estimated Site Aggregate Sales Values Based on Sales Comparison

**SCENARIO 1**

Assuming As is Use and Zoning, Free-Standing, With No Master Plan

<table>
<thead>
<tr>
<th>Parcel I.D.</th>
<th>Area in Sq. Ft</th>
<th>Use</th>
<th>Current Estimated Value per SF</th>
<th>Total Value</th>
<th>Mid-Range Current Estimated Value per SF</th>
<th>Total Value</th>
<th>High End of Range Current Estimated Value per SF</th>
<th>Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>164,000</td>
<td>Commercial</td>
<td>$250</td>
<td>$41,000,000</td>
<td>$260</td>
<td>$42,640,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>103,597</td>
<td>Commercial</td>
<td>$200</td>
<td>$20,700,000</td>
<td>$210</td>
<td>$21,755,370</td>
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<tr>
<td>C</td>
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<td>$210</td>
<td>$15,539,160</td>
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<tr>
<td>D</td>
<td>40,855</td>
<td>Commercial</td>
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<td>$7,700,000</td>
<td>Leased</td>
<td>$8,100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>95,919</td>
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<td>$200</td>
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<td>$20,142,990</td>
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<tr>
<td>G/F</td>
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<td>Industrial</td>
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<td>$39,400,000</td>
<td>$130</td>
<td>$42,640,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>130,000</td>
<td>Commercial</td>
<td>$200</td>
<td>$26,000,000</td>
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<td>$27,300,000</td>
<td></td>
<td></td>
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<tr>
<td>K</td>
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<td>Commercial</td>
<td>Leased</td>
<td>$3,400,000</td>
<td>Leased</td>
<td>$5,700,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L</td>
<td>229,561</td>
<td>Indust./Med.</td>
<td>$125</td>
<td>$28,700,000</td>
<td>$130</td>
<td>$29,842,956</td>
<td></td>
<td></td>
</tr>
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</table>

Total 1,225,082

*Aggregate Preliminary Values* = $202,900,000

*Rounded, $203,000,000*

*High End of Range* = $213,660,476

*Rounded, $214,000,000*

---

(1) Encumbered by KKFC lease agreement. Net square footage shown.

Source: The Hollstrom Group/CBRE.
### PRELIMINARY VALUATION ALLOWANCES BASED ON SALES COMPARISON

**Scenario 1A**  
Financial Analysis of OHA Kaka'ako Makai Parcels  
Kaka'ako, Honolulu, Hawaii  
Assuming Market Zoning, Freestanding, With No Master Plan

<table>
<thead>
<tr>
<th>Parcel L.D.</th>
<th>Area in Sq. Ft</th>
<th>Use</th>
<th>Current Estimated Value per SF</th>
<th>Total Value</th>
<th>Mid-Range</th>
<th>High End of Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>164,000</td>
<td>Commercial</td>
<td>$250</td>
<td>$41,000,000</td>
<td></td>
<td>$260</td>
</tr>
<tr>
<td>B</td>
<td>103,597</td>
<td>Commercial</td>
<td>$200</td>
<td>$20,700,000</td>
<td></td>
<td>$210</td>
</tr>
<tr>
<td>C (1)</td>
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<td>Commercial</td>
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<td>$14,800,000</td>
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<td>$210</td>
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<td>D</td>
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<td>Leased $8,100,000</td>
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<td>$300</td>
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<td>G/F</td>
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<td>Industrial</td>
<td>$120</td>
<td>$39,400,000</td>
<td></td>
<td>$130</td>
</tr>
<tr>
<td>I [2]</td>
<td>130,000</td>
<td>Residential</td>
<td>$275</td>
<td>$35,800,000</td>
<td></td>
<td>$290</td>
</tr>
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<td>K</td>
<td>59,154</td>
<td>Commercial Leased</td>
<td></td>
<td>$5,400,000</td>
<td></td>
<td>Leased $5,700,000</td>
</tr>
<tr>
<td>L</td>
<td>229,561</td>
<td>Indust./Med.</td>
<td>$125</td>
<td>$28,700,000</td>
<td></td>
<td>$130</td>
</tr>
</tbody>
</table>

| Total       | 1,225,082      | Aggregate Preliminary Values | $221,300,000       |           |           | $232,693,186     |
|            |                | Rounded,                  | $221,000,000       |           |           | $233,000,000     |

(1) Encumbered by KFC lease agreement. Net square footage shown.
(2) Assuming use change to residential and 400 foot height limit.

Source: The Hallstrom Group/CBRE.
4.5.1 Business Model for Typical Cultural Facility

Detailed financial analysis for the Kaka‘ako Makai plans will be conducted in the next phase of work. However, in order to demonstrate a range of possible financial requirements for the cultural attraction components, we have generated two hypothetical operating financials to demonstrate the context in which most cultural facilities operate.

The first, shown below, is for a typical cultural facility. As shown, given reasonable assumptions, a typical 40,000 square foot cultural facility could require between $1 and $1.5 million annually in contributed income.

<table>
<thead>
<tr>
<th>Hypothetical Assumptions</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Gross size</td>
<td>40,000 SF</td>
</tr>
<tr>
<td>Visitor experience area</td>
<td>30,000 SF</td>
</tr>
<tr>
<td>Some outdoor space</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Potential Attendance Metrics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance</td>
<td>4-6 visitors per visitor SF</td>
</tr>
<tr>
<td>Annual attendance</td>
<td>120,000 – 180,000 visitors</td>
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</table>

<table>
<thead>
<tr>
<th>Likely Business Model</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cost per gross SF</td>
<td>$50 to $75</td>
</tr>
<tr>
<td>Annual operating costs</td>
<td>$2 to $3 million</td>
</tr>
<tr>
<td>% earned revenue</td>
<td>40% – 60%</td>
</tr>
<tr>
<td>Annual earned revenue</td>
<td>$1 - $1.5 million</td>
</tr>
<tr>
<td>Required contributed income / Annual operating gap</td>
<td>$1 - $1.5 million</td>
</tr>
<tr>
<td>Ground lease percentage</td>
<td>8%</td>
</tr>
</tbody>
</table>

| Land Value Required for Operations | $10 - $20 million |
4.5.2 Business Model for Branded Cultural Attraction

Another hypothetical example below demonstrates a possible financial analysis for a cultural attraction that is branded and includes a more immersive, entertaining visitor experience. While there are a few branded cultural attractions that border on commercial attractions and cover their operating costs, the scenario below is also possible.

As shown, a 50,000 square foot branded cultural attraction would likely generate much greater attendance, which would support other commercial real estate uses within the development, but may still require some annual subsidy, equivalent to a land value of between $6 and $18 million.

<table>
<thead>
<tr>
<th>Hypothetical Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross size</td>
</tr>
<tr>
<td>Visitor experience area</td>
</tr>
<tr>
<td>Some outdoor space</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Potential Attendance Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance</td>
</tr>
<tr>
<td>Annual attendance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Likely Business Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cost per gross SF</td>
</tr>
<tr>
<td>Annual operating costs</td>
</tr>
<tr>
<td>% earned revenue</td>
</tr>
<tr>
<td>Annual earned revenue</td>
</tr>
<tr>
<td>Required contributed income / Annual operating gap</td>
</tr>
<tr>
<td>Ground lease percentage</td>
</tr>
</tbody>
</table>

| Land Value Required for Operations                           | $6 - $18 million                    |
4.5.3 Development Cost for Cultural Attraction

In addition, the cost of developing the cultural attraction must be considered. The cost of developing any cultural attraction includes:

- **Facility development cost** – This is typically related to the cost of building, which in Hawaii can be as high as $600 per square foot.
- **Exhibit design / visitor experience cost** – This is the cost to design and build the exhibits or visitor experiences, which for a high quality attraction can range from $500 to $1,000 per square foot. The amount spent on exhibit design and the visitor experience is one evaluation factor for determining the quality of the attraction when estimating attendance.

As shown, the cost of building a 40,000 square foot cultural facility could be around $40 million, depending on the type of attraction and content.

<table>
<thead>
<tr>
<th>Hypothetical Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross size</td>
</tr>
<tr>
<td>Visitor experience area</td>
</tr>
<tr>
<td>Some outdoor space</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Development Cost per SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
</tr>
<tr>
<td>Visitor experience</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Development Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building</td>
</tr>
<tr>
<td>Visitor experience</td>
</tr>
<tr>
<td>Total Development Cost</td>
</tr>
</tbody>
</table>
4.5.4 Next Steps: Detailed Financial Analysis

The next steps include conducting a detailed financial analysis for the cultural attractions and integrating this with the traditional real estate analysis. The initial criteria will be to maintain the $200 million in land value for OHA activities, and to balance the amount of funds available for the creation of a destination, development of cultural facilities and anchor attractions, and other cultural elements on the site. The cultural facilities proposed in each conceptual plan will be evaluated for attendance potential, required physical planning parameters including visitor area, back of house areas, and parking, pricing, earned revenue, net income or required annual subsidy, and amount of real estate value required to support the development and operations of the cultural elements.

Costs – Creation of High Quality Signature Development
- Public amenities and infrastructure
- Opportunity cost of land used for public amenities
- Master developer versus sale of individual parcels
- Financing strategies

Revenues – Generation of $200 Million
- Sale and ground lease of real estate
- Enhanced values from masterplan and public amenities
- Cultural anchors can enhance value

- Residual land value analysis
- Sensitivity testing of multiple iterations
- Financing strategy assumptions
APPENDIX 1

Pae ‘Āina Presentation
KAKAʻAKO MAKAI
A Place for Future Generations
Kuleana
KAKAʻAKO MAKAI

Kuleana

- OHA’s fiduciary responsibility is to generate income from its Kakaʻako Makai lands to improve the well-being of Native Hawaiians.
- OHA’s mission and vision requires OHA to nurture Native Hawaiian cultural vitality - a core component of Hawaiian well-being.
- This commercial land asset in Honolulu can help OHA sustain, enhance and increase grants, services and programs.
Background
2012 Kakaʻako Makai Settlement

- 9 parcels transferred to OHA
- $200 million in back revenue owed to OHA
- 2 rounds of community outreach
Updates
Kakaʻako Makai Policy

- OHA’s Board of Trustees created a Kakaʻako Makai Policy committing OHA to having Native Hawaiian culture “drive/provide the base for design and use decisions” there.
KAKAʻAKO MAKAI

Updates

- Kakaʻako Makai Policy
- Framework Plan
  - Kīpuka
KAKA‘AKO MAKAI

Updates

• Kakaʻako Makai Policy
• Framework Plan
  • Kīpuka
  • Hālau Ola
KAKAʻAKO MAKAI

Updates

- Kakaʻako Makai Policy
- Framework Plan
  - Kīpuka
  - Hālau Ola
  - Live, Work, Play
Kaka‘ako Makai Policy
Framework Plan
Capacity Building
KAKA‘AKO MAKAI

Conceptual Master Plan

- Design & Use
- Revenue Generation
- Planning Timeline & Process
- Community Engagement
Cultural Development Economics

Cultural districts can catalyze development, create value for surrounding uses, and contribute to the development of a destination.

City Museum St. Louis
The High Line
Durham Performing Arts Center
Denver Art Museum
KAKAʻAKO MAKAI

Cultural Development Economics

There are many ways to express or translate culture as part of a real estate development.

- Architecture & Design
- Dedicated Facilities
- Programming
- Entire District

CULTURAL EXPRESSION
Integrate Commerce/Culture
Garden Attractions

- Eden Project, United Kingdom
- Gardens by the Bay, Singapore
- Chihuly Gardens and Glass, Seattle
- Longwood Gardens, Pennsylvania
- Sun Yat Sen Gardens, Vancouver
Cultural Expressions

- Arts & Cultural Centers
- Visitor / Interpretive Centers
- Places of Memory
- Living History
- Regional Science
- Garden Attractions
- View Attractions
- New Cultural Concepts
Arts & Cultural Centers

- African American Museum, Dallas, TX
- Alaska Native Heritage Center, Anchorage, AK
- Institute of Texan Cultures, San Antonio, TX
- National Hispanic Cultural Center, Albuquerque
- Filipino Cultural Center, I-Hotel
- Chinese Culture Center, San Francisco
- Skirball Cultural Center, Los Angeles, CA
- Guadalupe Cultural Arts Center, San Antonio
- Maori Cultural Centre, New Zealand
- Maui Arts and Cultural Center
- Torpedo Factory, Alexandria
- “Makers” Marts
Visitor/Interpretive Centers

- Loch Lomond, Scotland
- Freedom Trail, Boston
- Temple Square and Visitor Center, Salt Lake
- The Alamo, San Antonio
- Grand Canyon Interpretive Center
Places of Memory

- Birmingham Civil Rights District
- Green Island Culture Park, Taiwan
- Hiroshima Peace Memorial Park
- Jewish Quarter, Cologne, Germany
- Martin Luther King National Historic Site
- Minidoka National Historic Site, Idaho, ID
- Robben Island, Cape Town, South Africa
- The Workhouse, Nottingham, UK
- World Trade Center Museum and Memorial
- Angel Island Immigration Station
- Parque de la Memoria, Buenos Aires, Argentina
- Typography of Terror, Berlin
- Gadsten’s Wharf, Charleston, SC
Living History Centers

- Colonial Williamsburg, Williamsburg, VA
- Plymouth Plantation, Plymouth, MA
- Conner Prairie, Fishers, IN
- Mystic Seaport, Mystic, CT
- Mountain Vernon Estate & Gardens, Mt Vernon
- Greenfield Village, Dearborn, MI
Regional Science & Natural History Facilities

- Springs Preserve/Desert Living Center, Las Vegas
- High Desert Museum, Bend, Oregon
- California Academy of Sciences, San Francisco
- Wanuskewin Heritage Park, Saskatoon, Canada
Observation Decks

- Empire State Building, New York, NY
- One World Observatory, New York, NY
- Top of the Rock, New York, NY
- CN Tower, Toronto, Canada
- Skylon Tower, Niagara Falls, Ontario
- Statue of Liberty NM, New York, NY
- Willis Tower Skydeck, Chicago, IL
- Space Needle, Seattle, Washington
- 360 Chicago, Chicago, IL
- Eiffel Tower, Paris
- Tokyo Sky Tree, Tokyo
- London Eye (Wheel), London
- The Shard, London
- Ion Sky, Singapore
New Technology-Based Cultural Concepts

- FlyOver Canada, Vancouver
- Sego Orbi, Yokohama, Japan
- National Geographic
- Smithsonian
What is the apex of commerce and culture for Kakaʻako Makai?
Discussion
Breakout Session #1

How would you describe an urban Hawaiian space?
Breakout Session #2

What uses would best support both commerce and culture at Kaka‘ako Makai?
Income generated by Kaka'ako Makai could be used to fill in the blank.

Breakout Session #3
MAHALO

Continue the discussion

Visit: OHA.org/kakaako

OHA.org/kakaako provides a way for the public to engage in discussion before, during and after the meetings. Share your ideas and hear what others have to say, anytime.
APPENDIX 2

Pae ‘Āina Meeting Agenda
Project: OHA Kaka’ako Makai
Description: Pae ‘Āina Meetings Agenda

I. Light Refreshments (20 min)
   a. Handouts (available at check-in): Kaka’ako Makai map, Mindmixer info/comment card, annual report, Kaka’ako Makai fact sheet
   b. Housekeeping (Malia): Bathrooms, food, agenda

II. Aloha & Acknowledgments (10 min)
   a. Announce start of meeting (Mālia)
   b. Kaka’ako Makai Video
   c. Introduce Trustee (Mālia)
   d. Trustees Welina

III. Presentation (KKP) (15 mins)
   a. Settlement Background
   b. Kaka’ako Updates
   c. Policy & Framework Plan
   d. Conceptual Master Plan

IV. Breakout Session (1 hour)
   a. 8-10 people per group; 1-2 facilitators (1 recording, 1 facilitating)
   b. 3 questions posed to each group
      i. How would you describe an urban Hawaiian space?
         1. Discussion (15 mins)
         2. Several groups report back highlights (5 mins)
      ii. What uses would best support both commerce and culture Kaka’ako Makai?
         1. Discussion (15 mins)
         2. Several groups report back highlights (5 mins)
      iii. Income generated by Kaka’ako Makai could be used to [fill in the blank].
         1. Discussion (15 mins)
         2. Several groups report back highlights (5 mins)

V. Mahalo & Next Steps (10 min)
   a. How to get engaged: Website, mindmixer, comment cards
APPENDIX 3

Pae ‘Āina Meeting Announcement
KAKAʻAKO MAKAI
A Place for Future Generations

Share your manaʻo

The Office of Hawaiian Affairs will be hosting community meetings throughout Hawaiʻi, seeking quality, meaningful input from community stakeholders as it charts a conceptual master plan for Kakaʻako Makai.

Attend a meeting and provide your thoughts to shape the future of approximately 30 acres of land makai of Ala Moana Boulevard.

**Oʻahu**
- **Tuesday, Feb. 17**
  Kakaʻako – 6:00 pm to 8:00 pm
  John A. Burns School of Medicine, Medical Education Building (MEB) Rm. 314
- **Wednesday, Feb. 18**
  Kapolei – 6:00 pm to 8:00 pm
  UH West Oʻahu, Campus Center, Rm. C208
- **Thursday, Feb. 19**
  Waialua – 6:00 pm to 8:00 pm
  Waialua Court House
- **Friday, Feb. 20**
  Kāneʻohe – 6:00 pm to 8:00 pm
  Windward Community College, Hale ʻAkoakoa, Rm. 105
- **Monday, Feb. 23**
  Waiʻanae – 6:00 pm to 8:00 pm
  Ka Waihona Public Charter School

**Hawaiʻi Island**
- **Tuesday, Feb. 24**
  Hilo – 6:00 pm to 8:00 pm
  UH Hilo, Hoʻōulu Terrace, Rm. 127
- **Wednesday, Feb. 25**
  Kona – 6:00 pm to 8:00 pm
  West Hawaiʻi Civic Center

**Maui**
- **Thursday, Feb. 26**
  Kahului – 6:00 pm to 8:00 pm
  Cameron Center
- **Friday, Feb. 27**
  Hāna – 6:00 pm to 8:00 pm
  Hāna High School

**Lānaʻi**
- **Saturday, Feb. 28**
  Lānaʻi City – 3:30 pm to 5:30 pm
  Lānaʻi High & Elementary School

**Kauaʻi**
- **Tuesday, March 3**
  Līhuʻe – 6:00 pm to 8:00 pm
  Kauaʻi Community College, OCET Rm. 106

For more information visit [www.OHA.org/kakaako](http://www.OHA.org/kakaako) or call 594-1835
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Molokaʻi Meeting
Saturday, Feb. 21
Kaunakakai – 3:30 pm to 5:30 pm
Kūlana ʻŌiwi Hālau

Maui Meetings
Thursday, Feb. 26
Kahului – 6:00 pm to 8:00 pm
Cameron Center

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**Tuesday, Feb. 24**
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West Hawaiʻi Civic Center

For more information visit www.OHA.org/kakaako or call 594-1835
APPENDIX 4

Pae ‘Āina Meeting Notes (All)
Table 1
Tiny homespace - help the homeless; "micro units," containers
Ocean, land
Markets, hydroponics, gardens
Access and parking
Open space
Restore traditional uses: salt ponds, fish ponds, loi
Research; hula center
McCoy Pavillion
Follow planning / zoning
Transportation
Sustainability; Hawaiian village
Nature and people
User-friendly
No highrise
Aquatic center

Table 2
Education
Proximity to loi; traditional uses
Emphasis on commerce
Generate revenue for programs
local and international commerce
Return to what was there
Respond to contemporary Hawaiian issues; health, poverty
Sustainability; Hawaiian village
Kalakaua; hub of the pacific for commerce
Kakaako Makai was a dump
Memorial
Museum
Imagine 100 years ago
Gathering place
Mixed use
Native Hawaiian plants
Incorporate Transit Oriented Development
Careers
Business places for Native Hawaiians
Sustainability
Need for community
Know it’s a Hawaiian place
Don’t copy somewhere else
Work, live, play
Education
Live by work, residential
"Water rights" to Kewalo

Table 3
Affordable living for Hawaiians
Grow own food
Connection to sea
Sustainability, stewardship aof land / aina
Farms and agriculture
Incorporate history
Purify land
Confirm land ownership
George Kanahele
Opportunity for makaainana to plan
Hawaiian sense of place
Community
Marketplace for community
Move Native Hawaiians forward economically
Non-profit hub; services for area, homeless, disabled
Independence; food
Education; culture and sustainability
Goods provided and sold here

Table 4: Fisheries
- Aku fishing boat (built)
- Ancient fishing area
- Museum
Fish auction
- Local emphasis
- Waterfront restaurants
- Fisherman’s Wharf
Agriculture
- Training
- Farers Market
- Conduit to outer island produce
- Visitor and local attraction
Surfing
- History of surfing
- Museum (Bishop)
- Water sports exhibition
Hui Waa; history
Aquaculture
- Centralized at Kakaako
- Pond, pens, offshore
- Locally grown products
- Fish, oysters, seaweed; various products
Family friendly events
- Mauka / Makai view corridors
- Hawaiian trees and plants
- Hawaiian music and hula
- Automobile free; pedestrian friendly
- Gateways (green); showcasing Kakaako
Hawaiian based education facility
- Marine lab (science); K-12, graduate
21st century Hawaiian technology
- Navigation
- Agriculture (taro)
- Kalo (non-GMO)

Table 5: Is the concept new?
JABSOM example
Nature and garden balance building
Hawaiian place 1st, urban 2nd
- Building foundation; native setting and land gardens
- Historical and cultural education opportunities
Not the yacht; exclusive vs. inclusive
Connections to surrounding areas, not just the OHA parcels
Scale of buildings is important; create space between buildings
Cultural gathering place for kupuna, keiki (long house), access
Create social and ecological places / space; telling and creating habitat
Cultural opportunities
Uses to support culture and commerce

Table 6

<table>
<thead>
<tr>
<th>People who know traditional Hawaiian ways of living waa, fishing, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aina use reflects values and Kuleana (malama keiki and kupuna)</td>
</tr>
<tr>
<td>Must fulfill values and kuleana obligation to malama (keep safe)</td>
</tr>
<tr>
<td>Must include Hawaiians, can't just &quot;look&quot; Hawaiian</td>
</tr>
<tr>
<td>Affordable and meet needs of Hawaiian people</td>
</tr>
<tr>
<td>Communal and interactive</td>
</tr>
<tr>
<td>Boating and fishing embrace tradition not just commercial</td>
</tr>
<tr>
<td>Commercial waterfront gathering</td>
</tr>
<tr>
<td>Hawaiian space for Hawaiiand in a non-Hawaiian world</td>
</tr>
<tr>
<td>Hawaiian studies @ UH; become a welcoming space</td>
</tr>
<tr>
<td>A space available for future as well as present</td>
</tr>
<tr>
<td>Inspiring future innovations</td>
</tr>
<tr>
<td>Good example - Maile Meyers of Na Mea Hawaii</td>
</tr>
</tbody>
</table>

Table 7

<table>
<thead>
<tr>
<th>No residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Something old and something new</td>
</tr>
<tr>
<td>Should have residential</td>
</tr>
<tr>
<td>Maintain Re-Use Hawaii as part of the community</td>
</tr>
<tr>
<td>Balance of uses; pay attention to economics</td>
</tr>
<tr>
<td>Open space is still important</td>
</tr>
<tr>
<td>Preserve the original spirit of the properties whiel preserving the aquatic playground</td>
</tr>
<tr>
<td>Surfing, paddling, canoe, etc.</td>
</tr>
<tr>
<td>Has a certain amount of Hawaiian businesses that are affordable</td>
</tr>
<tr>
<td>City area that Hawaiians occupy daily (live, work, play)</td>
</tr>
<tr>
<td>Reduce the intensity as you come from Ala Moana to Kakaako Makai</td>
</tr>
</tbody>
</table>

Table 8

<table>
<thead>
<tr>
<th>Parcel K:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand Parking</td>
</tr>
<tr>
<td>Halau mound</td>
</tr>
<tr>
<td>View of Diamond Head</td>
</tr>
<tr>
<td>Remove Marine Center</td>
</tr>
<tr>
<td>Kakaako for all residents</td>
</tr>
<tr>
<td>We have to get to Kakaako; parking, bus, transit</td>
</tr>
<tr>
<td>24/7 access, day and night</td>
</tr>
<tr>
<td>Day time use is the hardest</td>
</tr>
<tr>
<td>Use of parking on weekends and nights</td>
</tr>
<tr>
<td>Integrate Makai park</td>
</tr>
<tr>
<td>Urban place is for people</td>
</tr>
<tr>
<td>A world class park</td>
</tr>
<tr>
<td>Bridge across to Kakaako Mauka to Makai</td>
</tr>
<tr>
<td>Parking along ground floor, promenade along waterfront above that</td>
</tr>
<tr>
<td>Keki spaces</td>
</tr>
<tr>
<td>Hawaiian studies building</td>
</tr>
<tr>
<td>Library</td>
</tr>
<tr>
<td>Thriving space that we live off of</td>
</tr>
<tr>
<td>Opu full</td>
</tr>
<tr>
<td>Integrate ways to thrive; agriculture</td>
</tr>
<tr>
<td>Urban space; art-centric community</td>
</tr>
<tr>
<td>New types of economy with new generation</td>
</tr>
<tr>
<td>Look at how we live and integrate into urban space</td>
</tr>
<tr>
<td>Create the food, celebrate the food in the sense of modern space</td>
</tr>
<tr>
<td>Informative; a place to learn</td>
</tr>
<tr>
<td>Participate in cultural learning and sharing with others who visit the space</td>
</tr>
</tbody>
</table>
Gathering space for entertainment, arts, cultural practices
Technology integration
  Augmented reality application
  Learned what happened
  Incorporating the past
Ensuring we have resources for future
Protection and preservation
How does an urban Hawaiian environment function within ecology?
Enhancing ecology in urban function
How do we overcome contradictions?
Homelessness: overcome
OHA providing for everyone exasperates the contradiction
Urban space for everyone to enjoy
Involve / Identify our natural resources in the area
  How did these resources contribute in the past (culturally and naturally)?
  Ensure resources are not abused
Support native cultural practices
Example: Santa Fe, New Mexico

Table 9
Open space
Gathering space; "Stay Over"
Ohana, keiki, schools
Merge with tourism
Sustainability, fishponds
  Hawaiian community in agriculture endeavors
Acknowledge what resources exist
Museum for Hawaiian crafts, canoe, etc.
Nursery with Hawaiian plants and flowers
Picnic areas; like Valley of the Temples feel
Iconic / symbolic architecture
Performing arts
Ocean access, respect for coastline
Theater / dance performance spaces
Ocean focus; key resource that drives what happens
Restoration; Integrity of the waterfront as a reminder and involving community
Pioneer in making wastewater re-useable, potable, drinkable
Providing affordable housing for Native Hawaiians
Hawaiian plants used for nutrition and wellness research
A related wellness center

Table 10
Architecture style; sustaining an authentic sense
Kanaka driven: liveable, useful, carry out values, reflects natural aina elements
Affordable housing / services, customer based
Take advantage of the natural environment
Live / work, sciences for higher education
Native Hawaiian practices
Health sciences
Beneficiaries: support all islands
Hawaiian natural garden
Incubation for innovation
Education synergies
Hawaiians benefit housing / commercial opportunities
Create memories, farmers markets, open spaces
Fish markets, support for local farmers
Hawaiian education, think tanks

Question 2: What uses would best support both commerce and culture at Kaka'ako Makai?
<table>
<thead>
<tr>
<th>Water Sports</th>
<th>Hawaiian culture center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning centers; classrooms</td>
<td>Meeting place, banquet, conference</td>
</tr>
<tr>
<td>Media lab</td>
<td>Sustainable</td>
</tr>
<tr>
<td>Farmers market</td>
<td>Performance space / stadium</td>
</tr>
<tr>
<td>Native plant garden</td>
<td></td>
</tr>
</tbody>
</table>

**Table 2**

<table>
<thead>
<tr>
<th>Use Hawaii talent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money stays here</td>
</tr>
<tr>
<td>Commerce and not just money</td>
</tr>
<tr>
<td>Knowledge, resources, expertise</td>
</tr>
<tr>
<td>Education; to hoor and perpetuate culture</td>
</tr>
<tr>
<td>Weducation of visitors</td>
</tr>
<tr>
<td>Education focused on Hawaiian history and culture</td>
</tr>
<tr>
<td>Hawaiian businesses; Mao, KCC, farmers market</td>
</tr>
<tr>
<td>Create a foreign trade zone</td>
</tr>
<tr>
<td>OHA bank; international bank</td>
</tr>
<tr>
<td>Manufacture, storage; tax free</td>
</tr>
<tr>
<td>Native Hawaiian businesses hub</td>
</tr>
<tr>
<td>Collaborations and partnerships; industrial / commercial / technological</td>
</tr>
<tr>
<td>Costco gas station: parcel l</td>
</tr>
<tr>
<td>Ocean marine services (mega yachts)</td>
</tr>
<tr>
<td>Car wash</td>
</tr>
<tr>
<td>Satisfy supply and demand</td>
</tr>
<tr>
<td>Balance need for affordable residential w/ difficulty to manage</td>
</tr>
<tr>
<td>Highlight surfing and paddling</td>
</tr>
</tbody>
</table>

**Table 3**

<table>
<thead>
<tr>
<th>Hawaiian centered; local, Hawaiian origins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurs</td>
</tr>
<tr>
<td>Support financial independence for Hawaiians</td>
</tr>
<tr>
<td>Hawaiians sharing culture</td>
</tr>
<tr>
<td>Money is a tool to support next generations living in Hawaii</td>
</tr>
<tr>
<td>Yachting World Cup</td>
</tr>
<tr>
<td>Fairgrounds; World Fair</td>
</tr>
<tr>
<td>Incubator for Hawaiian small businesses</td>
</tr>
<tr>
<td>Give back to community while generating revenue</td>
</tr>
<tr>
<td>Hawaiian farmers market; daily, SF Fisherman’s Wharf</td>
</tr>
<tr>
<td>Hawaiian culture - Make it live</td>
</tr>
<tr>
<td>Children’s museum</td>
</tr>
<tr>
<td>Low-rise; headquarters for commerce, culture, and OHA</td>
</tr>
<tr>
<td>Cultural programs</td>
</tr>
<tr>
<td>Example: Aloha Tower Marketplace; learn from past mistakes</td>
</tr>
<tr>
<td>NOT big chains; No Walmarts, Safeway, fast foods, etc.</td>
</tr>
<tr>
<td>YES to local businesses and eateries</td>
</tr>
<tr>
<td>No tall towers; let others do that</td>
</tr>
<tr>
<td>Focus on services OHA can provide</td>
</tr>
<tr>
<td>Mom and Pop type stores</td>
</tr>
<tr>
<td>Interactive retail experience that perpetuate Hawaiian culture</td>
</tr>
<tr>
<td>Poi; survival food</td>
</tr>
<tr>
<td>Innovative agriculture</td>
</tr>
<tr>
<td>Rooftop gardens with vegetables</td>
</tr>
</tbody>
</table>

**Table 4**

<table>
<thead>
<tr>
<th>Gathering place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community center for Hawaiians</td>
</tr>
<tr>
<td>Amphatheatre / performing arts venue</td>
</tr>
</tbody>
</table>
Music and hula
Concerts and shows
Multi-use
Fish auction; baitshop, ice house
Local food and retail
local restaurants
Shoreline promenade
Fairgrounds
Aquarium; located at Fisherman's Wharf
Area to sell locally grown products
People's market, local only goods
Hawaiiansporting Goods Store (Bass Pro)
Surfing
Canoe
Diving
Fishing
Others
Local Fashion retail; boutique
Street food
Food court
Food trucks
Tied to farmers market and Hawaiian entertainment
Restaurants
Use local fish and products
Family oriented
Hawaiian floral
Lei
Landscapes
Education facility; tourism related

Table 5
Cultural spaces; interior and exterior
International trade zone; tariffs
Commercial uses, people oriented, high activity
Consumer services for cultural practices; lomi lomi, etc.
Concerns & opportunities with the Obama Presidential Library
Urban agriculture
HCDA vs OHA autonomy
Authentic produce for international export
Signage: Hawaiian and English only
Deep ocean connection; research, cultural activities
Enterprise zone: for certain/specific business types

Table 6
Designate affordable housing
Implement regulatory rules defining business core practices (kapu management)
Integrate traditional practices, sport, etc. that allows local people to access ocean
Market traditional Native Hawaiian plants, products, crafts and provide education and awareness building
Build spaces that allow divers vendors and products
Use a barter system or other currency; not USD
Collaboration of all land owners, either on their own volition or through public pressure
Focus on activities associated with waterfront and provide office space for NHA and organizations
Space for new technology not just traditional practices
Push students to new markets, sustainable school for learners to stimulate innovations to create their own pathways

Table 7
Wave garden (man-made) using existing resources; the Aloha Stadium of surfing
Hawaiian food restaurants; eating places
Hawaiian cultural center (history and culture)
Museum for Hawaiian hula, song, and dance
Workshops for Hawaiian schools
Promote Hawaiian culture; arts, crafts, music, dance, etc. (from kupuna)
Hawaiian workforce training center
Re-Use Hawaii
Inter-island ferry
Cultural museum (exchange exhibits with Bishop Museum) and outdoor displays
Event center; Hawaiian vs. Neil Blaisdell Center

Table 8

<table>
<thead>
<tr>
<th>Combination</th>
<th>needs good human scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create uses that enhance ecological functions</td>
<td></td>
</tr>
<tr>
<td>Sacrifice profit to be humane when developing</td>
<td></td>
</tr>
<tr>
<td>Criteria: No building taller than the mountain (would our kupuna do that?)</td>
<td></td>
</tr>
<tr>
<td>Tax existing uses</td>
<td></td>
</tr>
<tr>
<td>A fishing village</td>
<td></td>
</tr>
<tr>
<td>Restaurants, food, bread basket</td>
<td></td>
</tr>
<tr>
<td>Fishpond, educational</td>
<td></td>
</tr>
<tr>
<td>Galleries and museums</td>
<td></td>
</tr>
<tr>
<td>Authentic Native Hawaiian art</td>
<td></td>
</tr>
<tr>
<td>Cultural demonstrations; fee for service</td>
<td></td>
</tr>
<tr>
<td>Authentic cultural tourism</td>
<td></td>
</tr>
<tr>
<td>Share what we want, not what is demanded</td>
<td></td>
</tr>
<tr>
<td>Any harbor functions; common fisherman vs Matson</td>
<td></td>
</tr>
<tr>
<td>Museum for Hawaiian music Hall of Fame</td>
<td></td>
</tr>
<tr>
<td>Educational facilities for music and dance</td>
<td></td>
</tr>
<tr>
<td>Bring the Waikiki Shell experience into the park</td>
<td></td>
</tr>
<tr>
<td>Environment for international people to learn about us</td>
<td></td>
</tr>
<tr>
<td>Hub that integrates education and language</td>
<td></td>
</tr>
<tr>
<td>Educational space for keiki</td>
<td></td>
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<tr>
<td>Example: San Francisco museum by pier</td>
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<tr>
<td>&quot;Walk into Fog&quot;</td>
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<tr>
<td>Modern day scientific experience</td>
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<tr>
<td>Advanced / technology driven way to experience past history</td>
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<tr>
<td>Food space</td>
<td></td>
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<tr>
<td>Opportunities for small businesses to sell products</td>
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<tr>
<td>Co-op; multi-entity</td>
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<tr>
<td>Native plants, food production</td>
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<tr>
<td>Facility for production; USDA approved</td>
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<tr>
<td>Commercial kitchen space</td>
<td></td>
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<tr>
<td>Incubator for food trucks, small kitchens</td>
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<tr>
<td>Teaching area to start small businesses</td>
<td></td>
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<tr>
<td>Place for people to learn about food production</td>
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<tr>
<td>Agriculture value chain</td>
<td></td>
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<tr>
<td>Incorporate outdoor experiences into facilities</td>
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<tr>
<td>Residential for ALL classes</td>
<td></td>
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<tr>
<td>Place where everybody lives</td>
<td></td>
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<tr>
<td>Residential; not for speculation</td>
<td></td>
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<tr>
<td>How does the Obama Presidential Center fit in?</td>
<td></td>
</tr>
<tr>
<td>Dry dock area: Keep or use for what?</td>
<td></td>
</tr>
</tbody>
</table>

Table 9

Baltimore waterfront celebrates fishing
Boston: Neighborhood with colonial history
Surf museum that incorporates all ocean activities throughout Hawaii’s history
Observation deck
Hub for ocean activities that incorporates history and active engagement in current activities
Housing as a component
Open space, low-rise
High Tech
Retail and restaurants
Hawaiian food restaurant with an educational component
Lodging / accommodation system
  - Hospital, UN meeting center, care center, wellness center
Farmers market to promote local produce
  - Intended for local residents
Elderly housing

Table 10
Local restaurants, theater; learning, classes, workshops
  - Cultural district, vibrance, culinary food options
  - New / vibrant / flex space
  - "Farm to table" experience; "fish to table, kai to table"
  - Creative community / city: fashion, visual arts, creative spaces, incubator
  - Sense, feel, identity: destination for Kakaako
  - Place that gives a feeling
  - All arts: dance, visual, painting, fashion, graphic, etc.) - Identity
  - Kauhale principles: districts, shopping, innovation, arts
  - Hub to conduct cultural protocols
  - Open (public) vs kapu spaces
  - Owned and operated by Native Hawaiians; model for future
  - Blend between Net Operating Income (NOI)
  - Consulting, beyond service (outside the box services), thinking, offices/buisnesses
  - Empowers our people
  - Spiritual / ancestral components

Question 3: Income generated by Kakaako Makai could be used to ________________.

Table 1
Hawaiian artists
  - Teaching
  - Sponsorship of Hawaiian sports
  - Income used to help affordable housing
  - Job training
  - To help the homeless
  - Early childhood development
  - Education, art education
  - Prevent the building / construction of highrises
  - Maintain open space
  - Homeless education
  - Adult / Juvenile transition programs
  - Drug rehab

Table 2
Affordable housing
  - Education, art education
  - Scholarships
  - Chapter 10
  - Grants
  - Ways for beneficiaries to directly access funds
  - Community based projects; participation
  - Create for-profit corporation for all Hawaiian shareholders
    - Shareholders elect board
    - Born: issued share
    - Die: share goes back
  - Scholarships
  - Affordable housing
    - Partner with DHHL for affordable housing
  - Other affordable housing providers
  - Education, art education
  - Housing
  - Hospital; in collaboration with JABSOM medical school
  - Joint ventures
### Table 3
Employ unemployed Hawaiians
- To house the homeless, Native Hawaiians
  - Affordable housing - redefine definitions of "affordable housing"
  - Container housing
  - Housing vouchers
- Education, textbooks, preschool
- Daycare programs
- Rehabilitation centers for Hawaiian veterans
- Low-interest loans for entrepreneurs
- 30% affordable housing reestablished
- Housing and job placement for released Native Hawaiians
- Health services
- Reinvest in what works; leverage what you've generated
- Technology and equipment
- Invest in hotels - Makena
- Workforce development
- Hawaiians: The embassadors of aloha and culture

### Table 4
Sustain Hawaiian Cultural Center
- Facilities and maintenance, programs
- Revenues should be reinvested back into Kakaako
- Improve
  - Symbolic relationships
  - Keep it sustainable
- Revenue used to purchase land (excess)
  - Used to meet fiduciary duties of trust
  - Wisely for the benefit of Hawaiians
- Keiki and kupuna

### Table 5
Education and implementation of climate change thought
- Leadership / scholarship for mentoring opportunities
- Access and education for health care
- Access to housing
  - Get families off the street; provide services
  - Leave it better than you found it; don't simply displace
- Transportation services
  - Here and other Hawaiian communities
- Social programs to address justice system issues
  - Job programs, after school programs
  - Youth centers
- Improvements to sewer infrastructure and all utilities
- Heath center (Hawaiian) & education for this community
  - Wellness center as an example for other Hawaiian communities
  - Halau ola, Kipuka

### Table 6
Support education; more innovative in approaches than mainstream system
- Expand grants beyond reading and writing
- Buy back land assets
- Fund innovative and entrepreneurship
- Revitalize current land holdings
- Use other land holdings to generate income (not necessarily just Kakaako)
- Advocate for remaining ahupuaa
- Support those who won't support themselves and teach self-efficiency for future sustainability
- Remedy past injustices, prevent future injustice
- Scholarships for Native Hawaiian charter schools

### Table 7
Use income to invest in housing in other affordable locations; best use of money
- Increase amount of malama loans to Hawaiian businesses
Workforce training
Sustain itself first (Kakaako Makai)
Upgrade maintenance of existing Hawaiian housing and services
Manage all our natural resources
Good program for Kupuna Cove
Renewable energy
Support Polynesian Voyaging Society
Support Hawaiian Service Institution and Agencies (HSIA)
Examples: Alu Like (Native Hawaiian legal corporation) and Papa Ola Hokahi
Rainy day fund
Charter schools
Start another inter-island airlines

Table 8
Loan programs for other Native Hawaiian programs
Money for other institutions (Lunalilo, charter schools)
Small business Native Hawaiian loan support
Educate and inspire Native Hawaiians in all aspects, not just higher education
Fill gap
Growing business
Research programs
What to do in 50 - 100 years?
Generational planning exercises
Buy land, asset management
Wahiawa and Haleiwa; affordable living
Generate more income
Castle & Cooke lands
Expand promenade
Develop businesses linked to University of Hawaii
Direct money to charter schools
Health facilities
Help decrease diabetes
Reconnecting Native Hawaiians all around the globe
Technology and outreach
Access to the same resources; i.e. Oiwi TV, Malama Honua (connection via media)
Further development of Hawaiian music
Training and development
Museum for Hawaiian music and dance
Focus on Kakaako as a stating point
Leverage Kakaako
Recording studio
Dedicated to forgotten members of society
Autism, alzheimers, physical disabilities
Providing for families that care for the elderly
Industry for driving people around
Tiny house movement
Transition people from streets to homes; Native Hawaiians first
Promote Legacy Tree program (KS)
Free poi Fridays

Table 9
Education
Forward strategic plan
Support hawaiian entreprenuers with solid business plans
Recycling / sustainability
Preservinf active hawaiian cultural practices
OHA running business providing jobs to hawaiians
Certified kitchen; incubator
Acquire more real estate assets
Housing and social services
Feed and maintain original vision of Kakaako Makai
  Keep this an apex of culture and commerce
Green technology: air conditioning, lighting, etc.
Branding area as a place where ocean brings life-giving resources

<table>
<thead>
<tr>
<th>Table 10</th>
<th>Put hawaiians in homes; affordable housing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Benefit hawaiian on ALL ISLANDS</td>
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<td></td>
<td>Sperm bank</td>
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<td></td>
<td>True Native Hawaiian healthcare system</td>
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<td></td>
<td>Education and schools</td>
</tr>
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<td></td>
<td>Percentage of investment: today vs tomorrow</td>
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<td></td>
<td>Help increase land assets on other islands</td>
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<td></td>
<td>Invest in education upstream</td>
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<tr>
<td></td>
<td>Empower our people back into community</td>
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<tr>
<td></td>
<td>Support healthcare systems; longevity</td>
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<tr>
<td></td>
<td>Benefit our keiki; education leads to health and longevity</td>
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<tr>
<td></td>
<td>Reinvest in the Hawaiian people</td>
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<td>Start with land</td>
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<td>Building confidence</td>
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<td></td>
<td>Teach people what it is to be Hawaiian</td>
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<td></td>
<td>Kumulipo, uplft</td>
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<tr>
<td></td>
<td>Invest in consistent excellence / success; create assets</td>
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<td></td>
<td>Not in consistant deficiencies</td>
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<tr>
<td></td>
<td>Invest in excellence not by need according to our culture</td>
</tr>
</tbody>
</table>


# OHA Kaka’ako Makai - Community Outreach Meeting

Venue: University of Hawaii - West Oahu  
Date: Wednesday, February 18th

## Question 1: How would you describe an urban Hawaiian space?

### Table 1
- **Loi**  
  Waianae Coast; Buildings have a Hawaiian Feel  
  Alaska: South Central Foundation; lights, wood finish, architectural design, art, commercial  
  Aulani  
  Laau  
  Cultural Center w/ ocean access; w/ hands on activities keiki & adult  
  Place to learn of past history and perpetuate through next generations  
  Note the struggle between urban & Hawaiian  
  Global reach  
  Cultural market place  
  Generate revenue to support programs  
  "Green" lushness environment  
  Ohia post finishings; unique to Hawaii  
  Waterfalls  
  Rock walls  
  Landscape  
  Entwine cultures; Do we combine other cultures?  
  Make a destination  
  Tourist attraction: Measure revenue for Polynesian Cultural Center and Waikiki  
  Concern: Not spending high investments

### Table 2
- **Ocean access**  
  Sea Faring; waa/canoe  
  Educational component; reconnect  
  Subculture  
  Four Elements  
    - Design  
    - Programmatic Culture; bodysurfing  
    - Dedicated uses; Bishop Museum  
    - Cultural District  
  Gathering spaces  
  Water & shade  
  Boardwalk; lei stands, restaurants  
  Ocean and water  
  Green  
  Fire  
  Reflect it's history  
    - Fishing village  
    - Sanpans  
    - Fishing culture; fisherman's wharf  
  Community gathering  
  Hawaiian values; culture of ahupuaa  
  Open and welcoming  
  Physically and culturally connected  
  Urban / Hawaiian connection  
  Place, name

### Table 3
- Contemporary Hawaiian design; modern city vibe, mixed w/ Western influences  
  Ocean to play a big role  
  Incorporate water  
  Hawaiian experts could teach; where people could learn new skills
Open area to ocean could be used for education and cultural uses
Learning about navigation
Botanical garden; especially on parcels G-F
Dual use as meeting space and cultural/educational center
Proximity to Cancer Research Center allows for opportunity to link different generations
Parcel L, Possible for ocean uses, fishpond open access point for voyaging
Culture isn’t the same for everyone
Ocean - As a transit venue
Supply and demand for hhula can be provided for
Center; much like Polynesian Cultural Center in Laie
Connectivity to park space
Activities at Point Panic (hula, etc.)
Parcels A-D, conducive to income generation
A place that feels distinctivly Hawaiian; especially in differentiation from the mauka concrete jungle

Table 4
Access to ocean
Green space
FREE access, including parking
Make a statement, unique design
Designation
Modern
Marketplace, exclusive, authentic
Hawaiian products
Productive spaces
Describes a story
Learning opportunities
Converge
Kai and Wai meeting
Aquarium
Farms
Interaction w/ water
Kumu lipo driven economics
Incubation and innovation
Centerpiece, icon
Ceremony

Question 2: What uses would best support both commerce and culture at Kaka‘ako Makai?

Table 1
Certified Kitchen; need to prepare food
Native Hawaiian businesses
Native Hawaiian arts & crafts area to sell products
Spectrum
Theatrical
Developing all of our talents
Think tank, think globally
What is our global reach
How do we impact others?
Nuture big thinking
Hawaiian ike - expand forward
How to cook
How to teach
Place for Hawaiian musicians
Where’s our market?
Look at tourism industry
Generates revenue
Don’t lose services important to our people; it’s a means to provide for them
Culture center area; share w/ world
Polynesian Cultural Center
Increase revenue
Kakaako Makai doesn’t have the transportation barrier
Collaboration with Polynesian Cultural Center
Hokulea; Is Kakaako Makai that iconic destination?
Create a destination, create a global reach
Medical practices
Laau lapaau
Practitioners training
Look at Chinese medicine
Healing center
Healing nutrition center
He waa, he moku. He moku he waa
Pule / Protocol; where’s Akua?

Table 2
Fishing theme
Farmer’s market; Piano Lot
- Oahu products
- Others islands products
- Centerpeice, flagship
- Variety; crafts, food, education, fabrics, clothing, others
Boardwalk
- Restaurants
- Craft stores
- Lei stands
- Nightlife; tiki lamps
Commerce - Homeless (existing)
Boat Charters along the waters edge; night cruises
Space needle out of place at Kakaako
Ability to draw local people
- NOT tourist oriented
- Relevant to locals; restaurants
- Connection to Bishop Museum
- Family friendly options
- Build off cultural context of Kakaako
Revenue vs Culture; What is the goal?
- Can they coexist?
- Other locations may better accommodate culture better
Hosting competitions
- Makahiki, Canoe, Bodysurfing
- Infrastructure to host events
Arts; crafts nd fine arts
- Hawaiian crafts

Table 3
Culture center
Food trucks; Eat the Street
- Not a graffit-laden area
- Place for boats to dock and commercial properties
- Not for affordable housing
Commercial low-rise buildings; biggest bang for the buck
Diverse target audiences for all ages, not just targeted towards adults
Place where kids can engage in cultureal activities; paired with parents
Underwater tunnel
Acquarium
Modern take on Hawaiian food; restaurant idea/concept
Stages; from traditional to mixed/modern approaches
Genealogy research center
World-class attraction (parcel K)
Use parcel L as access point for underwater tunnel; out into open ocean Tunnel(s) could join the two parks (Kewalo and Kakaako Makai) Restaurants where you can fish for your food; boat setting

Table 4
Theater
  Historical dramas, hula dramas, ocean festivals
Farmers Market
Holiday performances
Promote quality
Capture local & visitor market
Fashion design schools
Innovation / Education
Local / Hawaiian residents
Residency for performers / artists
Garden commercial structure
Integrate water cycle
Kumu lipo
Virtual rainforest (Singapore)
Aquarium
Culinary events / venues / school
Hawaiian medicine / propagation

Question 3: Income generated by Kakaako Makai could be used to ________________.

Table 1
Scholarships for Native Hawaiians
Preschool to college
Need to sustain ourselves / culture
Funding for single parents
  Caretaker
  Kupuna (fixed income)
Healthcare
  "I wish I had taken care of myself a lot earlier"
Investments
  "I wish I saved earlier"
Education programs
  Health and well being
  Weight loss
  Hula programs and aerobic activity
Finance
  Synergize grant programs
Funds to address health problems
Fund Native Hawaiian businesses
Housing fund to match down payment
Housing issues amongst Native Hawaiians
Guided by spirituality and trust
Housing with exceptions
Funding for solar panels
Match funding, make exceptions

Table 2
Is there a target revenue goal for Kakaako?
More Hawaiian housing (not specific to Kakaako)
  Range of options MF - SF
  Homeless shelters
Hawaiian health; partner w/ JABSOM
Small business capacity buildings
Assist planning and permitting
Economic self-sufficiency
Education - technology
LEED certification; educate and training
Table 3

Trust for education purposes

- Two halves
  - Outreach to community to draw people to cultural activities, educate
  - Affordable housing on other (less valuable) lands
- Food, medical care, shelter
- High school students can work there; job opportunities; programs that also provide education grants
- Mentorships, apprentice opportunities
- Clean up areas around the OHA properties to draw people there
- Sponsor night time events
  - Concerts, educational specials, movie nights, Eat the Street
  - Keep this a viable, living space for as many hours of the day as possible
- Work with UH systems to develop internships
  - Marine biology
  - Culinary arts
  - Cultural practices
  - Maritime practices (building canoes, navigation)
- Arboretum; hands on cultural center, day and night activities
- Camping spot, teamwork activities
- Places for relaxation, meditation

Table 4

Programs throughout the state; youth outreach

- College scholarships
- Education
- Small business
- Cultivation of Opportunity
- Develop Industry & sustainability; generate energy
- Creative multipurpose reinvestment opportunities
- Teaching stewardship
- Support of skill sets needed for vibrant community
- Teach how to be Hawaiian
**Question 1: How would you describe an urban Hawaiian space?**

| Table 1 | Sounds of drums, oli with interpretation for those who don’t understand
|         | Olelo Hawaii
|         | Gathering place for Hawaiians to meet, share, discuss; “Community Center”
|         | Fishing; History of the area
|         | Trees and plants that tell Hawaii’s history and who we are
|         | Place to buy tickets to Wimea Valley
|         | Buildings that are open and welcoming
|         | Culture built into programming; training people to tell our stories
|         | Cultural tours
|         | Cultural center w/ theaters and performance spaces
|         | Science / rainforest; commercial venture
|         | Explaining from a Hawaiian and scientific point of view
|         | Teaching about culture from a deep sense (oli)
|         | Shore area with Kaheka
|         | Loi

| Table 2 | Food source/production; fishponds
|         | Relaxation
|         | Outdoor recreation
|         | Museum, education; Hawaiians point of view
|         | Hawaiians at work
|         | Alternative to Waikiki/Maui
|         | Hawaiians doing Hawaiian things
|         | Gathering area
|         | Past meets present
|         | Aina 1st

**Question 2: What uses would best support both commerce and culture at Kaka’ako Makai?**

| Table 1 | Residential as a way to fund culture
|         | Kuuna / affordable housing
|         | Science center as a commercial venture
|         | Cultural business center teaching business and cultural components
|         | Business incubation and training
|         | Lua; making food from scratch
|         | Making Hawaiian arts and crafts with connection to places such as Waimea to see Luau
|         | Record making of mea Hawaii and share on the internet
|         | Crating standards on what gets sold; i.e. who makes, where made, how grown, etc.
|         | Referral center/hub that feeds other businesses; i.e. where to find best luau, where to find best___________
|         | "Live within our means"
|         | Create collaborative relationships with other entities
|         | Recording studio

| Table 2 | Housing; mixed-use
|         | Revenue
|         | Living universities; place to share knowledge
|         | museum
|         | Education run by Hawaiians; cultural elements, navigation
|         | Food production
|         | Native vessels in Kewalo harbor
|         | Living village space

**Question 3: Income generated by Kakaako Makai could be used to _________________.**

| Table 1 | Educate Hawaiian children, especially about our history... who we are, what we are
| OHA school system  
Programs that support Hawaiians  
Pay off development debt; not overspending  
Governance (all encompassing) | Table 2 Education run by Hawaiians; cultural elements, navigation  
Keiki, history, traditional medical practices  
Hawaiian classes and workshops  
Training programs, teacher training in Hawaiian studies  
Arts and crafts  
Keep Hawaiians in Hawaii  
Jobs, cost of living, economic self-sufficiency, social services  
Traditional medical facility |
OHA Kaka’ako Makai - Community Outreach Meeting

Venue: Windward Community College, Hale ‘Ākoakoa Room 105
Date: Friday, February 20th

**Question 1:** How would you describe an urban Hawaiian space?

**Table 1**

<table>
<thead>
<tr>
<th>How to invest?</th>
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<tbody>
<tr>
<td>Urban vs. rural natural; man-made versus Hawaiian way</td>
</tr>
<tr>
<td>Not like Aulani (Disney), western point of view</td>
</tr>
<tr>
<td>How do you make it authentic</td>
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<tr>
<td>Sustainability through Hawaiian ways; living roofs, energy</td>
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<tr>
<td>Pockets of green, connection to earth/water</td>
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<tr>
<td>Bring forests into urban environment</td>
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<tr>
<td>Walkability, bike friendly, rail</td>
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<tr>
<td>Need additional parking capacity</td>
</tr>
<tr>
<td>Access: surfers, work, visitors</td>
</tr>
<tr>
<td>Restrooms</td>
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<tr>
<td>Space for practitioners; live in mauka side, venues in makai side</td>
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<tr>
<td>Example: Vickie Holt Takamine / pai</td>
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<tr>
<td>Focus on creating income / central hub</td>
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<tr>
<td>To fund programs ans connect to outer island sites and programs</td>
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</tbody>
</table>

**Table 2**

<table>
<thead>
<tr>
<th>Architecture</th>
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<tbody>
<tr>
<td>Halau in Waimanalo, UH halau</td>
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<tr>
<td>Native Hawaiian plants</td>
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<tr>
<td>Commercial kitchen</td>
</tr>
<tr>
<td>Arts Cultural Base; food and smell of food, halau hula, imu pit</td>
</tr>
<tr>
<td>Replace &quot;urban&quot; with &quot;native&quot;</td>
</tr>
<tr>
<td>Context and relational; relation to mountains, makai, wind, sky</td>
</tr>
<tr>
<td>Native corridor</td>
</tr>
<tr>
<td>Not nostalgic</td>
</tr>
<tr>
<td>Spirituality of place</td>
</tr>
<tr>
<td>Kauhale concept</td>
</tr>
<tr>
<td>Exchange of services</td>
</tr>
<tr>
<td>Interrelationship between architecture and programs</td>
</tr>
<tr>
<td>Create an ahupuaa</td>
</tr>
<tr>
<td>Go back to Hawaiian values</td>
</tr>
<tr>
<td>Interdependence and connection</td>
</tr>
<tr>
<td>Hawaiian motifs</td>
</tr>
<tr>
<td>Hear olelo, smell food, hear/listen</td>
</tr>
<tr>
<td>Intergenerational</td>
</tr>
<tr>
<td>Kupuna and create a broader sense</td>
</tr>
<tr>
<td>Preserve Hawaii economic values</td>
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<tr>
<td>Project what we do, eat, think, our way of life; see hula and other traditions</td>
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<tr>
<td>Look deeper and maintain culture and artifacts</td>
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<tr>
<td>Hawaiian music and dance</td>
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<tr>
<td>ative plants and flowers</td>
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<tr>
<td>Arts, archaeology</td>
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<tr>
<td>Harmony and pono between commerce and culture</td>
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</table>

**Table 3**

<table>
<thead>
<tr>
<th>Open space</th>
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<tbody>
<tr>
<td>Native vegetation; site specific</td>
</tr>
<tr>
<td>Culture and communication</td>
</tr>
<tr>
<td>Village concept</td>
</tr>
<tr>
<td>Hawaiian urban in valley</td>
</tr>
<tr>
<td>Water is the source</td>
</tr>
</tbody>
</table>
Aquaponics
Not a specific spot; includes all of Hawaii
Makai, high water, horizon
Define mauka / makai, and waena
Unique from anywhere else
For all to enjoy
Regenerate the land
Life giving; water, kalo
Spiritual regeneration
Aina Hoopulapula
Sustainability

Table 4  
Ahupuaa recreation
Community cultural center; places for people to come together
People, culture, arts
Ancient fishing village; sea element; traditional - modern use
Oasis, open space, blend in with surroundings
Nature based
1893 archeology; modern day (blending the two)
Evolved thriving design
Economic empowerment
Modern innovative design
Does open space and "urban" complement each other?
Percentage of open space versus buildable space
Nature vs man-made
Smaller buildings in larger landscaped setting
Usable outdoor spaces; hula mound
Uses / spaces that generate money
Heiau and ponds
Open architecture; informal and welcoming (inclusive)
Plants; coastal and indigenous plants; Hawaiian culture
Programming; urban, music, park does NOT equal residential

Table 5  
Ocean connections to: sky, stars, moon; open space along the ocean
Hawaiians miku; don't tell other moku how to do business
Kakaako; dry, mauka wind
Gathering space
Place to brainstorm
Incorporate spirit
Native vegetation, ocean vegetation
Allow natural elements to be incorporated
Combination of past and present
Visionary thinking
Keep culture alive
Line between old and new
What is pono?; pono between old and new
Art, creativity
Creative platform
Place for artists; where they can make a living
Creative space; to help Native Hawaiian culture thrive
Artists and practitioners
Traditional and contemporary; good mix
Space to allow blend of traditional and contemporary
Art, music, food
Public spaces, performance spaces
Artist community
Sense of history
Work hard, play hard; a place for people to come together
Music
Place to do stuff
Series of festivals; throughout the year
Humanity celebrated
Market place; interactive

**Question 2:** What uses would best support both commerce and culture at Kakaako Makai?

**Table 1** Partnerships
- JABSOM, medical, Native Hawaiian health department
- Education, laau lapaau
- Innovative health care; medical tourism, cancer research/treatment
- Repurposed use of old pumping station
Generate Entreprenuership
Native Hawaiian population increase
Original natural assets
- Springs, landscape, connect visitors to outer island sites and programs
Cruise ships; access and visitors
Balanced tourism
Business Plan
Hawaiian access to assets; water and land
Ocean health
Aquatics
Spiritual and physical healing from ocean

**Table 2** Tourism
- Money drives commerce; education, share culture
- Education of Hawaiian values; laau, native plants
- Windward college extension / campus
- Hawaiian owned businesses
- Educate community, pracice Hawaiian businesses, education and share
- Incubator to empower Hawaiian entrepreneurs
- Integrate social services, health, business
- Generate workforce; establish workforce housing
- Cultural preservation is economic sustainability
- Intellectual property, not co-oped for Hawaiian knowledge
- Science technology environmental science
- Authenticity
- 27 cultural practices
- E-commerce
- Avatars; story tellers embedded in Kakaako Makai, digitize
- Gaming; computer gaming, indigenous gaming, children centers
- Connection with Children’s Discovery Center
- Capture tourists

**Table 3** Hospital
- Retain property
- Promotion of healing; medical and spiritual
- Marijuana industry
- Locally owned and operated businesses
- Hawaiian products
- Learning center
- Art
- Village concept
- Support local farms and fisherman
- Student housing for JABSOM

**Table 4** Generate income/revenue
- Educating the people; share moolelo
Housing
Create iconic symbols; people can be proud of
Commerce at varying levels
  Domestic vs international
  Technology oriented
Cultural, education, community
  People, not goods
  Activities; shops, eateries
  Smaller buildings, low-rise structures
  Larger buildings shall be included as well
Harbor usage; Fisherman's Wharf, functions
HUB; visitos and locals; showcase OHA uses
Governance
Water rights; fishing rights
Access; water meters, endless supply? Water theft
Local oriented to draw tourists; but not tourist based

Table 5
Parcel A: Marketplace
  All Hawaiian cultural products; made by Native Hawaiian artists, creative, hand-crafted
  Education; Hawaiian immersion to come and learn
  Destination marketplace
  Venue; weddings, charge fees
  Retail place for events; incorporate lomilomi, protocol
  Versatile event space
  Hawaii known for abundance of creativity
    Textiles, carving, woodwork; bring Native Hawaiian artists to life in contemporary world
    Become entrepreneurs, earn money
  Need for jobs
  Maintain concept of education
    Maintain practice, culture, ike
  Work from within
    Maintain authenticity
    Creates cycle of commerce and culture
    Interactive education for commerce and culture
  Buy local; need consumer education; veggies, products
  Surrounded by ocean; educate tourists about our elements
  Claim connection of arrival by sea
  Creative museums
  Waterfront to dock waa
    Need to talk to state to remove finger piers; HCDA promised to developers; takes away value of waterfront
  Fresh fish from the boats; straight to restaurants
    Use food from the ocean
    Shops above restaurants
  Canoe and ocean exercises, activities
  Maritime museum focusing on Hawaiian voyaging (Hokulea)
  Theater running films all day; live performances; i.e. Kennedy Center
  Content about different islands, special events, all in one place
  Amphitheater to study the stars

Question 3: Income generated by Kakaako Makai could be used to _________________.

Table 1
Perpetuate Hawaiian culture throughout world
  Regenerate funds; liquid assets
  Effective business plan
  Performing arts center
  Self-sustaining; income to support other programs
  Children and students; scholarships, living vs technology
  Education of Hawaiian culture
Not another Polynesian Cultural Center
Invest in sustainability and research; perpetuate Hawaiian culture, laau lapaau
Sponsor conferences
- Pacific islander issues, technology/innovation, Hawaiian/indigenous technology
Agriculture
- Algae farming, desalinization, poi/kalo
Hawaiians had the most sophisticated culture of the Pacific
- Music, hula, slack key guitar
- Scholarships for musicians
Build a Peace Institute
Export Hawaiian culture; via cruise ships

Table 2
Kakaako Makai: Off the grid
Empower community, grow leaders
Help in prisons with programs; drug rehab, funding opportunities
Health issues
- Teen pregnancy
- Increase life expectancy
Financial education; resource management, physical legal, natural, land
Education systems
- More scholarship programs
Creative education; Alternative education, internships
Outer island lands
- Provide a broader base for context living
Project based learning, experience based learning
Income has to make income
- More environmental sciences
From pre to kupuna
- Generate sovereignty from ground up
Sustainability through education
- Buy lands

Table 3
Reduce homelessness
Multi-generational support
Research and education
- Teach importance of ohana
Education center supporting our ohana
Native Hawaiian health programs
Nutrition
- Reduce drug and alcohol abuse

Table 4
Improve fishing (ahi); farming (aqua), limu, moi cages
Nation build within our means
Social programs; further enhance existing programs
- Three criteria: (results can vary, profitability)
  - Federated - limited
  - Status quo
  - Independent
Betterment of Native Hawaiians
- Helping rehabilitate previously incarcerated Hawaiians
- Broaden reach of meetings; TV, internet, media
More focus on deciding where funds are directed to
- Confirm fishing rights
Prisoner employment
- Loi; become farmers, reduce repeat offenders

Table 5
Help Native Hawaiians; kupuna housing, affordable for young families
Opportunity for a venue to market Native Hawaiian products
Native Hawaiians should run manage Hawaiian venues
Ability to run businesses anywhere; assist with Hawaiian businesses

Invest in youth education and employent
- Send youth out on mission; entrepreneurship, internships, studies
- Gather ike from abroad and bring home
- Need agreement for them to return

Example: Native American tribes pay for youth to go abroad and study
- Hard Rock Café ownership (Seminole Tribe)

Teach youth to become entrepreneurs; maintain ethics, work together, become an example
- Incorporate Hawaiian values

Send Hawaiians abroad who are already knowledgeable of Hawaiian culture

Go to charitable cause

Kakaako Makai run by Native Hawaiians for Native Hawaiians

Native Hawaiians will attract visitors to Kakaako Makai; give them an authentic experience

Share Hawaiian cultural practices globally

Ahupuaa resource management; loi system (wet/dry), loko ia, feed ourselves

Ensure income/constant revenue stream

Growing capacity overall

Invest in Native Hawaiian enterprise; leverage money, venture capital; re-invest; Ex: Mao

OHA 5% spending policy

To create more housing; not on ocean lots

To address/support Native Hawaiian homeless population

To get DHHL to lease lands to OHA for housing

Address social issues to raise educational outcomes
<table>
<thead>
<tr>
<th>Question 1: How would you describe an urban Hawaiian space?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Table 1</strong> Gathering place to eat and enjoy music; like a hawaiian home</td>
</tr>
<tr>
<td>Open and welcoming</td>
</tr>
<tr>
<td>Open space: No buildings, asphalt, concrete</td>
</tr>
<tr>
<td>More grass and trees</td>
</tr>
<tr>
<td>See the aina, open architecture; i.e. halau waa, hale mua</td>
</tr>
<tr>
<td>Similar to an Ossipoff style</td>
</tr>
<tr>
<td>Manoa Innovative center; buiding that holds additional value to sustainability, other functions</td>
</tr>
<tr>
<td>When you walk there, you KNOW its Hawaii</td>
</tr>
<tr>
<td>Generate excitement</td>
</tr>
<tr>
<td>Sense of belonging; it feels like home, it has the mana</td>
</tr>
<tr>
<td>Identity - Hawaiian vs melting pot</td>
</tr>
<tr>
<td>A place for kanaka maoli to call &quot;ours&quot;</td>
</tr>
<tr>
<td>Stand out saying &quot;He Hawaii Au&quot;</td>
</tr>
<tr>
<td>Our music, culture, language</td>
</tr>
<tr>
<td>Look to the name, history, original ecology for architectural design inspirations</td>
</tr>
<tr>
<td>Opportunities for cultural education</td>
</tr>
<tr>
<td>Encompass / incorporate ALL of Hawaii from mauka to makai (ahupuaa)</td>
</tr>
<tr>
<td>Support Native Hawaiian arts; i.e. Santa Fe market requires artists to be native artists</td>
</tr>
<tr>
<td>Trademark and branding as native art and artists</td>
</tr>
<tr>
<td>Incorporate sustainable technology</td>
</tr>
<tr>
<td>WiFi (free); broadband</td>
</tr>
<tr>
<td>Being future-focused; progressive but respectful of what makes Hawaii special</td>
</tr>
<tr>
<td>Attract Native Hawaiian entrepreneurs</td>
</tr>
<tr>
<td>Provide jobs and business opportunities</td>
</tr>
<tr>
<td>Innovation center, business incubator</td>
</tr>
<tr>
<td>Open healing place; green, waterfalls, kauhalae themed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Table 2</strong> Fishing</th>
</tr>
</thead>
<tbody>
<tr>
<td>A place for moopuna (not like Ala Moana Beach Park)</td>
</tr>
<tr>
<td>Connect / Re-Connect</td>
</tr>
<tr>
<td>Hula</td>
</tr>
<tr>
<td>Programming</td>
</tr>
<tr>
<td>Create a reason to go to Kakaako Makai</td>
</tr>
<tr>
<td>Kupuna Programming</td>
</tr>
<tr>
<td>Kupuna - keiki; teaching and learning place</td>
</tr>
<tr>
<td>Establish organizations</td>
</tr>
<tr>
<td>Practitioners</td>
</tr>
<tr>
<td>Artists</td>
</tr>
<tr>
<td>Hoomau - gathering</td>
</tr>
<tr>
<td>Entities to show who we are</td>
</tr>
<tr>
<td>Opportunity to engage with organizations; Royal Order Societies</td>
</tr>
<tr>
<td>Musicians</td>
</tr>
<tr>
<td>To share moolelo; kupuna from Kakaako</td>
</tr>
<tr>
<td>Celestial layout / design of master plan</td>
</tr>
<tr>
<td>Architecture and art</td>
</tr>
<tr>
<td>Connectivity of parcels / area</td>
</tr>
<tr>
<td>Traditional hale concept</td>
</tr>
<tr>
<td>World-class aquarium</td>
</tr>
</tbody>
</table>

| **Table 3** |
**Question 2:** What uses would best support both commerce and culture at Kaka‘ako Makai?

**Table 1** "Fly Over Canada" can be a way to incorporate the past
Innovations to educate Hawaiians, locals, and tourists about our past; what makes Hawaii special
Uses to show we are innovative and still being sensitive to our history
Mixed-use, commercial space, cultural arts center, business incubator
Residential if it works
Prefer statutory prohibition be removed even though not necessary for residential; OHA decides
These are native lands and only Native Hawaiians should decide what happens on these lands
Use must be utilized by ALL our people
Not Aulani
Who has fishing rights?

**Table 2**
Height limits? 200’
FAR density
Timeshare for Hawaiians
Make space valuable like a hotel for Hawaiians so all can enjoy
Instead of going to Waikiki; Provide a place we can go and feel comfortable, can bringohana
Support homelessness
Hotel is a good idea, but more cultural than Aulani
Workers trained in culture, knowledge of history of the area
Hale waa; Halau waa has to be a part of
Maybe look at main structures that are important to Hawaiian; foundational spaces
Support places for protocol; services space
Luau grounds; connected to everything else, show
We don’t want to be like the Polynesian Cultural Center
Not so commercially designed
Strictly Hawaiian and authentic
This is what we’ve been waiting for: An expression of who we are, our culture, our heritage
Olelo is important; people to interpret themes
1st hotel, then 2nd hotel in phases
Programs so good that everyone jumps in
Hawaiian Homes Lands has market spot for sell/market products from Hawaiian Home Lands
Place of healing

**Table 3** Community (Native Hawaiians) can have opportunities to make money on-site and off-site
Affordable housing
Cultural academy; raise skill levels for Native Hawaiians
Graduate school for cultural practitioners; modern farming techniques
Affordable leases
Training off-site/on-site; supportig entrepreneurs
Cultural is the hawaiian people focus on people
OHA supporting hawaiian so they can thrive
Technical schools for Native Hawaiians
Construction type training; carpenters, landscape, machine operators, electricians, etc.
Places to eat and shop
Grocery store; hawaiian Whole Foods 
Sell locally sourced products 
CSA programs 
Partner with Hawaii Tourism Authority to bring vistor movies to communuity programs and events (i.e. Hoomau)

**Question 3:** Income generated by Kakaaako Makai could be used to _____________________.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Support the Lahui / nation building efforts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Long-term, in perpetuity to support Lahui; not a one tie thing</td>
</tr>
<tr>
<td></td>
<td>Have Kakaaako Makai be a financial center for our people; holds banks, investments, grants</td>
</tr>
<tr>
<td></td>
<td>Education, financial education</td>
</tr>
<tr>
<td></td>
<td>Nation-building outreach and education to Lahui</td>
</tr>
<tr>
<td></td>
<td>Reinvest to make more money</td>
</tr>
<tr>
<td></td>
<td>Native bank, native commerce</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pay-off bills, decrease hawaiian debt</td>
</tr>
<tr>
<td></td>
<td>Cemetery for Kupuna</td>
</tr>
<tr>
<td></td>
<td>Build Hawaiian Homes lands across the state</td>
</tr>
<tr>
<td></td>
<td>Build to capaci, community based</td>
</tr>
<tr>
<td></td>
<td>Create a Hawaiian bank</td>
</tr>
<tr>
<td></td>
<td>Reinvest in Hawaiian Homestead businesses</td>
</tr>
<tr>
<td></td>
<td>Help fund drug rehab programs; connect with the aina</td>
</tr>
<tr>
<td></td>
<td>Help / intervene w/ at risk teens; kupuna to council teens in trouble</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Community improvement to focus on marine shoreline</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Match funding programs in partnerships with other trusts and other charitable trusts and federal money</td>
</tr>
<tr>
<td></td>
<td>Establish a research group to seek nd apply for federal money</td>
</tr>
<tr>
<td></td>
<td>Education, health, housing, incarceration</td>
</tr>
<tr>
<td></td>
<td>Train our people to be lobbyists</td>
</tr>
<tr>
<td></td>
<td>Establish a division/department within OHA for Native Hawaiian housing</td>
</tr>
<tr>
<td></td>
<td>Create a community based marine resource management academy</td>
</tr>
<tr>
<td></td>
<td>Clean up community facilities and parks</td>
</tr>
<tr>
<td></td>
<td>After-school youth programs</td>
</tr>
<tr>
<td></td>
<td>Alternative learning programs</td>
</tr>
<tr>
<td></td>
<td>More grant funds to non-profits that support community</td>
</tr>
</tbody>
</table>
# OHA Kaka’ako Makai - Community Outreach Meeting

**Venue:** Kūlana ‘Ōiwi Hālau  
**Date:** Saturday, February 21st

## Question 1: How would you describe an urban Hawaiian space?

<table>
<thead>
<tr>
<th>Table 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Like the Malama Park concept</strong></td>
</tr>
<tr>
<td>What is the timeframe?; When does OHA expect to see a return?</td>
</tr>
<tr>
<td>Currently generating revenue from leases</td>
</tr>
<tr>
<td>Solution for the homeless; Hawaiian style to help everybody</td>
</tr>
<tr>
<td>&quot;Urban Hawaiian Space&quot; is an oxymoron</td>
</tr>
<tr>
<td>Honolulu getting worse; access and density</td>
</tr>
<tr>
<td>Get off the plane, you know where you are; right now, feels like a foreign country</td>
</tr>
<tr>
<td>Create space, sharing</td>
</tr>
<tr>
<td>Kuulakai and aiai; sharing manao</td>
</tr>
<tr>
<td>Underground spring/stream</td>
</tr>
<tr>
<td>What are the options?; Just developers and realtors?</td>
</tr>
<tr>
<td>Can we sell it?; measure the value first</td>
</tr>
<tr>
<td>How did we get stuck with this one place?</td>
</tr>
<tr>
<td>Can we make a revenue</td>
</tr>
<tr>
<td>There are some limitations; height</td>
</tr>
<tr>
<td>Piano lot is toxic; possible to remediate</td>
</tr>
<tr>
<td>Do we want a cultural icon?</td>
</tr>
<tr>
<td>&quot;Off balance;&quot; all eggs in one basket</td>
</tr>
<tr>
<td>Need more people, need to go vertical</td>
</tr>
<tr>
<td>Are we going to be in competition with KS?</td>
</tr>
<tr>
<td>&quot;Get nothing but rubbish&quot;</td>
</tr>
<tr>
<td>&quot;We get chance&quot; in it with KS and HH</td>
</tr>
</tbody>
</table>

## Question 2: What uses would best support both commerce and culture at Kaka’ako Makai?

<table>
<thead>
<tr>
<th>Table 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Paid with poi, kalo, kulolo; realize cultural bottom line, cultural commerce</strong></td>
</tr>
<tr>
<td>Need to incorporate everything that is Hawaiian</td>
</tr>
<tr>
<td>Embrace Hawaiian style so everyone will come</td>
</tr>
<tr>
<td>Halau for olelo Hawaii; cultural center</td>
</tr>
<tr>
<td>Waikiki: no more locals, feels like stranger</td>
</tr>
<tr>
<td>We need to be attracted to it first; then we can share</td>
</tr>
<tr>
<td>Concept about what makes Oahu special; still beautiful with concrete</td>
</tr>
<tr>
<td>We become the host/hostess’ malihini will be attracted</td>
</tr>
<tr>
<td>Increase density; need to balance</td>
</tr>
<tr>
<td>Create access from ocean; Hawaiians travel by ocean</td>
</tr>
<tr>
<td>Serve as a hub for everyone to meet and gather</td>
</tr>
<tr>
<td>Home for Hokulea</td>
</tr>
<tr>
<td>Ocean sports are an attraction internationally</td>
</tr>
<tr>
<td>Ask ourselves: What kinds of visitors would be attracted?</td>
</tr>
<tr>
<td>Spiritual values shared globally</td>
</tr>
<tr>
<td>Parcel K: open space, best body surfing spot at Point Panic</td>
</tr>
<tr>
<td>Partnership with UH; ocean sciences; maybe ask for UH to invest</td>
</tr>
</tbody>
</table>

## Question 3: Income generated by Kakaako Makai could be used to ____________________.

<table>
<thead>
<tr>
<th>Table 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Develop/establish a revenue stream to Molokai</strong></td>
</tr>
<tr>
<td>Hub for canoe paddlers at Malama Park</td>
</tr>
<tr>
<td>Aina momona, reef system; ability to feed, sweet potato, taro, fish</td>
</tr>
<tr>
<td>Create industry on Molokai; contributes to kanaka well-being</td>
</tr>
<tr>
<td>Cost of food is high; alternative - buy local; home delivery</td>
</tr>
<tr>
<td>Foster kalo farmers</td>
</tr>
<tr>
<td>Build poi mill</td>
</tr>
<tr>
<td>Education</td>
</tr>
</tbody>
</table>
Affordable homes (not houses); for people with working, living wages
Have a place to gather
Learn to use our resources
Invest in education for traditional practices
"Without water there is no life"
Bring Hawaiian agencies together; collaborate Alii Trusts, social services
Kakaako Makai "center for Hawaiian government"
Develop a central place to meet and gather
Molokai needs affordable housing; young people living in buses with ohana
Medicine for kupuna; kupuna are breaking pills to spread out medication
Travelling off-island; doctor visits, need a place to stay that's affordable
Pull out the shelved plans and review
DHHL: Malama Park
Take care of our existing assets and resources
Acquire more land
Talk to the next generation to hear their needs
How can we come back?
How do we teach our keiki the old ways?
**OHA Kaka’ako Makai - Community Outreach Meeting**

**Venue:** J. Walter Cameron Center  
**Date:** Thursday, February 26th

<table>
<thead>
<tr>
<th>Question 1:</th>
<th><strong>How would you describe an urban Hawaiian space?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Table 1</strong></td>
<td><strong>Studio/center</strong></td>
</tr>
<tr>
<td></td>
<td>Hula, music</td>
</tr>
<tr>
<td></td>
<td>Generate money</td>
</tr>
<tr>
<td></td>
<td>Learning</td>
</tr>
<tr>
<td></td>
<td>Recording</td>
</tr>
<tr>
<td>Location:</td>
<td>Polynesian Cultural Center / tourism</td>
</tr>
<tr>
<td></td>
<td>Culturally based vs tourist based</td>
</tr>
<tr>
<td>Waa / Fishing village (history)</td>
<td></td>
</tr>
<tr>
<td>Build upon what was</td>
<td></td>
</tr>
<tr>
<td>Authenticity; Hawaii</td>
<td></td>
</tr>
<tr>
<td>What was here before?</td>
<td></td>
</tr>
<tr>
<td>Culture, history</td>
<td></td>
</tr>
<tr>
<td>Navigation</td>
<td></td>
</tr>
<tr>
<td>Planting, etc,</td>
<td></td>
</tr>
<tr>
<td>Reflect Hawaiian values</td>
<td></td>
</tr>
<tr>
<td>Have a living hawaiian village</td>
<td></td>
</tr>
<tr>
<td>Actual</td>
<td></td>
</tr>
<tr>
<td>Self-sustainable</td>
<td></td>
</tr>
<tr>
<td>Across time periods</td>
<td></td>
</tr>
<tr>
<td>Keep waterfront open</td>
<td></td>
</tr>
<tr>
<td>Living cultural center</td>
<td></td>
</tr>
<tr>
<td>Don’t disrupt surfing areas</td>
<td></td>
</tr>
<tr>
<td>Keep culture alive there</td>
<td></td>
</tr>
<tr>
<td>Remember who was there</td>
<td></td>
</tr>
<tr>
<td>Cultural area; housing area</td>
<td></td>
</tr>
<tr>
<td>Keep above the community; surfing, arts, culture</td>
<td></td>
</tr>
<tr>
<td>Is there collaborations between Alii trusts and Kakaako?</td>
<td></td>
</tr>
<tr>
<td>Hear stories/history; feature history here</td>
<td></td>
</tr>
<tr>
<td>Take most successful models (economically beneficial) and apply at Kakaako Makai</td>
<td></td>
</tr>
<tr>
<td>Gotta make money (don't forget about Hawaiians)</td>
<td></td>
</tr>
<tr>
<td>Three questions</td>
<td></td>
</tr>
<tr>
<td>1.) Who are we?</td>
<td></td>
</tr>
<tr>
<td>2.) What are we?</td>
<td></td>
</tr>
<tr>
<td>3.) Where we came from?</td>
<td></td>
</tr>
<tr>
<td>Polynesian Cultural Center, Bishop Museum, Cali museum; place at Kakaako Makai</td>
<td></td>
</tr>
<tr>
<td>Relate back to us</td>
<td></td>
</tr>
</tbody>
</table>

| Table 2 | **Food, music, architecture, art, design, textures, colors, orientation associaited with our place** |
|         | Groups could come and meet like a marae, gathering space to hold big events, kitchen, NOT touristy |
|         | Where world cultural gatherings would happen |
|         | Old style hula performaces like once had at Kapiolani Paka |
|         | Like loi, open space and simple can still can still do what you need to do |
|         | Hands on workshops we teach our own crafts to our keiki and our own visitors; make and take |
|         | Wai-Kane, wai (wai) |
|         | Mauka makai orientation, connected to ahupuaa |

<table>
<thead>
<tr>
<th>Question 2:</th>
<th><strong>What uses would best support both commerce and culture at Kaka’ako Makai?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Table 1</strong></td>
<td><strong>Succesful models</strong></td>
</tr>
<tr>
<td></td>
<td>Museums</td>
</tr>
<tr>
<td></td>
<td>Ocean related succesful models; making money</td>
</tr>
<tr>
<td></td>
<td>Business model; culture; money</td>
</tr>
</tbody>
</table>
Living Hawaiian Village
Teach, learning
Loi, lawaia, other
Incorporate kanaka; opportunity to share and teach
Change perception of Hawaiians
Most authentic / trust to Hawaiian culture
Place for Hawaiian artists/practitioners at Kakaako Makai
Place for Hawaiians
Don't price them out; affordable for Hawaiians
Welcoming
Hawaiian entertainment district
Waikiki; 1970's, widespread music
Transitional living Hawaiian village
Learn talents; move on
"Mom and Pop" feel
Community kitchen; value added
Fishing industry
Hawaiian world views
Organic, not forced
Not go in and leave
Needs to connect beyond Kakaako
Hawaiian business center

Table 2
Event space affordable and accessible; housing for events
Money generated from Kakaako developments to fund other projects
Space for competition and gaming
Spirituality and politics
Sit and eat, water feature
Rainforest feature with native fauna
Botanical gardens
Underwater tunnels
Holiday event for hula

Table 1
Housing; build/subsidize
Collaborate with DHHL
Education
Health; fund health programs for Hawaiians
Maintain heiaus
Research land titles
Help incarcerated Hawaiians and their ohana
Subsidize down payments for homes
Moku ula (Maui); restoration
Kaahumanu church restoration
Punanaleo support; site support

Table 2
Buy more land
Investments
Affordable housing
Addressing drug problems
Purchase farming equipment
Entrepreneurial education
Industrial spaces for Native Hawaiian businesses; incubators
Community outreach for available resources

Question 3: **Income generated by Kakaako Makai could be used to _______________.**

| Housing; build/subsidize
| Collaborate with DHHL
| Education
| Health; fund health programs for Hawaiians
| Maintain heiaus
| Research land titles
| Help incarcerated Hawaiians and their ohana
| Subsidize down payments for homes
| Moku ula (Maui); restoration
| Kaahumanu church restoration
| Punanaleo support; site support
| Buy more land
| Investments
| Affordable housing
| Addressing drug problems
| Purchase farming equipment
| Entrepreneurial education
| Industrial spaces for Native Hawaiian businesses; incubators
| Community outreach for available resources

| Income generated by Kakaako Makai could be used to _______________.
### OHA Kaka’ako Makai - Community Outreach Meeting

**Venue:** Hāna High School Cafeteria  
**Date:** Friday, February 27th

#### Question 1: How would you describe an urban Hawaiian space?

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Low key, stone design element, cultural architecture</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Park land, re-create the ancient lands, native landscape</td>
</tr>
<tr>
<td></td>
<td>Walking spaces, not a lot of cars</td>
</tr>
<tr>
<td></td>
<td>Kanewai example</td>
</tr>
<tr>
<td></td>
<td>Cultural center that makes jobs available for Hawaiian students</td>
</tr>
<tr>
<td></td>
<td>Example: Queen Kaahumanu Shopping Center</td>
</tr>
<tr>
<td></td>
<td>Tourist looking for cultural and authenticity</td>
</tr>
<tr>
<td></td>
<td>Coastal ocean trails with native coastal plants</td>
</tr>
<tr>
<td></td>
<td>How did it look before fishing village</td>
</tr>
<tr>
<td></td>
<td>LEED certified</td>
</tr>
</tbody>
</table>

#### Question 2: What uses would best support both commerce and culture at Kaka’ako Makai?

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Papa kui ai</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cultural drama productions; Ulalena</td>
</tr>
<tr>
<td></td>
<td>Experience various island environments</td>
</tr>
<tr>
<td></td>
<td>Visitor center</td>
</tr>
<tr>
<td></td>
<td>Polynesian Cultural Center example</td>
</tr>
<tr>
<td></td>
<td>Hale and Halau waa</td>
</tr>
<tr>
<td></td>
<td>Native marketplace for traditional arts; native gardens</td>
</tr>
<tr>
<td></td>
<td>Marketplace Mokupuni organized; i.e. Molokai bread</td>
</tr>
<tr>
<td></td>
<td>Fish Marlet</td>
</tr>
<tr>
<td></td>
<td>Hale aina restaurant</td>
</tr>
<tr>
<td></td>
<td>Village experience</td>
</tr>
</tbody>
</table>

#### Question 3: Income generated by Kaka‘ako Makai could be used to _______________.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Housing</td>
</tr>
<tr>
<td></td>
<td>Activate DHHL lands in Hana</td>
</tr>
<tr>
<td></td>
<td>Hawaiian language education; i.e. Punana leo in Hana</td>
</tr>
<tr>
<td></td>
<td>Scholarships available for all financial levels</td>
</tr>
<tr>
<td></td>
<td>Trade school training programs</td>
</tr>
<tr>
<td></td>
<td>Research and documentation of current programs in Hana</td>
</tr>
<tr>
<td></td>
<td>Promotion and education of ancestral skills and traditions</td>
</tr>
<tr>
<td></td>
<td>Laau lapaau</td>
</tr>
<tr>
<td></td>
<td>Legal and land use support</td>
</tr>
<tr>
<td></td>
<td>Genealogy work</td>
</tr>
<tr>
<td></td>
<td>Hawaiian healing center</td>
</tr>
<tr>
<td></td>
<td>Laau lapaau, lomilomi, hooulu, hoola</td>
</tr>
</tbody>
</table>
**Question 1: How would you describe an urban Hawaiian space?**

| Table 1 | Designed by Hawaiians  
|---------|----------------------  
|         | Open space  
|         | Families Kaehuaia, Kealoha  
|         | Design Halau like approach  
|         | String cultural presence  
|         | Ulumau Village, Ala Moana  
|         | Salt pans  
|         | Place to gather  
|         | Place for traditional arts  
|         | Fish market  
|         | Fighting chicken at camps  
|         | Open market for Hawaiians  
|         | Incorporate Puuhonua Pahonua  
|         | All islands represented  
|         | Incorporate history of Kakaako  
|         | Limu  

| Table 2 | Landscape; native plants, smells  
|---------|----------------------  
|         | Views; mountain to ocean views, orientation  
|         | No cars; pedestrian friendly  
|         | Lanai has less cars; special place  
|         | Types of businesses; not industrial, family oriented, conducive to families  
|         | Outdoor oriented  
|         | Open spaces, walkable  
|         | Don’t want large-box type stores  
|         | Gateway  
|         | Leave behind city when entering Kakaako Makai  
|         | Not in city/Waikiki, transitional area  
|         | Access to ocean; welcoming to get to the ocean  
|         | No tall buildings  
|         | Not for the "super rich," a humble place  
|         | Traditional / historic sense of feel/place  
|         | Chinatown; boat days  
|         | Target population? Who at Kakaako  
|         | Kids, family, safe place, don't see tourist busses  
|         | Over develop place (concept); buy other place (cultural)  

**Question 2: What uses would best support both commerce and culture at Kaka’ako Makai?**

| Table 1 | Ulumau village concept; authentic mea Hawaii  
|---------|----------------------  
|         | Canoe center  
|         | Living arts / living history  
|         | Hawaiian style; native plants, native gardens to support  
|         | Sustainability  
|         | Sense of place  
|         | Family oriented  
|         | Docking fees  
|         | Restaurants focus on Hawaiian food products  
|         | Hire Hawaiians; jobs and internships  
|         | Hospitality; authentic  
|         | Cottages; Kona Village type  
|         | Ocean bungalows  

**Venue:** Lāna’i High & Elementary School Cafeteria  
**Date:** Saturday, February 28th
Maintain view planes

Table 2

<table>
<thead>
<tr>
<th>Businesses; No korean bars, chicken fights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase rent boat parking</td>
</tr>
<tr>
<td>Place where kids can come and learn</td>
</tr>
<tr>
<td>Canoe and boat building practices</td>
</tr>
<tr>
<td>Waa, net, navigation; not revenue driven</td>
</tr>
<tr>
<td>Science center (Hub concept)</td>
</tr>
<tr>
<td>Hawaiian oriented</td>
</tr>
<tr>
<td>Main hub: spokes on other islands</td>
</tr>
<tr>
<td>Traditional crafts; lauhala</td>
</tr>
<tr>
<td>Places to eat; food that fits urban Hawaiian, seafood</td>
</tr>
<tr>
<td>Housing</td>
</tr>
<tr>
<td>Long term rentals</td>
</tr>
<tr>
<td>Student housing</td>
</tr>
<tr>
<td>Hotels, transitional</td>
</tr>
<tr>
<td>Medical school, international student housing</td>
</tr>
<tr>
<td>Hawaiian Medicine Use</td>
</tr>
<tr>
<td>Connection to JABSOM; medical destination for outer islands</td>
</tr>
<tr>
<td>Participatory / immersive; learn and create</td>
</tr>
<tr>
<td>Historic photographs</td>
</tr>
<tr>
<td>Studio or museum; view historic photos for purchase</td>
</tr>
</tbody>
</table>

Question 3: Income generated by Kakaako Makai could be used to ________________.

Table 1

<table>
<thead>
<tr>
<th>Lanai limu restoration project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lanai culture and heritage center</td>
</tr>
<tr>
<td>Place based education initiative</td>
</tr>
<tr>
<td>Hawaiian language component</td>
</tr>
<tr>
<td>Kupuna housing</td>
</tr>
<tr>
<td>DHHL support homesteads</td>
</tr>
<tr>
<td>Support maunalei kalo project scholarships</td>
</tr>
<tr>
<td>Better location for OHA on Lanai</td>
</tr>
<tr>
<td>Medical facilities</td>
</tr>
<tr>
<td>Culturally relevant education</td>
</tr>
<tr>
<td>Inventory cultural sites</td>
</tr>
<tr>
<td>Research</td>
</tr>
<tr>
<td>Grow our own teachers</td>
</tr>
<tr>
<td>Place based education; outdoor spaces</td>
</tr>
<tr>
<td>Child-birth on island</td>
</tr>
<tr>
<td>Social services</td>
</tr>
<tr>
<td>Parental support programs</td>
</tr>
<tr>
<td>Spread the wealth; sharegolders to beneficiaries</td>
</tr>
<tr>
<td>Free health services for all Hawaiians</td>
</tr>
<tr>
<td>Subsistence fisheries research and implementation; protection</td>
</tr>
</tbody>
</table>

Table 2

<table>
<thead>
<tr>
<th>Cultural programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support Lanai Cultural Heritage center</td>
</tr>
<tr>
<td>Cultural / Community orientation; programs for newcomers to Lanai</td>
</tr>
<tr>
<td>College scholarships</td>
</tr>
<tr>
<td>Hawaiian language in anai schools</td>
</tr>
<tr>
<td>New or renovated Pre-School on Lanai</td>
</tr>
<tr>
<td>Long-term care on Lanai; currently travel to Maui or Oahu</td>
</tr>
<tr>
<td>Veterinary on Lanai</td>
</tr>
<tr>
<td>Challenges: Clinic space, place to live on island</td>
</tr>
<tr>
<td>No transitional / senior service facility on Lanai; assisted living facilities</td>
</tr>
<tr>
<td>Support ocean resource management</td>
</tr>
<tr>
<td>Only two DLNR agents that service Lanai</td>
</tr>
<tr>
<td>Not enough officers</td>
</tr>
</tbody>
</table>
Need more management education awareness
Boat Legislation for Lanai; lacked resources to pursue initiative
Investment at Lanai; bigger impact because of smaller scale of island/population
Space for small business incubation
One land owner; lack of opportunities for land
Lacks diversity beyond hotels
Matching funds raised for local projects on Lanai
**Question 1:** How would you describe an urban Hawaiian space?

| Table 1 | Engineer our lands to feed us; rooftop gardens, vertical gardens to remedy issues in that landscape  
|         | Consider 7-10 generations  
|         | Culture by water is always there  
|         | Participate with environmentals  
|         | Culture by water is always here  
|         | Generate money by partnerships  
|         | Culture leads the process  
|         | Everything we do is generation to generation  
|         | Grandfather teaching moopuna to throw net; continue genealogical practices  
|         | Village with boats going in and out  
|         | Schools come to learn  
|         | St. Lucia; six cruise ships  
|         | A place for community  
|         | Hawaiian place: Hawaii and need to live there  
|         | Otherwise it's for tourists |

| Table 2 | Learn about what Hawaii is; luau house  
|         | Luau house: "old" idea of a gathering place  
|         | International arena  
|         | Somewhere to hookipa, kamaaina, malihini, and locals  
|         | People visiting would learn the culture  
|         | Preserve and perpetuate our culture  
|         | Revival of olelo hula  
|         | First-class design should reflect excellence  
|         | Puuhonua heiau  
|         | Art reflected in kii pohaku  
|         | Function of what that space was  
|         | Sustainability  
|         | Green roof-tops  
|         | LEED certified  
|         | What is the "anchor?" |

| Table 3 | There should be a sense of place; open air
A place to learn what happened in Kakaako
An authentic Hawaiian Village; Ex: Leilani Village
Hawaiians should be able to enjoy for free
Residence have discount
Education outreach; a place where you can "get your hands dirty"; learn Hawaiian ways
Ours in the middle of urban Honolulu
A place to learn how to speak/use the Hawaiian language outside of the classroom (in business/real world)
Hawaiian signage and wayfinding
A place to learn the Hawaiian language
Kids learning about the Hawaiian culture
Place to express the Hawaiian culture; attract people to learn the culture
Relaxing, nature driver
Mauka to Makai views
Feel elements
Ala Moana S.C.; landscape in urban context
Multi-level; restaurants on top with sunset views
Fish market
Small, close to each other
Everybody watch over each other
The whole community raises the keiki
We all are equal, well mixed and balanced
Integrated in small community
If all homes had a porch, everyone would sit out and interact
Return to small, caring environment
San Diego Mall, Fashion Valley Mall
Different levels
Near harbor
Wharf rises and falls with the tide
Rooted / grounded in natural environment
How do we bring it back?
Cultural always evolving
How do we innovate an environment?

Question 2: What uses would best support both commerce and culture at Kaka’ako Makai?

<table>
<thead>
<tr>
<th>Table 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tour ships; tethered in if too much to dock</td>
</tr>
<tr>
<td>Kodak shows; famous Wikiki attraction at one time</td>
</tr>
<tr>
<td>Polynesian Cultural Center-like place</td>
</tr>
<tr>
<td>Hawaiians are all cultures</td>
</tr>
<tr>
<td>Make it for Hawaii</td>
</tr>
<tr>
<td>Every Hawaiian came from Kalae</td>
</tr>
<tr>
<td>Storefronts for Native Hawaiian owned and operated businesses</td>
</tr>
<tr>
<td>Like Kealopike, sticks and pohaku</td>
</tr>
<tr>
<td>Eateries</td>
</tr>
<tr>
<td>Traditional Hawaiian food sources; use of local produce</td>
</tr>
<tr>
<td>Fitness center to address health related issues</td>
</tr>
<tr>
<td>Urban garden roof-tops; lavender, herbs</td>
</tr>
<tr>
<td>Urban agriculture of high value products</td>
</tr>
<tr>
<td>Potential 30 acres of rooftops</td>
</tr>
<tr>
<td>Sell plants, sell succulents, sell plants growing on walls</td>
</tr>
<tr>
<td>Succulent wall</td>
</tr>
<tr>
<td>Solar roof-tops</td>
</tr>
<tr>
<td>Micro-grid; saving on electrical need and consumption</td>
</tr>
<tr>
<td>Halau on Oahu</td>
</tr>
<tr>
<td>Create a space for practitioners to harvest; ferns, ti, etc.</td>
</tr>
<tr>
<td>Crate a kipuka to gather before taking all native plants from Hilo before Merrie Monarch</td>
</tr>
<tr>
<td>Water is a great avenue for income</td>
</tr>
</tbody>
</table>
Mooring, source of agriculture
Center for Hokulea
Home port
All waa from Pacific will gather together
Fisherman would travel to the North West Hawaiian islands
Can we integrate navigation / connection wo NHWI
UH School of medicine present
People would rather use natural things
Alternative medicine, laau laapaau
Create Hawaiian School of Natural Medicine
No place to get a truly affordable hotel-like place for neighbor island families
A place when vulnerable, there's a place to go
A place for entertaining folks
With boat visitors
Sell Native hawaiian products; carving, clothing, lei making, etc.
A place to learn
JABSOM is anchor
Put up dorms for students
Needs to be about families, hawaiian culture
International students

Table 2
Hawaiian Convention Center
Theatre
Meeting space; hookipa
Pacific UN
High protocol
Canoes can have home base
Polynesian Cultural Center, but bring in authentic/high-end cultural experts and practitioners
Culture and tradition; hula, olelo, oral tradition
Hawaiians were/are intelligent; eventually one of most literate nation in the world
Restaurant and retail
Support Native Hawaiian artisans and businesses
Marketplace
Communications run specifically by Native Hawaiians; done with integrity, beauty, excellence
Hawaiian radio and TV station
Hawaiian media hub
Sustainability
Fishing Village
Crate a marketplace; "Farm to Table"
Kapu/seasonal system; mindful fishing practices
Implementation and education
Aquarium; educational, Hawaiian perspectives (see through a Hawaiian lens)
Should be Native Hawaiian run/operated
Ties into academies
Train busniessmen that are culturally rooted but are savvy and keen on 21st century business practices
Nutritional value of kalo and spiritual value (haloa)
Rainforest / ecosystem
Virtual programming; interactive
Example: California Academy of Sciences - artificial rainforest
Adapt to a Hawaiian Academy of Sciences - tropical rainforest; tracing the water to loi/kai
Experience Hawaii; become culturally rooted
Planetarium that can go any place across the pae aina
Sensory experience (look, smell, touch, etc.)
Amphatheatre
Arts / exhibition
Culturl programming
Makahiki "Sports Arena"
Conservation: Food security and sustainability
Hawaiians always innovated from the loi to loko ia to engineering the movement of wai

Table 3
Goal is maximum dollars per year
Awesome aquarium
Take advantage of our ocean resource
Teach our keiki all aspects of the water (safety, culture, navigation)
Loi
Fish farming
Stadium: About 35,000 capacity
Open-air, multi-purpose
View from stadium towards Diamond Head and surfing
Can stadium be built somewhere else w/ money generated from Kakaako Makai?
A lot of well known stadiums happen around water
No parking needed for stadium; walk or rail
Research lab to study endangered species; study ecosystem

Question 3: Income generated by Kakaako Makai could be used to ___________________.

Table 1
Support existing grant programs
How does OHA Kakaako Makai fit in the entire Kakaako area?
Education programs; agriculture on Hawaii island
Native Hawaiian charter school support; increase funding
Affordable housing
What is affordable? Is $150k affordable?
Subsidize homes that Hawaiians can't afford
Average income is $56k
Re-look at definition of "affordable"
Invest in housing
Collaboration between OHA and DHHL for housing and infrastructure
Always get back to tell the Native Hawaiian beneficiaries what happened
Alaskan corporations
Generates revenues from lands
Shares: Natives get annual distributions
Subsidies for emergencies
Medical, safety net (i.e. surgeries)
Retirement help for kupuna
5% of all gross revenues used to benefit all islands, not just Oahu; purchase additional land assets
Rebuild natural environment; money to be reinvested into rebuilding out aina (no concrete way, just trees please)

Table 2
Meeting spaces
Purchase more aina; get out land back
Center on all islands: Each island should have its own satellite to provide venue for Native Hawaiian artisans and practitioners
Puuhonua and halau ola across pae aina
Scholarships; invest in people, train next generations
Economic engine; job academy
Kakaako General Fund
"Rainy Day Fund" to keep important programs and services afloat
Retirements Fund / Health Fund
Maoli ola fund
Free healthcare or heavily subsidized for Native Hawaiians
Native Hawaiian funerary
"womb to tomb," "sperm to urn"
Birth centers, urban kukaniloka
Invest and re-invest in people; education, cultural training, business training
To empower the laui
Restoration of cultural sites
Fund for solar panels for all homes (Native Hawaiians): "green fun"
Hawaiian National Bank; monetary, credit cards

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Historic preservation</td>
</tr>
<tr>
<td></td>
<td>Protecting our natural resources</td>
</tr>
<tr>
<td></td>
<td>Acquiring land for preservation</td>
</tr>
<tr>
<td></td>
<td>Educate the next generation of Hawaiians; where can we go to learn?</td>
</tr>
<tr>
<td></td>
<td>Science: Stem research for native plants</td>
</tr>
<tr>
<td></td>
<td>Place for kids to come and learn about native plants</td>
</tr>
<tr>
<td></td>
<td>Endangered plant education; Hawaii has more endangered plants than any other place in the world</td>
</tr>
<tr>
<td></td>
<td>Science research, preserve and restore</td>
</tr>
<tr>
<td></td>
<td>Give back to education</td>
</tr>
<tr>
<td></td>
<td>Teach keiki to be self-sufficient</td>
</tr>
<tr>
<td></td>
<td>Preserving Hawaiian culture</td>
</tr>
<tr>
<td></td>
<td>Use technology to teach</td>
</tr>
<tr>
<td></td>
<td>Health care</td>
</tr>
<tr>
<td></td>
<td>OHA needs to be the &quot;watch dogs&quot; for the existing programs... so make noise, hold them accountable</td>
</tr>
<tr>
<td></td>
<td>Use the monies correctly</td>
</tr>
<tr>
<td></td>
<td>Why should we have to buy our own loan?</td>
</tr>
</tbody>
</table>
Question 1: How would you describe an urban Hawaiian space?

Table 1
| Wants children to live in an innovative space |
| As you travelled in the past, each place had a unique smell |
| Flowers = identification with space |
| Where we are: Where we came from, what we present to you |
| Miss the sense of smell |
| Kakaako smell should be flowers, ocean breeze |
| Design/place buildings to enhance smell |
| People should learn with a sense of calm |
| Building materials; natural building materials |
| Open space |
| Buildings shouldn't be too tall; 4-6 stories is good |
| Lower scale buildings; what is too tall? |
| Garden roofs; not glass and metal |
| Different ecosystems |
| Plants that can be utilized |
| Mauka/makai connections |
| Kakaako currently too busy |
| Would like a space to relax, fish |
| Space to pass off knowledge of fishing practices |
| Kakaako was a place for fishing |
| Today, keiki don't understand/ know traditional fishing practices |
| In the past, fisherman would share catches with families that would come down to help |
| Barter system needs to come back |
| "It takes a village to raise a child" |
| Places for traditional ways of healing |

Table 2
| Process is mahaoi; "we not from Honolulu" |
| Family can return one day to Oahu |
| Queen street used to be the gathering place |
| People there were "poor" |
| How is this place going to benefit us? |
| OHA property should include Nani Loa Hotel |
| Suisan, civic center, harbor |
| This will benefit the Hawaii island beneficiaries |
| Remember Ala Moana with trees |
| Farmers market |
| Involved in international trade via water access |
| Create hub for Native Hawaiians from outer islands to gather |
| "Pushing and pulling resources" |
| If we share our resources with Oahu, how will that come back to us? |
| Are there other types of legal types of money pots other than funding grants? |
| 6-8 acres for a parking lot 24/7 |
| Money goes to education, housing for kupuna |
| Can have up to 1,000 cars/day |
| Shuttle: Charge $3 from lot to work ($15-$20k earned for parking) |
| 1/2 - 1 acre: Storage for boats |
| $375/month average storage fee |
| Investment |
Use land to generate revenue via parking
Preserved for later on
Used to play in Kakaako when was a dump
Renew the traditions/history of Kakaako Makai

Preserved for later on
Used to play in Kakaako when was a dump
Renew the traditions/history of Kakaako Makai

Address issues for Hawaiians
Affordable housing
Loi opua is a model

Mural
Sculptures
Hawaiian imagery
Wood working
Community gardens; plants are staples

Culture center
Incorporate a little bit of everything like the marina
Plaques along roadways
Oceanic center
Sense of ohana
Put back canoes in the ocean

Question 2: What uses would best support both commerce and culture at Kaka‘ako Makai?

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Partnering w/ UH Medical School (JABSOM)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Research space for health of Hawaiians</td>
</tr>
<tr>
<td></td>
<td>Communities of beneficiaries shold be healthy</td>
</tr>
<tr>
<td></td>
<td>Small housing units are not especially healthy</td>
</tr>
<tr>
<td></td>
<td>Space used for community living and not tourists</td>
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<tr>
<td></td>
<td>Authentic and genuine place</td>
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<td></td>
<td>Place that tells the story of Hawaiian people</td>
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<tr>
<td></td>
<td>Something identifiable like a landmark</td>
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<td></td>
<td>Opportunity to educate visitors who are genuinely interested in the story of our people</td>
</tr>
<tr>
<td></td>
<td>Parking to encourage local people to come to Kakaako Makai</td>
</tr>
<tr>
<td></td>
<td>Parking is very important</td>
</tr>
<tr>
<td></td>
<td>Shuttle area; bring people in without congestion</td>
</tr>
<tr>
<td></td>
<td>Beautify parking structures</td>
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<tr>
<td></td>
<td>Farm to Table; Pike’s Market</td>
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<tr>
<td></td>
<td>Partnership with UH Medical Center (JABSOM)</td>
</tr>
<tr>
<td></td>
<td>Partner with other institutions with similar goals and neighboring land owners</td>
</tr>
<tr>
<td></td>
<td>Health: autistic Hawaiian children services, special needs kids, kupuna</td>
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<tr>
<td></td>
<td>Place for traditional healing practices</td>
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<td></td>
<td>Hub for growth of laau, lapaau</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Look at Blaisdell</th>
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<tbody>
<tr>
<td></td>
<td>Tie into fishpond</td>
</tr>
<tr>
<td></td>
<td>Attraction for hula and mele, large scale</td>
</tr>
<tr>
<td></td>
<td>Cultural center; not like Polynesian Cultural Center</td>
</tr>
<tr>
<td></td>
<td>Access, central, connectivity, close proximity</td>
</tr>
<tr>
<td></td>
<td>Showcase our traditions</td>
</tr>
<tr>
<td></td>
<td>Highlighting new musicians</td>
</tr>
<tr>
<td></td>
<td>Host events</td>
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<td></td>
<td>Oceanfront, water access</td>
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<td></td>
<td>Teach about native vs invasive species</td>
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<td>Spear fishing tournaments</td>
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<td></td>
<td>Push to remove non-native</td>
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<tr>
<td></td>
<td>Research, money, grants</td>
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<tr>
<td></td>
<td>Point Panic surfers</td>
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<td></td>
<td>Parking lot</td>
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<td></td>
<td>Merrie Monarch at Kakaako Makai</td>
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<tr>
<td></td>
<td>Hoku awards at Kakaako Makai</td>
</tr>
</tbody>
</table>
Incorporate education opportunities; hands-on cultural based
Project based learning
  keep out biotech and GMOs
  grow traditional laau lapaaup
  olena
  use program alakai
  teach about sustainability
  how to connect to kupuna
  make history relevant today, traditions
A place to live and grow food
A reasonably affordable hotel
  especially for local neighbor island ohana
  A place to stay for all of the Honolulu-based activities
Restaurant events
Mini Polynesian Cultural Center
Kupuna become teachers
Lauhala, lua, lawaia, lawaia huki
A place to teach
Kupuna can get paid; too often volunteered
Empowers kupuna to teach something that has been forgotten over the past 100 years
Promote lua school at Kakaako Makai
Cultural awareness
Charge a fee
A place for arts and crafts
  Work of artisans; a gallery

| Question 3: | Income generated by Kakaako Makai could be used to _____________. |
| Table 1 | Support education; i.e. charter schools  
  Housing  
  Good paying, job development  
  Provide jobs/education so our youth don’t have to leave  
  Provide career education  
  Development of companies, businesses, industries  
  Power is as important as money  
  Workforce development housing  
  Facilities for education  
  Money for scholarships  
  Housing  
  University hospital |
| Table 2 | Support lai opua  
  Support neighbor island entrepreneurship  
  Support education; provide opportunities when they are done  
  Provide scholarships  
    Job security (lawyers, doctors, etc.), science-related  
  Support jobs relevant to Hawaii  
  Health professionals  
  Scholarships geared towards a successful integration into the workforce  
  Kupuna programs and activity  
  Invest in lawyers that will look out for our aina and people  
  Give back to recreate/clear the path to our traditions  
  To invest in education and training  
    Laau lapaaup  
    Grow food  
  Create a safe place to return to traditional pathways  
    There’s a need and relevance  
    They are connected to kupuna and traditions |
Create community to teach people
Change tuna quota
  Need to fund research (not private research)
  Mutual parties, must have actual facts
Buy more lands
  Monitor/malama archaeological sites
Watchdog developers
### OHA Kaka’ako Makai - Community Outreach Meeting

**Venue:** Kaua’i Community College, OCET Rooms 106 C/D  
**Date:** Tuesday, March 3rd

**Question 1:** How would you describe an urban Hawaiian space?

**Table 1**  
| Quiet, peaceful, but with activity that brings income  
| A place for Hawaiians to call ours  
| We want to be invited, be welcomed; know that we can go there  
| Needs to be green; self-sustaining  
| Needs to be accessible for kupuna  
| Needs a culture center; similar to Maui Cultural Center but better  
| We need to feel welcomed; if not, we won’t go  
| Not just an out ohana, but welcoming  
| Affordable place where all can gather  
| Halau presence’ performance and practice  
| Concerns about rail coming through  
| Cultural center  
| Not in Waikiki  
| Good transportation and access  
| Connect to housing developments  
| Will there be a tram?  
| Good pedestrian paths and accessibility  
| Welcome to 2015, need modern things  
| Retail and restaurants  
| Design, labeling/wayfinding for gathering place  
| Support small businesses  
| Not a shopping center  
| Not tourist driven  
| Can receive boats  
| Iconic structure at Parcel K; visible from a plane  
| Hawaiians near Parcel L  
| Can hear pai of ocean on pohaku  
| Affordable living units  
| Needs to think of younger keiki and students  
| See something similar to Pike’s Market in Seattle  
| Fisherman can sell fish  
| “Go to the henehene ko aka center”

**Table 2**  
| Water system  
| Cultural architecture elements  
| Super Ferry  
| Conference center  
| Needs of the immediate Kakaako community  
| Cultural center  
| Sustaining local farmers, transport local produced goods  
| Medicinal and ethnic gardens  
| Aquarium  
| Virtual simulator museum/rides  
| Housing for kupuna  
| Open market  
| Cultural, historical  
| Fish market  
| Example: Granville Island, Pike's Market  
| Fishing village  
| Sustainable fish ponds
Energy efficient, green design
Take advantage of natural resources, LEED certified
View planes
Business Incubators
Walking, pedestrian community
Outdoor cooking facility; imu

**Question 2:** What uses would best support both commerce and culture at Kaka’ako Makai?

**Table 1** Like Pike’s Market
- Like Smith’s Tropical Paradise
  - Photographers; tram tour, gardens, shows
- Authentic luau in a Hawaiian facility; but lets get more creative
- Place to get married; wedding venue
- Authentic practice, but pay for activity
- Commercial kitchen
- Restaurants
  - Imu can supply different restaurants
- A hawaiian health clinic tied into JABSonM
  - Can get the herbs
    - "Tell me what’s wrong and I’ll tell you what you need to take"
- Open market place
- Dedicate a space (museum) to Hawaiian artifacts
- A swimming pool; only in Kakaako Makai, world-class, copetitions
  - For native children, need correct dimensions
- A school for surfing
- No McDonalds or Burger Kinf type restaurants
- Waterfront park for soccer
- Regional science and natural fishery
- Make every parcel count an double income generation
- Create parking lot to serve Honolulu and Waikiki
  - Transit inbetween, come back and drink
- Mini golf course
  - Learn abot native planes; like Kilauea mini-golf
- New fish auction; Hawaiian run
- Place to house waa
- Native Hawaiian banking
- Credit union, OHA run?
- Savings and loans
- Move OHA back to Kakaako

**Table 2** Polynesian Cultural Center like center
- Sustainable agriculture; demonstration areas
- Sea port
- Foreign trade zone designation
- Hawaiian health centers
- practice traditional healing; laau lapaaau
- Museum
- Aquarium
- Multi-purpose hula centers
- Theaters
- Hula competitions
- Waa culture, waa sports
- Education visitor center
- Surfing center and competition venue; Point Panic
- Planetarium, specifically for voyaging
- Design for the accessibility to Kakaako Makai as a whole; no "silo-ing"
- Brewery
**Question 3:** Income generated by Kakaaako Makai could be used to ________________.

**Table 1**

<table>
<thead>
<tr>
<th>Use</th>
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</thead>
<tbody>
<tr>
<td>To support and fund Hawaiian language immersion school infrastructure in Anahola, all Hawaii</td>
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<tr>
<td>Classrooms</td>
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<tr>
<td>Playgrounds</td>
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<tr>
<td>100% enrollment</td>
</tr>
<tr>
<td>To dedicate portion for maintaining infrastructure upgrades</td>
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<td>Schools need to be accountable</td>
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<tr>
<td>To create elderly resource center</td>
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<tr>
<td>How do you split the Money?</td>
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<tr>
<td>Kupuna housing located in different areas</td>
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<tr>
<td>Support existing programs</td>
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<tr>
<td>Support new programs</td>
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<tr>
<td>School for cowboys</td>
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<tr>
<td>Rodeo</td>
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<tr>
<td>Our heritage</td>
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<tr>
<td>Keep opio busy</td>
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<tr>
<td>To support youth; Have to throw net, cultural practices</td>
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<tr>
<td>To support financial literacy; for Kauai residents</td>
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<td>Commercial partnerships; movie studios on Kauai</td>
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<tr>
<td>To help Native Hawaiians with down payment assistance; rent assistance</td>
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<tr>
<td>Like convention center on Kauai</td>
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<tr>
<td>To support technology, media, social media</td>
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<tr>
<td>To support small businesses</td>
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<tr>
<td>To gain assistance for laau lapaau practices</td>
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<tr>
<td>A robust ceded land inventory; $100 million</td>
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<tr>
<td>There’s a need for commercial partnerships on Kauai; invest</td>
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<tr>
<td>To develop a Native Hawaiian sperm bank</td>
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</tbody>
</table>

**Table 2**

<table>
<thead>
<tr>
<th>Use</th>
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</thead>
<tbody>
<tr>
<td>Scholarships; college readiness programs</td>
</tr>
<tr>
<td>Commercial kitchens</td>
</tr>
<tr>
<td>Alternative learning centers for high-risk youth</td>
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<tr>
<td>Workforce development; job skills training</td>
</tr>
<tr>
<td>Entrepreneurship training; business incubators</td>
</tr>
<tr>
<td>Mentorship programs</td>
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<tr>
<td>R&amp;D programs to enhance existing programs</td>
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<tr>
<td>Affordable housing</td>
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<tr>
<td>Kupuna housing</td>
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<tr>
<td>Fund wastewater system</td>
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<tr>
<td>Land purchase</td>
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<tr>
<td>Historic site restoration</td>
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<tr>
<td>Investment into renewable energy and self-sufficiency</td>
</tr>
<tr>
<td>Ronald McDonalds housing</td>
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<tr>
<td>Mahelona health facility</td>
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<tr>
<td>Multi-purpose, Native Hawaiians health care</td>
</tr>
<tr>
<td>Hoola Lahui</td>
</tr>
<tr>
<td>Alu Like - Kupuna program</td>
</tr>
</tbody>
</table>
**OHA Kaka’ako Makai - Community Outreach Meeting**

**Venue:** Nā Lama Kuki  
**Date:** Friday, April 3rd

<table>
<thead>
<tr>
<th><strong>Question 1:</strong></th>
<th><strong>How would you describe an urban Hawaiian space?</strong></th>
</tr>
</thead>
</table>
| **Trustee Ahuna** | A safe place for ohana where kids can play while parents are enjoying themselves  
Interactive technology would allow for safe zones- sculptures, cultural heiau for kids,  
Opportunities for interaction in cultural type spaces  
Spaces for all ages should be interacting- keiki, makua, kupuna |
| **Trustee Bob Lindsey** | A puuhonua where our people feel welcome  
Clean, green, and beautiful  
Initially wanted an open space but now understands we need money  
An open Hawaiian space might look like Liliu’okalani gardens in Hilo or the gardens in moanalua  
Original concept was to charge a kanaka tax- $1 step up increments to support maintenance  
As long as there is food and music our people will be there  
Places like Halema’uma’u, summit of Hualalai, Waipio valley exude Hawaiian spaces (warm, welcoming, feels good, unique spiritual)  
Somehow embed Ho’oulu Lāhui |
| **Trustee Ahu-Isa** | Aquarium  
An interactive space  
Utilization of technology to create an interactive space- example a DNA machine (near Mexico), mercinar San Diego  
Example of a successful district in San Diego has University, technology center, golf course all in one area  
Wax museuem is an interesting place to draw visitors  
Visitors allow for job creation |
| **Trustee Apoliona** | Space when one passes through it you are in a completely spiritually value based space that makes it identifiably different  
Unsure what of the specifics on structure  
Hawai‘i is changing drastically and we aren’t controlling the change  
In Kakaako we can make a difference in affecting change  
A place to raise hope for the future and have that part of the spiritual value system be a basis  
Others will appreciate it but we will be shaping the change  
If shaped correctly this energy will be tangible |
| **Trustee Apo** | Hawaiian sense of place requires Hawaiian people  
Need to find a strategy to bring Hawaiian people to the space  
A complex for Hawaiians to live  
Whatever we establish at Kakaako Makai we do it in a way that can be turned over to a future Hawaiian government  
Kakaako Makai could potentially be a capitol  
Whatever the designs are they should reflect our stories  
Systematic approach to Hawaiian plants that can be linked to a trail system  
Ambient music- Nothing gets to a Hawaiian sense of place more than sound  
Sound elicits an emotion in people  
How can we Hawaiian-ize the pier- a home for the Hokulea, waa, or something that connects us to the sea  
Signature events that can be calandered regularly- A nation speaking its culture  
A signature architectural landmark |
| **Trustee Waihe’e** | A pedestrian-friendly space- nice, safe  
Quality market that supports local producers  
Sustainability |
| **Trustee Hulu Lindsey** | Primarily architectural- noticeably different feel and look than surrounding landowners  
Next is landscaping- example Cloud Forest in Singapore;  
Music and entertainment  
All well balanced with revenue generation and cultural practices |

<p>| <strong>Question 2:</strong> | <strong>What uses would best support both commerce and culture at Kaka’ako Makai?</strong> |</p>
<table>
<thead>
<tr>
<th>Trustee</th>
<th>Observation tower that would express the Hawaiian story of Papa and Wākea</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Many ways to culturally validate a structure like that</td>
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<td></td>
<td>Can’t be a building, has to be a sculpture</td>
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<tr>
<td></td>
<td>Might have an observation deck but not a building</td>
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<td></td>
<td>Make the numbers work</td>
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<td></td>
<td>Supporting retail should be Hawaiian- shops, restaurants, etc.</td>
</tr>
<tr>
<td>Trustee Bob Lindsey</td>
<td>A space we recognize hula dance music</td>
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<tr>
<td></td>
<td>Commercial components that complement that</td>
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<tr>
<td></td>
<td>Possibly replicate Merrie Monarch in Honolulu</td>
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<td></td>
<td>Cultural centers</td>
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<tr>
<td></td>
<td>Entertainment centers</td>
</tr>
<tr>
<td></td>
<td>Bringing in other cultures of Hawai‘i</td>
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<tr>
<td>Trustee Ahuna</td>
<td>Spaces for ohana</td>
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<td>Space to connect the islands</td>
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<td>A hub for education, commercial activities</td>
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<td>Ways to connect OHA back to the people</td>
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<td>Spaces for small business pop-up shops</td>
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<td>Kaka‘ako football team</td>
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<td></td>
<td>A stadium</td>
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<td></td>
<td>Ocean transportation</td>
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<td></td>
<td>Hub to connect beneficiaries, neighbor islands, OHA and people, commerce</td>
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<td></td>
<td>A Hawaiian national bank</td>
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<td></td>
<td>Trustee Hulu Lindsey</td>
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<tr>
<td></td>
<td>A cultural center similar to the one on Maui</td>
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<td>Different size venues- theater, pavilion, smaller theater, lawn seating</td>
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<td></td>
<td>A place for Hawaiian performance</td>
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<td>During the day could double as a farmers market or place for cultural workshop</td>
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<td>Access to the ocean- Canoe races, Hōkūle‘a, other voyaging canoes, KIRK boat, fisherman</td>
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<td></td>
<td>Need revenue</td>
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<td>Residential, education, specialized health fields in commercial buildings</td>
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<td>Sea flight</td>
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<td>International market place</td>
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<tr>
<td>Trustee Apoliona</td>
<td>Focus on connection between Native Hawaiians and Pacific Islanders</td>
</tr>
</tbody>
</table>
| Question 3: | Income generated by Kakaako Makai could be used to ____________________.
| Trustee Ahuna | Setting up LLCs on each island                                           |
|             | HIHR there are many more people to assist                               |
|             | Connecting people to jobs, supporting businesses                         |
|             | Benefits for all our people                                              |
|             | Find other ways of distributing funds beyond grants                      |
| Trustee Bob Lindsey | Macro level-Use income to build our wealth so across time we can build our resources to do more for our people |
|             | Micro- develop community-based economic engines                           |
| Trustee Waihe’e | Subsidize legacy lands and remainder should go towards supporting the areas identified as most in need based on research departments |
| Trustee Ahu-Isa | Kupuna health care- facilities, research, assistance, transportation |
| Trustee Apoliona | Expanding services like kupuna health care                             |
| Trustee Apo | Net should go to Native Hawaiian trust fund then cycled out to support strategic objectives |
| Trustee Hulu Lindsey | Housing- support Hawaiians in becoming home owners                   |
**Question 1: How would you describe an urban Hawaiian space?**

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Cultivate people</th>
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<tbody>
<tr>
<td></td>
<td>Culturally rooted</td>
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<td>Minimal impact on land</td>
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<td>Mauka / Makai</td>
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<td></td>
<td>Outdoor spaces</td>
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<td></td>
<td>Less concrete (than Honolulu)</td>
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<tr>
<td></td>
<td>Art &amp; Music</td>
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<tr>
<td></td>
<td>Bike friendly</td>
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<td>Beach spaces and ocean interaction</td>
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<td>Play spaces</td>
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<td></td>
<td>Hawaiian architecture</td>
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<td>Health related &amp; fitness</td>
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<td>Hawaiian values</td>
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<td></td>
<td>Genealogy</td>
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<tr>
<td></td>
<td>History of Kewalo and Kaka‘ako</td>
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<td></td>
<td>Less buildings</td>
</tr>
<tr>
<td></td>
<td>Limit building heights</td>
</tr>
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<td></td>
<td>Clean, simple architecture</td>
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<td></td>
<td>Urban Hawaiian space</td>
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<td>Wahi pana of people</td>
</tr>
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<td></td>
<td>Locally sourced eateries</td>
</tr>
<tr>
<td></td>
<td>History, pedestrian friendly, no cars</td>
</tr>
<tr>
<td></td>
<td>80:20 locally sourced (Hawaiian)</td>
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<tr>
<td></td>
<td>Language, art, fashion, music</td>
</tr>
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<td></td>
<td>Bilingual (Hawaiian / English), local food</td>
</tr>
<tr>
<td></td>
<td>70's Hawaiian renaissance - Next step</td>
</tr>
<tr>
<td></td>
<td>Hawaiian music everywhere</td>
</tr>
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<td></td>
<td>Preserve view planes; invisible architecture</td>
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<table>
<thead>
<tr>
<th>Table 2</th>
<th>Can be anywhere</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Shape &amp; form - form connected to function</td>
</tr>
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<td></td>
<td>Modern reflection of tradition</td>
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<td>First impressions</td>
</tr>
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<td>Common attraction - multiple interpretations</td>
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<td></td>
<td>Tranquil spaces</td>
</tr>
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<td></td>
<td>Gardens: Native Hawaiian flora</td>
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<td></td>
<td>Immediately recognizable; iconic figure (Diamond Head, Dole Pineapple tower)</td>
</tr>
<tr>
<td></td>
<td>Commonality</td>
</tr>
<tr>
<td></td>
<td>Does &quot;urban&quot; translate to &quot;development?&quot;</td>
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<td></td>
<td>Keep authenticity; transition to modern</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Table 3</th>
<th>Land that symbolically feeds people economically</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Hawaiian art and architecture</td>
</tr>
<tr>
<td></td>
<td>Senses; smell, see, hear, touch, etc.</td>
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<td></td>
<td>Native plants; gardens</td>
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<td></td>
<td>Imu as a centerpiece; certified imu</td>
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<td></td>
<td>Place that encourages gathering</td>
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<td></td>
<td>Center for Hawaiian studies</td>
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<td></td>
<td>Modern facilities in a Hawaiian environment</td>
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<td></td>
<td>Housing for Hawaiians</td>
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<tr>
<td></td>
<td>Reflects the future, not the past (Not Bishop Museum)</td>
</tr>
</tbody>
</table>
Reflects its past to the area; fishing, etc.

<table>
<thead>
<tr>
<th>Table 4</th>
<th>Open space, plants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hawaiian presence; people</td>
</tr>
<tr>
<td></td>
<td>Hawaiian history on display, shown in area in contemporary means</td>
</tr>
<tr>
<td></td>
<td>Hawaiian arts and language</td>
</tr>
<tr>
<td></td>
<td>Environment &amp; technology are integrated; loi and fishpond (ancient &amp; contemporary)</td>
</tr>
<tr>
<td></td>
<td>Music and entertainment; waipa</td>
</tr>
<tr>
<td></td>
<td>Architectural natural amphitheatre</td>
</tr>
<tr>
<td>Beer garden</td>
<td></td>
</tr>
<tr>
<td>Awa garden</td>
<td></td>
</tr>
<tr>
<td>Celebration of excellence</td>
<td></td>
</tr>
<tr>
<td>Looks and feels Hawaiian (Japantown, Chinatown, etc.)</td>
<td></td>
</tr>
<tr>
<td>Traditional and contemporary</td>
<td></td>
</tr>
<tr>
<td>Live, work, play... with &quot;mana&quot;</td>
<td></td>
</tr>
<tr>
<td>Respectful of the past</td>
<td></td>
</tr>
<tr>
<td>Sacred space; high?</td>
<td></td>
</tr>
<tr>
<td>Navigation, waa; key components, pa’a kai, fishing</td>
<td></td>
</tr>
<tr>
<td>Makai - Mauka; ahupua’a</td>
<td></td>
</tr>
<tr>
<td>Polynesian Pacific United Nations</td>
<td></td>
</tr>
<tr>
<td>Piko of government</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 5</th>
<th>Taro in fornt of Comp USA; working landscape, not just visual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Kalo urban farms</td>
</tr>
<tr>
<td></td>
<td>Surround with native plants; research and learning</td>
</tr>
<tr>
<td></td>
<td>Visual with buildings surrounded by water; like John Dominis (lobster &amp; crab)</td>
</tr>
<tr>
<td></td>
<td>Lava rock design inside and outside</td>
</tr>
<tr>
<td></td>
<td>Indigenous plants</td>
</tr>
<tr>
<td></td>
<td>Kipuka; place for teaching, talking, being together</td>
</tr>
<tr>
<td></td>
<td>National recognition, accreditation</td>
</tr>
<tr>
<td></td>
<td>LEED certified</td>
</tr>
<tr>
<td></td>
<td>Be sustainable within our Kaka’ako</td>
</tr>
<tr>
<td></td>
<td>Urban farms and gardens</td>
</tr>
<tr>
<td></td>
<td>Minimize impact on aina</td>
</tr>
<tr>
<td></td>
<td>integrate native plants</td>
</tr>
<tr>
<td></td>
<td>Hula mounds</td>
</tr>
<tr>
<td></td>
<td>Place to dock Hikianalia</td>
</tr>
<tr>
<td></td>
<td>Signifies us as a people; &quot;where we’ve been, where we’re going&quot;</td>
</tr>
<tr>
<td></td>
<td>Patterns, art, materials: &quot;earthy&quot;</td>
</tr>
<tr>
<td></td>
<td>Use local artists, incorporate native art</td>
</tr>
<tr>
<td></td>
<td>Use place names; Pualualo</td>
</tr>
<tr>
<td></td>
<td>Community center; like Waikiki Shell, Maui Arts &amp; Cultural Center</td>
</tr>
<tr>
<td></td>
<td>Culture &amp; music; welcoming and open even if no event is occuring</td>
</tr>
<tr>
<td></td>
<td>A place for all Native Hawaiian retailers</td>
</tr>
<tr>
<td></td>
<td>Buying and selling indigenous wear</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 6</th>
<th>Building setbacks, natural elements, &quot;airy-ness&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cultural elements</td>
</tr>
<tr>
<td></td>
<td>Educational &amp; interactive cultural spaces</td>
</tr>
<tr>
<td></td>
<td>Live, play, walkable community</td>
</tr>
<tr>
<td></td>
<td>Hawaiians present; residential, kupuna housing</td>
</tr>
<tr>
<td></td>
<td>Atherton Gardens in Kauai; Limahuli</td>
</tr>
<tr>
<td></td>
<td>Plants, water, open space with urban uses; i.e. residential and commercial</td>
</tr>
<tr>
<td></td>
<td>Community gathering spaces; hale, puuhonua, place to practice culture</td>
</tr>
<tr>
<td></td>
<td>Lots of Hawaiians there</td>
</tr>
<tr>
<td></td>
<td>Gathering spaces</td>
</tr>
<tr>
<td></td>
<td>Hawaiiand need to be present</td>
</tr>
</tbody>
</table>

**Question 2:** What uses would best support both commerce and culture at Kaka’ako Makai?
| **Table 1** | Uses by parcels should blend in well  
| Picnic lot; state of the art performing arts center  
| Casino  
| Parking structure  
| Cultural arts center; Performing  
| School for Hawaiian crafts  
| Incubation and innovative center to encourage businesses  
| Green technologies  
| Health, medical  
| Restaurants; Nico’s Hawaiian style  
| Event space; big parties  
| Housing for Hawaiians |

| **Table 2** | Residential; How can residential be profitable at Kaka’ako Makai?  
| Concert venues; different from existing  
| "Fly over Canada" concept  
| More than a Polynesian Cultural Center  
| Executive center; hotel for local families to have a place to stay  
| Hotel school  
| Parking lot structure  
| Are we trying to generate revenues from Hawaiians or visitors?  
| Commercial; Made in Hawaii products (made by Hawaiians)  
| Performances; open venue  
| Restaurants: seafood/fish  
| Locally sourced food; farm-to-table concept  
| Education programs; Tell the story of Kaka’ako  
| Near the ocean  
| Welcoming our keiki  
| Place for wa’a  
| Office space  
| Adult / Child daycare facilities; tutu and mo’opuna  
| Retail for Native Hawaiian products/wears  
| Also a place to create products |

| **Table 3** | Residential  
| Commercial: Accessible for local community  
| Concerts & events; Maui Arts & Cultural Center  
| Meeting spaces; multi-use, multi-purpose (includes complimentary services, food, facilitation, etc)  
| Commercial: All Native Hawaiian  
| Local businesses, food, clothes, etc,  
| Spaces for halau  
| Art space; performance, martial arts  
| Toll to enter the premise  
| Restaurants  
| Height variance to maximize available space  
| Luxury residential  
| Marijuana dispensary |

| **Table 4** | Residential: Live, work, play  
| Ingenuity center; buy and pay for services  
| Cultural visitor center; living museum  
| No OHA funds to execute; tap into grants, bonds, federal funding options  
| Responsive to future  
| Sea level rise  
| Fishery control and other related activities; auction  
| 21st century Pa’a Kai production; revenues  
| Food diversity; Native American Museum restaurant, showcase many  
| Marijuana dispensary |
Table 5

<table>
<thead>
<tr>
<th>Cultural center; similar to Polynesian Cultural Center (for profit &amp; strong attraction)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential with F&amp;B on upper floors</td>
</tr>
<tr>
<td>Higher revenue sources</td>
</tr>
<tr>
<td>Bottom floors: meeting facilities</td>
</tr>
<tr>
<td>Multi-purpose / flex space</td>
</tr>
<tr>
<td>Observation deck: iconic and revenue generating</td>
</tr>
<tr>
<td>Gaming / Gambling: Native American example; highest bottom line!</td>
</tr>
<tr>
<td>Multi-faceted “village”: residential, retail, iconic, meeting spaces, etc.</td>
</tr>
<tr>
<td>Culture must remain a constant</td>
</tr>
</tbody>
</table>

Table 6

<table>
<thead>
<tr>
<th>Hawaiian srt, music, food festival / fashion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional lu’au, better experience, authentic</td>
</tr>
<tr>
<td>Awa bar, shops, local vendors</td>
</tr>
<tr>
<td>Venue for performances; One focal point</td>
</tr>
<tr>
<td>Grocery store; partner with Hawaiian farmers; showcase local produce</td>
</tr>
<tr>
<td>Tsunami research development; partner with UH and scientists</td>
</tr>
<tr>
<td>Incubation space</td>
</tr>
<tr>
<td>Education and training - future</td>
</tr>
<tr>
<td>Blend technology and Hawaiian culture</td>
</tr>
<tr>
<td>Hawaii Hall-of-Fame</td>
</tr>
</tbody>
</table>

Question 3: Income generated by Kakaako Makai could be used to ________________.

Table 1

<table>
<thead>
<tr>
<th>Reinvestment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support education, spiritual, etc.</td>
</tr>
<tr>
<td>Solve problems upstream with funding; homelessness, incarceration</td>
</tr>
<tr>
<td>Invest and support in programs to help solve problems upstream, at the root</td>
</tr>
<tr>
<td>Support families of those who have a family member in prison</td>
</tr>
<tr>
<td>Prioritize: Need vs. want</td>
</tr>
<tr>
<td>Ho’o Kohua waiwai programs</td>
</tr>
<tr>
<td>Additional funds allocated to each/all of the existing OHA programs</td>
</tr>
<tr>
<td>Buy land back; build/increase land portfolio</td>
</tr>
</tbody>
</table>

Table 2

<table>
<thead>
<tr>
<th>Purchase / Control media: TV, radio, newspaper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perpetuation / Shift other urban space</td>
</tr>
<tr>
<td>Monetary stipends for Hawaiians</td>
</tr>
<tr>
<td>Community grants</td>
</tr>
<tr>
<td>Fund the Hawaiian nation</td>
</tr>
<tr>
<td>Buy land back</td>
</tr>
<tr>
<td>Take down TMT; rehab traditional lands</td>
</tr>
<tr>
<td>Education</td>
</tr>
<tr>
<td>Affordable housing</td>
</tr>
<tr>
<td>Practitioners can get wages; In what way? Appropriate?</td>
</tr>
</tbody>
</table>

Table 3

<table>
<thead>
<tr>
<th>Educate keiki</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund more grants</td>
</tr>
<tr>
<td>Affordable housing; direct towards smaller groups</td>
</tr>
<tr>
<td>Scholarships</td>
</tr>
<tr>
<td>Trade schools</td>
</tr>
<tr>
<td>Professional development</td>
</tr>
<tr>
<td>Fellowships</td>
</tr>
<tr>
<td>Daycare for all ages</td>
</tr>
<tr>
<td>Land resource management</td>
</tr>
<tr>
<td>Acquire more lands for housing and additional revenues</td>
</tr>
<tr>
<td>Fund education for more lawyers and teachers to take back our land</td>
</tr>
<tr>
<td>Subsidize healthcare and social workers</td>
</tr>
<tr>
<td>Farming; Planning funds</td>
</tr>
<tr>
<td>Support economic development; next generation of retailers</td>
</tr>
<tr>
<td>For investment; Purchase lands</td>
</tr>
<tr>
<td>Take over military bases</td>
</tr>
</tbody>
</table>
**Make Kaka'ako sovereign; can't be taken away**
Create partnerships/collaborations with local businesses to expand research
Why play their game to be like them?
Are we trying to benefit our people?
How do we balance income and integrity?

**Table 4**
<table>
<thead>
<tr>
<th>Grants, economics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase more land</td>
</tr>
<tr>
<td>Create a bank for Hawaiians</td>
</tr>
<tr>
<td>Educational facilities</td>
</tr>
<tr>
<td>Families are well taken care of</td>
</tr>
<tr>
<td>Every beneficiary is supported</td>
</tr>
<tr>
<td>Utility company for mauka/makai</td>
</tr>
<tr>
<td>Invest in education</td>
</tr>
<tr>
<td>Housing</td>
</tr>
<tr>
<td>Every Hawaiian student should go to school for free</td>
</tr>
<tr>
<td>Support other Ali‘i trusts</td>
</tr>
<tr>
<td>Help the homeless</td>
</tr>
<tr>
<td>To maintain and sustain our aina</td>
</tr>
<tr>
<td>Restore Cultural Sites</td>
</tr>
<tr>
<td>Hawaiian Air</td>
</tr>
</tbody>
</table>

**Table 5**
| Help Hawaiians purchase homes                                                   |
| Buy more Kaka'ako Makai lands                                                    |
| To build more affordable housing for Hawaiians                                  |
| More education scholarships                                                     |
| Sustain the place/program where the income was generated                        |
| Sustain/increase OHA's natural resource lands; preserve trees                   |
| Reinvest in OHA's investment portfolio                                          |
| Programs to help economic self sufficientcies                                   |
| A more vibrant lahui                                                            |
| Rebuild / Repair cultural sites                                                 |
| Healthcare for young and old                                                    |
| Family planning education                                                       |

**Table 6**
| Health clinics; preventative screening                                          |
| Funding Hawaiian focused schools                                               |
| Non-revenue generating OHA lands                                                |
| Expanding investment portfolio                                                  |
| Existing programs                                                               |
| Explore expanding programs, land holdings,                                     |
| Funding more grantees                                                           |
| National college of Hawaii knowledge immersion                                  |
| Preparing high school students for college; applications, financial, life success |
| Manage Kaho‘olawe                                                               |
| New investments; revenue generating activities                                 |
| Cultural programs that are not by nature revenue generating                    |
### Question 1: How would you describe an urban Hawaiian space?

Table 1

- A place to continuously evolve our culture and ourselves
- Bridging disparities in the community
- Satellite to neighbor islands
- Industries that provide jobs for Hawaiian youth to return
- Demonstrated Hawaiian innovation
- Satellite Obama Library
- "Metro Maoli integration"
- Design - Function then form follows
- Access to education and healthcare
- Health center: practitioners and Hawaiian healers
- Spaces for cultural practitioners
- Hawaii and have always engaged in commerce
- Culture is the umbrella
- Sound stage for film production
- What will bring monetary revenues?
- Urban drives commerce, but neighbor island communities have more access to resources
- Access for Hawaiians
- Something iconic; a landmark
- All Hawaiian vendors and businesses
  - Profit driven
  - Food, clothing, etc.
- Incorporate history
- Museum with a garden
- Hawaiian church
- Filling in areas/niches of need (i.e. film)
- 21st Century Ulumau village
- A Hawaiian settlement in urban Honolulu
- Living quarters/spaces for mentoring in traditional practices
- Combination of commercially driven and culturally driven activities
- A place to address economy, education, culture, etc.

### Question 2: What uses would best support both commerce and culture at Kaka‘ako Makai?

Table 1

- Include cultural ways of knowing in commercial activities (i.e. moon phases, star lines)
- Incorporate technology similar to National Geographic "Fly Over Canada"
- Native Hawaiian trademarking to protect Hawaiian made products, arts, etc.
- Docking fees
- International commerce and trade
- Take advantage of Kewalo Harbor
- Medical facilities
- Leverage existing tenants uses
- Leverage and attract and partner with billionaire community (i.e. Zuckerberg, Omidyar, Ellison, etc.)
- Civic minded philanthropists looking to give back
- Shows that highlight specific time periods in Hawaii's history; use of Olelo Hawaii

### Question 3: Income generated by Kaka‘ako Makai could be used to.

Table 1

- Further the needs of the community
- Identify needs of each community
- OHA should reprioritize the needs of the community
- Economic resilience specific to different communities
- Support for needs outside OHA's typical purvue
- Direct services
Money must flow directly to individual community needs
Money earmarked for individual communities
Defend rural community's way of life, resources
Development of individual community plans
Assist Hawaiians in buying lands
Protect resources from other islands
Skills development
Emergency fundraising; preparedness
APPENDIX 5

Mindmixer Comments
Topic Name: Kakaʻako Makai: The apex of culture and commerce - Question 1 of 3

Idea Title: One that is environmental friendly and maximizes profit

Idea Detail: These parcels constitute a landfill and are located in a flood zone thus they must reflect a best use and gain only so that the other programs that already serve the people can be enhanced thus empower the Lahui. Fantasying about how culture and hawaiian values will yeild maximum financial gains is absurd and goes against better business practices and fiduciary duty of the trustees. A strong and bold initiative that identifies what consumers want, need and desire is required to make this urban space both sustainable sand profitable

Idea Author: Kealii M

Number of Stars 8

Number of Comments 0

Idea Title: Create a space for gathering & sharing of cultural tradition

Idea Detail: Why is Hawaii unique? Why the the Hawaiian experience and spirit unique to these islands and not elsewhere in the world? Our islands are rich in diversity, tradition, character, history, and ideals. To enforce these principles without ignoring the economic necessity, there is an opportunity/challenge to create a balance of commerce, education, environment, and modern function/needs.

Urban Hawaiian spaces should foster ideas of gathering, social interaction (digital/physical), connection with the land/water, education of our visitors, but mostly our keiki, and the cultivation of our cultural identity. Traditions should not be allowed to fade, but rather we should strive to keep them alive and integrate them into our daily lives, diets, habits, language, etc. Urbanity and the Hawaiian sense of place/space may sound like contrasting concepts, but they can play into each other if they are properly identified and nurtured.

Idea Author: Jonathan S

Number of Stars 7

Number of Comments 0

Idea Title: Green, Innovative, and Smart Buildings

Idea Detail: Green, environmental friendly building materials, using LED lightnings, water
efficiency appliances like toilet, dryers, plumbing systems and irrigation system. Innovative, Modern building designs, technological advance system like data center, WiFi, sensors to collect the energy, water usages, and smart parking garage, and solar system, sewage recycled systems,
Smart.

-G/F parcel uses to build theater/performing center, Hula studio, Hi crafts and painting gallery, Plants nursery, electronic library.
-Electronic library concept beyond single location or office, the residents can access electronic books, or articles within 9 parcel or beyond in Kakaako.
-Fitness center can be built in parcel G/F
-Evacuation plan or Disaster plan in case of Fire, Hurricane, or Food shortage. Especially Hurricane, we need build a COSTCO or Sams Club kind of store, in daily basis the residents shop at store when Hurricane hits, residents can access to basic food. also the desalination system.

Idea Author: Yun C

Number of Stars 6

Number of Comments 5

Comment 1: Build a workshop /studio at parcel G/F like Ukulele workshops teach residents and visitors about how to play, painting workshop learning how to paint, how to build chair or tables. | By Yun C

Comment 2: Think 9 parcels as ONE, and each buildings complemented to each other instead of stand alone. | By Yun C

Comment 3: all residents have access to high speed internet as way of communications in all 9 parcels in Kakaako. | By Yun C

Comment 4: Use recycled water to flush toilet , separate from main house hold pipe. | By Yun C

Comment 5: Evacuation plan 2 when hurricane hits, we need desalination system converting sea water into drinking water, recycle system can converting sewage water into drinking water. | By Yun C

Idea Title: Build a sustainable, income-generating parking structure first!
Idea Detail: Build a parking structure that could sustain our needs with units on the ground floor for Native Hawaiian businesses. On the inside highest floor, build ball rooms for rent, for meetings, wedding/graduation/other parties - income generating. On the roof top have PV to provide our power needs, making this building sustainable and have a garden growing with Indigenous plants, taro, ulu, la'au which we can eventually plant on all our parcels.

Idea Author: Kardeen W

Number of Stars: 5
Number of Comments: 0

Idea Title: Doing away with drugs and have the people start talking

Idea Detail: I am Hawaiian and growing up here in Hawaii we’re mostly told not to say anything or don't TATTLE. We get scolded for that. Now as an adult all of that is now bitting us in our butts because of all the drugs and crimes all around here. Nobody says anything about whatever's going on like people selling drugs, gangs, prostitution, and corruption within our state of Hawaii. Sad part is, it's our own people of Hawaii. I walk around different parts of Oahu and I find baggies with the residue of crystal meth, people-other than the homeless doing drugs in public bathrooms. No more ring around the roses and walking around blind! The say "non of my business " is STUPID to me because people are committing crimes and doing illegal actions everywhere and we all ignore it because "it's non of our business" I mean we Hawaiians can march in front the Iolani Palace (onipaa) for cry baby about our land being "TAKEN AWAY" yet the problem is that we no do nothing with our people who take LIVES away.

Idea Author: daylin R

Number of Stars: 3
Number of Comments: 0

Idea Title: Urban life seem to lack culture, it is more about profit .

Idea Detail: Well, telling from my experience in Hawaii, I can see the discrepancy of the urbanized and less urbanized side of the islands. I think that while some aspects of the culture is embraced in the urban areas, it seems like a lot of it is also lost. It seems like all the business around the urban area seem to only want to make a profit, without even considering the cultural aspects they are negating. In all honesty, I am not Hawaiian but I think it is
somewhat disappointing to see a culture ignored just to make a profit, or used just to make a profit.

Idea Author: Robert L

Number of Stars 3

Number of Comments 0

Idea Title: Where locals go because they're welcomed, wanted & comfortable.

Idea Detail: A place where locals, especially kanaka maoli, come together to meet and share na mea Hawai‘i that are interesting, desired (to do or learn), necessary and precious in maintaining, enhancing and perpetuating our Hawaiian (Hwn) language, culture, traditions and practices.

A place where normal (not performed) concurrent classes/meetings/gatherings are held, information shared and interaction occurs on a routine rotational daily basis by various:
- Schools - Punana Leo, Hwn Immersion, Hwn focused PCS, KS, UH/CC's, etc.
- Orgs/groups/clubs & church's - Hui kupuna/daycare, hui makua (o na kula), Homestead Assn's, Hwn CC's; Kawaiha'o, Kaumakapili, etc.
- Hwn Practioners/artisans/crafters - Hula, mele, la'a u lapa'a u, lua, mahia'ai, lawai'a, kapa, kalo, wa'a, etc.
- Ali'i Trusts & Orgs - KS, QLCC, Lunaliilo, Queens; DHHL, OHA; Royal Order of Kamehameha, Ahahui 'o Ka'ahumanu, etc.
- Hwn Sovereignty & Nationals - Lahui HI, Hwn Kingdom; Kekuni, Haunani, Keanu, Leon, A'o, Ilima,

Idea Author: Kapua K

Number of Stars 3

Number of Comments 0

Idea Title: Hale Moe

Idea Detail: For myself I see some type of dormitory for students, off island Hawaiian practitioners, off island sports teams from schools and communities. A place where visitors who are kamaina and kamaina who are visitors can go for x amount of days then return home after x amount of days. A safe place to rest, clean & eat. Similar to a hotel without the hotel deal. Do it a Hawaiian way. For example, people staying here must take care of some type of
Kuleana (responsibility). There are many ways of handling the business part but the main idea is the Hale Moe for visiting kamaina & kamaina who are visiting! This Hale Moe doesn't have to take up the entire property. It could be part of the theme of the entire property but only taking a fraction towards this Hale Moe idea. Maybe one structure for men & one structure for women or conduct some type of research to get an idea on the numbers of people who might be interested in staying at one of these Hale Moe and then plan accordingly.

Idea Author: Kaleo K

Number of Stars 3

Number of Comments 0

Idea Title: Link culture and physical space

Idea Detail: An urban Hawaiian space would clearly link culture to the physical architecture in a way that honors the past but really showcases the present and future. There would be mixed areas for commerce, culture, and residential. While this is not a popular stance, there should be no tolerance of homeless. People who reside and visit that space should feel safe. That being said, I think the Kaka'ako community and owners/stakeholders must be more active in dealing with the homeless problem via policies, programs, and enforcement. The homeless community must be treated with compassion but there should be an expectation for individual and 'ohana kuleana and for the community to help support those working hard to fulfill that.

Idea Author: Lisa W

Number of Stars 3

Number of Comments 0

Idea Title: An urban place is a place with lots of people.

Idea Detail: it has lots of activities, music, food and drink. it is a place for kids, adults and seniors. A urban Hawaiian place is next to the ocean or water. in Honolulu at Kakaako, it needs lots of parking and/or a pedestrian bridge to cross Ala Moana safely and easily. it needs lots of trees and shade. it should be a 24/7 place.

Idea Author: Donald G

Number of Stars 2
Number of Comments 0

**Idea Title: build a multiple use building**

Idea Detail: hawaiian art gallery, hula studio, local coffee shop, local aloha shirt store and workshop, local artists design aloha shirt and make aloha shirt, rooftop nursery grows hawaiian flowers and plants, ukulele shop, ukulele workshop making ukulele, fitness center, use LED lights all area, use waterless toilets, natural gas backup power generators, hawaiian food restaurant,

Idea Author: Yun C

Number of Stars 2

Number of Comments 0

**Idea Title: A gathering place built on cultural foundations and values.**

Idea Detail: Oahu "The gathering place" can be personified in this urban Hawaiian space by incorporating the Ku'e Petitions into the design of a public courtyard with the names of its signatories embossed on each stone with the page number it appears on in the actual document. There should be gathering spaces for our Royal Societies & Association of Hawaiian Civic Clubs. There should be lo'i incorporated into the landscaping and the refreshing breezes should be filled with the aroma of lauae filling our hano. There should be performance venues and studios for Hula Halau. Large enough to accommodate a Hula festival equitable to the Merrie Monarch. Makahaiki courtyard designed as a life size Konane board. Ulu Maika, Moa Pahe'e, Lono Maka Ihe/'O'o Ihe play grounds. Useable Heeholua slides incorporated into building architecture. A modern living breathing village community embracing the past, living in the present and working towards the future.

Idea Author: Robert K

Number of Stars 2

Number of Comments 0

**Idea Title: Culture is like air we breath.**

Idea Detail: Culture is like air we breath, it is logo, symbol, building design, and language, and the type of food we eat. the art works or the craft also reflects the HI culture. Aloha shirt we
wear also reflect the culture. how to spread the aloha culture and how to mix the Hi culture and commence. It is already mixed and blended, when you sell the Aloha shirt, it is commerce and it is culture. The shirt design and logo.

Idea Author: Yun C

Number of Stars 1

Number of Comments 0

Idea Title: Aloha, O'ahu is already urban, where's the kahiko?

Idea Detail: O'ahu is so modern already and it would be nice to see some sights and people of the way it used to be. The land should be used for restoration of the old Hawaii and I just think we have enough new urban places in O'ahu. To see everything from the past brought back to life would be a sight to see. I am truly concerned about getting the homeless Hawaiians involved.

Idea Author: Dana A

Number of Comments 0
Topic Name: Kaka‘ako Makai: The apex of culture and commerce - Question 3 of 3

Idea Title: Cultural and Environmental preservation

Idea Detail: This is pretty much what I believe the find generated should be used for in all honesty.

Idea Author: Robert L

Number of Stars: 6

Number of Comments: 0

Idea Title: Support all Hawaiian Programs across the pae ‘aina.

Idea Detail: More grant monies would be available to support Hawaiian Programs geared to improve health, education, culture, sustainability and economic self-sufficiency. Protect our ‘aina, our water. Have our waters returned to the people so our people can go back on the lands. Support sustainability efforts - support our farmers (not GMO,) the loko i’a, etc.

Idea Author: Kardeen W

Number of Stars: 5

Number of Comments: 0

Idea Title: Aloha, money should help the people.

Idea Detail: I would like the Hawaiian people off the streets of O'ahu. I know that the more we build and increase the value, more Hawaiians will become homeless. I had to leave my home in O'ahu because I could not afford to live there anymore. I go back and forth (from Puna to O'ahu) to take care of my family that is still there and I wish life there could be better for the homeless Hawaiians. I would love to see a place big enough for all the homeless Hawaiian people and their families.

Idea Author: Dana A

Number of Stars: 3
**Idea Title: Reinstate the Kingdom Of Hawaii government**

Idea Detail: Aside from OHA'S mandate which is already served via the strategic plan and OHA'S support and funding of federal recognition "domestic sovereignty" moneys and resources could go to the independence movement. After all akaka bill and nation building efforts have cost up 30-40 million dollars of which have yeilded no returns but could have been use for existing programs. This project doesn't conflict with the budget or violate the constitution but it does give credence and respect to justice and fairness that hawaiians, hawaiian nationals and citizens of the world have called for and has been encouraged buy the United States of America.

Idea Author: Kealii M

Number of Stars 3

Number of Comments 0

**Idea Title: more education for young and older**

Idea Detail: more education will raise the standard of living for everyone. the goal of "50 percent of the workforce with college education by 2025 is a great goal. more health care services would also improve the standard of living.

Idea Author: Donald G

Number of Stars 2

Number of Comments 0

**Idea Title: Improve well-being of Native Hawaiians**

Idea Detail: Funding could be used for: (1) education, (2) job training and apprenticeships, (3) housing/rental subsidies, (4) developing sustainability options - meaning the vision should be how do we get closer to a space where we can feed a populace, (5) supporting technological advances across industries of agriculture, land management, sciences, education, and health.

Idea Author: Lisa W

Number of Stars 2
Comment 1: Exploring ways to deal with sea level rise should also be considered, especially at this location. | By Tanya H

**Idea Title: Hawaiian nation government, culture**

Idea Detail: Income can pay for establishment of a true Hawaiian nation government and support new cultural establishments, such as the proposed essential species repository. Expand grant program to include Hawaiians living outside of Hawaii.

Idea Author: Tanya H

Number of Comments 0

**Idea Title: Provide an income for these kupuna's and continue helping.**

Idea Detail: Since OHA has to continue to provide financial support, the best way to generate an income is to pay our kumu's and kupuna's what they need so they can also continue to provide their knowledge and expertise in some area of Hawaiian education. Our Hawaiian culture must stay visible, especially in O'ahu because much of us has been lost in the building, roadways, etc. A substantial income could be generated by teaching people of all ages what they want to learn without having to pay a tuition for college. Maybe like a 3 week course or something like that. I know for me, I love the History of all the sacred places in Hawaii and I want to know what all the names of all of places mean as well as the kaona behind everything. Also, being open to all, not only Hawaiians would help to keep the Hawaiian culture alive all around the world.

Idea Author: Dana A

Number of Comments 0
Topic Name: Kakaʻako Makai: The apex of culture and commerce - Question 2 of 3

Idea Title: Education, Gathering, Exhibition, Marketplace, Connection

Idea Detail: A suggestion would be to propose spaces dedicated to the educate ourselves, Keiki and visiting neighbors (tourists). It should take initiative an provide deeper insight into who we are and how we interact, while keeping our traditions alive. This appears like an opportunity to promote the "Aloha Spirit", "Aloha Mind". A suggestion is the creation of Cultural Exhibition Space(s) which is/are constantly being cycled to promote a view into our own unique island identities. Who are we becoming in these islands, and how do these concepts tie back to the culture from which we have evolved? It would be refreshing to create a marketplace atmosphere specifically promoting our LOCAL merchants, farmers, artisans, cultural practitioners. It is a challenge/opportunity to create a destination that engages the waterfront without overdeveloping. Scale of space would seem to be an important component in the design in order to maintain an appreciation for this boundary between water and land.

Idea Author: Jonathan S

Number of Stars 5

Number of Comments 0

Idea Title: Maoli Ingenuity Center

Idea Detail: The ingenuity center would be comprised of business incubators that support maoli entrepreneurship, design, food (cooking), music, art, laʻau, navigation, urban agriculture, technology, etc all housed in one central location. The incubators would help startup fledgling companies by providing certain resources and support services as well as a “sales floor” to showcase the various products and services offered by the incubator business for purchase by the public. Revenue could be generated by receiving a portion of equity in the businesses as well as the “sales” floors themselves.

Idea Author: Jocelyn M

Number of Stars 5

Number of Comments 0

Idea Title: Build a revenue generating facility first
Idea Detail: A parking structure with meeting spaces (ball rooms), small business units, PV, roof-top garden, when completed would bring in needed revenue to further develop the other parcels. We can better support our people in a quicker fashion by planning in a creative and strategic manner. Handling the development with this type of thinking would keep us from depleting our assets and help to move us forward.

Idea Author: Kardeen W

Number of Stars 5

Number of Comments 1

Comment 1: Ballrooms with ocean view is best. | By Tanya H

**Idea Title: add more office space that has parking. add an amphitheater.**

Idea Detail: An office building will have workers that will create activity during the day and requires parking which can be jointly used by the residents going to the park. it needs to have food trucks with quality food and an attractive exterior design. The architecture needs to be simple without lots of fuss to keep the building costs low. there needs to be a special building for Hawaiian Music and Performing Arts, including a Hawaiian Music Hall of Fame to celebrate our artists.

Idea Author: Donald G

Number of Stars 3

Number of Comments 1

Comment 1: Hawaiian Music Hall of fame is needed. | By Tanya H

**Idea Title: Capitalize on the current commercial zoning already in place**

Idea Detail: Ideas already introduce like cell towers, restaurants and gas station/car wash can already be implemented but collaborations and partnerships with other popular vendors from the likes of Costco to the farmers market need to be sought out so that services not there or even in the area can now be realized. Also a top priority is the administration seeking legislation to regain the water rights. That will enhance and increase opportunities of what can be done with the property and undo the blunder of giving it away at the time of the settlement.
Idea Title: Provide gratis & nominal fee access to venue's listed above.

Idea Detail: Invite and clearly communicate to our na hui o na mea Hawai‘i the value and necessity of their participation, sharing, maintaining and perpetuation of our Hawaiian language, culture, tradition and practices (HLCTP).

Create guidelines and criteria that establish when, where and by whom fee's will be assessed for the space utilized (by group/org/indiv) and the accessibility to receive that information, education, joy, pleasure and wealth of knowledge received in a centralized area, to include traveling to off-site locations for full immersion of our HLCTP.

Establish separate kanaka maoli (KM) and locals (kama'aina/malihini noho loa) space utilization fee's (including gratis) as well as separate entrance fees for KMs, locals and malihini (tourists; including gratis).

Allow for local/kama'aina participation to reflect today's kanaka maoli with multi-ethnicities and considering that non-kanaka maoli have contributed to the perpetuation of our HLCTP.

Affordability & cultural valu

Idea Author: Kapua K

Number of Stars 3

Number of Comments 1

Comment 1: Good to include non-Hawaiian locals. We all related anyways, and many non-Hawaiian locals trace back to the Kingdom days. | By Tanya H

Idea Title: we always have room for more education and culture.......
realize how little many of us know and I also saw visitor's that want to learn. Teaching others can bring in revenue so OHA can continue to provide help.

Idea Author: Dana A

Number of Stars 2

Number of Comments 0

**Idea Title: An innovation center that inspires creative thinking.**

Idea Detail: I imagine a space that embraces the Hawaiian culture and inspires generations of people to create innovative products. A facility that has some, if not all of the following aspects:

Outdoor amphitheater that allows cultural/local events to be hosted to educate people
Community space for events
-A restaurant/cafe space overlooking the marina
-An alternative energy education center (possibly a small classroom setting and displays about alternative innovations/facts)
-Retail space for a small shops
- Net Zero (or as close as possible)
-A showcase of cultural artifacts, facts, innovations created by the Polynesian settlers, modern day innovations created by Hawaiian students and residents.
-A center for children and adults to interact with alternative energy devices. Solar/Wind/Hydro/Thermal/Wave and other devices that explain how things work and show examples of how we can use these innovations in our everyday lives. This would inspire children to be more creative.

more...

Idea Author: Shane L

Number of Stars 2

Number of Comments 1

Comment 1: Just make sure outdoor amphitheater isn't near residential. | By Tanya H

**Idea Title: Where locals and non locals can see the real culture**

Idea Detail: Once again, we are focused on this idea of profit. Kona side of the big island is a perfect example of this. I lived there a good chunk of my life and have seen the difference
between there and a place like Waimea or Hilo where some of the culture aspects are kept and celebrated from time to time. A lot of the visitors do not understand or even know what the culture truly stands for because they are forced to believe that the small section of Hawaii they are staying, a box created to epitomize what the media has portrayed as Hawaii. I think that having more access to actual cultural activities might help the locals reconnect to their culture and may teach a few visitors about the Hawaiian culture, and not the kind of information one can read on Wikipedia.

Idea Author: Robert L

Number of Stars 2

Number of Comments 0

**Idea Title: Multi-use buildings.**

Idea Detail: Residential buildings should (1) have a percent of parking set aside for general community so there are multiple options for those wanting to spend time in Kaka’ako, (2) have the lower floors be used for either meeting spaces or businesses, and (3) incorporate sustainability & green features to include commercial or residential rooftop crop gardens.

Idea Author: Lisa W

Number of Stars 2

Number of Comments 0

**Idea Title: Parking, business, residential, cultural**

Idea Detail: Parking, office space with preference for Hawaiian owned businesses, Hawaiian only residential, high rise tourist hotel, and hotel for Hawaiians and invited ohana and quests. Very difficult for Hawaiians to afford to live in Kaka’ako, and Hawaiians visiting home without ohana to stay with have to pay high prices for accommodations. Place our nation’s new capital there, and all governing functions. Provide a facility that assists area Hawaiian homeless, substance abusers, etc. so that they may improve their lives. We should not be homeless on our own land.

Idea Author: Tanya H

Number of Comments 0
Idea Title: Native bird rehabilitation facility

Idea Detail: Establish a much needed native bird rehab facility. There is currently none on Oahu and only 1 in Hawaii. Non-releasable birds could be displayed for educational purposes. The public could be educated about the importance of our native avifauna and cultural connections to Hawaiians. The pueo used to call Kakaako its home, yet none are left but a statue, and populations on Oahu are dropping. As the pueo has cared for us, it is now our kuleana to care for the pueo and all of our precious manu. An overall essential species repository with bird sanctuary and botanical garden could be an attraction to visitors and locals alike. Provide space for Hawaiians to practice and sell related arts. A fish pond/ocean fishing component should be included as well.

Idea Author: Tanya H

Number of Comments 0

Idea Title: Regain sovereignty over our wildlife resources

Idea Detail: Establish an essential species repository where Hawaiians can request wildlife products necessary for religious practices, such as feathers, bone, honu shell, etc. Start with a feather repository fashioned after the repository run by the Comanche Nation’s SIA Ethno-Ornithological Institute. The federal permitting system is straight forward and minimal staff would be required. Current requirements for Hawaiians to obtain feathers from Papahanaumokuakea are extremely burdensome. Hawaiians already qualify to receive feathers under the much simplified permitting process used on the mainland. An essential species repository could be expanded to include medicinal plants. Studies of medicinal plants could be done in partnership with nearby Burns School of Medicine. A small botanical garden could be maintained for visitors.

Idea Author: Tanya H

Number of Comments 0

Idea Title: first things first...it's all these drugs...

Idea Detail: we got to have the people start talking and being open about all these drugs and gangs and criminals that are trafficking drugs and people. people aren't saying or doing anything. we the people of Hawaii are not lab rats that are being studied. We are human beings. I know of Hawaiian people that are in that area of BAD.... and yet we no say nothing about our own people selling drugs to our own. Children are doing drugs, having sex, joining gangs. what are we building here in Hawaii? A criminal guild? drugs and gangs and homeless people are everywhere here in Hawaii and we got to stop blinding ourselves. seeing past the
problems on our beautiful islands and yet maintain the ugly all around. Gazing our eyes on the island's beauty and by passing the very things that destroy it slowly every time... it's not about covering crap with beauty when the stink underneath seeps out like stains on a shirt because of an open wound.

Idea Author: daylin R

Number of Comments 0

Idea Title: We need to help the native people of hawaii be proud.

Idea Detail: I feel that O'ahu has become over developed and over populated and the locals have had to simply try to just survive but many of them have given up on what they believe. We grew up very simple and grateful for the little things. I think that something should be built that enhances and attracts the natives to want to be a part of so that they can still remember how their past is still a part of their future.

Idea Author: Dana A

Number of Comments 0

Idea Title: a world class amusement park

Idea Detail: I know you are thinking of a cultural park. Include a land and sea inclusion on land rides for children with a Hawaiian story book theme. Then rides geared to adults on the ocean in different forms of travel. Canoe, Submarine, surfboards, and more. Then, and the crowning touch would be a Restaurant under the waves. Imagine being able to see the ocean from a different perspective.
When you think of what we have lets not make it small lets think future. Go for the gusto and make the decision to make a world class attraction. Take a lesson from all the development Hawaii is drawing people with money. All the Homes and Condos are million dollar plus. Who is going to own these, people from other countries who are entranced by the idea of living in paradise. So lets give them something that's world class. Polynesian cultural center is still the best cultural place on the Island but lets go one better. I know it takes money to make money but I am sure that we can do it. Think future.

Idea Author: David L B

Number of Comments 0

Idea Title: World class cultural Amusement park
Idea Detail: I believe that we have a cultural center in Laie called the Polynesian Cultural center. Why not a world class amusement park. We could have Roller Coaster Rides that could rival the rides on the east coast. We could still do Cultural events on-land or we could have large surfing events, body surfing, or even the same type of water wonderland barges that would allow diving of the barge or sliding boards into the Pacific snorkeling or deep sea diving. Then under the water we could have a world class restaurant or even the Idea of creating underwater condos all encased in plexiglass. This may sound impossible but there are million dollar condos being built in the Ala Moana Area. Do you think that just a Hawaiian cultural center will be enough. Lets think Big. We need to make enough money to take our race into the future. Small thinking will get us small returns. Don't let us become complacent, We must think of the future.

Idea Author: David L B

Number of Comments 1

Comment 1: I like the idea of building million dollar condos better. That would bring in more revenue. | By Tanya H

Idea Title: A Hawaiian Church to be built.

Idea Detail: This idea comes from Jerry Nakasone as he attended Kauai's Kaka'ako meeting and participated in a break out of two groups. His idea is that of an old Hawaiian Church built there on property. The architecture of the church is built like that of the old days using moss rocks yet incorporating the 21st century designs, color, etc. Bringing the past and the present together of This old Hawaiian Church. Mahalo.

Idea Author: Noalani N

Number of Comments 0
APPENDIX 6
Comment Cards & Other Submissions
KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)

Passing the unspoken like

Develop a directory of Hawaiian skilled craftsmen, fishermen, farmers, hakuna lilo, lapaʻau, hele, carvers, astrologers etc. Seek them out and gather them and have them teach classes in the many skilled areas. Classes that would be ongoing. All students will pay fee to enter and donn for classes.

SCAN THE QR CODE OR VISIT:
KakaakoMakai.com

KakaakoMakai.com provides a way for the public to engage in discussion before, during and after the meetings. Share your ideas and hear what others have to say, anytime.
Many individuals with Native Hawaiian decent I know in University of Hawaii Manoa are health majors, or Native Hawaiian Language/ Hawaiian majors, or natural sciences majors. If OHA uses the parcels of land to make sure we have Futures in Hawaii and jobs so we are able to stay home.

Regarding parcels A, B, C, D, & K being up for sale?

- UGM BLDG: NEWS INVESTIG (WIDE.Verify)

KakaakoMakai.com provides a way for the public to engage in discussion before, during and after the meetings. Share your ideas and hear what others have to say, anytime.

- Build a Learning Center
- Multi Media Lab
- Study Hall
- Free Wi-Fi
China - Hawaiian Kingdom

1899 China to Hawai'i
$189,000,000
Billion.

Where is this money.
900 = Organic Act.

A Place for Future Generations
Share your thoughts below or online (see reverse)

1. Ethnic medicinal gardens
2. Aquarium
3. Virtual Simulator museum/ride
4. Outdoor Cooking facility

A Place for Future Generations
Share your thoughts below or online (see reverse)

Don't Commercialize the culture
Use of barter economy

Does OHA own property I that is where the sewage plant station is located can OHA tax the county for use of land as well as use to connect to sewage pump station?
KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)

They should have a autowash free one. Possibly just a giant parking lot near the main road and then the rest of the kuleana would be a giant recreational center. Like six like a disneyland but for local Hawaiian goals and activities, maybe a shuttle service. But at the same time still have access to beach goers.

KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)

Help create the necessary new consciousness by making a sustainable nature celebrating place focused on ancient Hawaiian wisdom regarding working in harmony with nature. It could be a learning/teaching place for small-scale housing solutions, food housing, sustainable fishing with fish ponds.

KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)

A place where the ways - kapu no na tamoia, are followed.

KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)

Mālama no ke kawa ke hauʻo - palahananu
Revenue is a means to an end, the end: fulfilling the kuleana as the ʻaliʻi.
KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)


KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)

1. What kind of Affordable housing? Which salary bracket? 
   - $28,000/year
   - $35,000/year
   - $40,000/year
   - What will you do with the post-slum
   - Hydroponic Aquaponics

2. This "cultural oasis"; are you restoring traditional fishponds, pa‘a, or auwai? in certain areas what kinds of facilities?

KAKAʻAKO MAKAI
A Place for Future Generations
Share your thoughts below or online (see reverse)

- Don't seek zoning changes or variances.
- Aquatic center - include fishery info.
- Performance space for Hula, Hawaiian music.
- Native plant garden (include nursery)
- Farmers & Craft Market
- Home for Hokulea & other canoes.
- Art by Hawaii artists - exhibition space.
KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)

OHA has the right to generate maximum income on Kakaʻako Makai lands for the benefit of the Lahui.

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)

- Build an Aquatic Center
  - saltwater pool w/diving towers
- Build a Visitor Center & Hale Stadium
  - show off Hawaiian history as Hawaiians saw it, our version of the Merry Monarch
- Build a Research Center
  - Study Agriculture
  - Grow native Hawaiian plants
  - Showcase Native Healing Arts
- Build a Learning Center - Over 7

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)

Foreign Trade Zone
Place for manufacturing

Galbraith
- Scale Native Hawaiian crops
KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)

- OCEAN TRAVEL ZONE DESIGNATION
- DOCK FOR SUPERFERRY
- TEMP - SHORT TERM HOUSING FOR VIH FAMILIES
- FAMILY MIGRANTS TO HOSPITALS (QUEENS, STRAUB, KAPIOLANI)
- ROBERT McDONALD HOUSE MODEL
- CONFERENCE CENTER - MEETING HALLS (MID-SIZE)
- NOTE: ZONING IMPACTS USES
- NOTE: VISION THE NEEDS OF FUTURE KAKAʻako COMMUNITY.

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)

Let's stay grounded & humble as we move forward. Keeping in mind what our tūtū, papa, kūkui would want us to build, making them proud. It's not all about the $200 million. Aloha ke Akua u restoration, preservation, culturally sensitive, kalo educational growth in a positive light.

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)

I would love to see this land used as a self-sustainable area. Garden, orchards, food. We were sustainable before & we continue to be able to be sustainable with our land.

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)

Most homeless are Hawaiian & they just need a kipu kapa residential dev. w/ walkable gardens on a small part of Kakaʻako.

Sue Liang 62@gmail.com

End 2,500 sq ft lot would bring in $30,000 to $40,000 to OHA household ownership.
KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)
Create a cultural park (moana to
makai) for all to enjoy. Make it
as special as Hanauma Bay. The
environment needs to be
protected. The marine
life is precious, and its
preservation is essential.

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)
parcel I/J: Fish market?
other parcels: Amphitheatre
Aquarium
Research Lab
Agriculture/Aquaculture

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)
I would like to see the generated
income from Kakaʻako Makai used
for the benefit of our children,
their education.

KAKAʻAKO MAKAʻI
A Place for Future Generations
Share your thoughts below or online (see reverse)
1 component = Strengthening the 'Ohana
Create a community where Hawaiians
dwell, learn the kuleana of the
'Ohana, learn problem solving with
holonopono, learn the importance
of how values and spirituality connected
the growing family. Learn how the
environment was revered & respected.
I think revenues generated should be used to purchase more and more open space. 'Aina return to Hawaiians.

We would have attended the meeting but we were at the location advertised while the meeting was held at AICC not OTH/OTTHL Room.

Whatever is planned and constructed should be in the interest and benefit of native Hawaiians. Within the building there should be a learning center for our Keiki, Opio and Kupuna emphasizing our culture, Arts and Reading. More like a Hawaiian Library.

*Koolau Homesteaders Assn. - Cheie Pauhi, President

Art, art & more art. Traditional art, modern Hawaiian art, kii, kapa, paintings, carvings, art of knowledge (art that portrays and honors traditional knowledge), but also art that inspires. Art that grows on everyone Hawaiian and non-Hawaiian. Art that grows on all in this space through the inspiration of art.

In the way of commerce we would love to see an open market for new Hawaiian entrepreneurs, farmers, etc., to introduce and sell their products from throughout the different islands.

Koolau Homesteaders Association
I think revenues generated should be used to purchase more and more open space. Aina return to Hawaiians.

Art, art & more art, traditional art, modern Hawaiian art, kū, kapa, paintings, carvings, art of knowledge (art that portrays and honors traditional knowledge), but also art that inspires. Art that grows on everyone Hawaiian and non-Hawaiian. Hawaii grows on all in this space through the inspiration of art.

We would have attended the meeting but was at the location as advertised while the meeting was held at QCC & not OHHL/DHHL Room.

Whatever is planned and constructed should be in the interest and benefit of native Hawaiians. Within the building there should be a learning center for our Keiki, Opio and Kupuna emphasizing our culture, arts and reading. More like a Hawaiian Library.

In the way of commerce, we would to see an open market for new Hawaiian entrepreneurs, farmers, etc. to introduce and sell their products from through out the different islands.

*Hoolehua Homesteaders Assn. - Dhenie Poushi, President
20 November 2014

Letters to the Editor
Star Advertiser
Fax:  529-4750

BRING BACK TAHITIAN LANAI

My suggestion to OHA is to bring back the nostalgic Tahitian Lanai restaurant at the Fisherman’s Wharf location in Kakaako. After 40 years as hostess to those from near and far, it closed under protest. The Tahitian Lanai was frequented by Hawaii’s and mainland who’s who and everyday people like me. It offered a special welcoming charm all its own and yet to be replicated. Locals and visitors are looking for old Hawaii. The location is an ideal gateway to Waikiki. Believe me, they will come.

This tropical oasis would counteract the elevated rail and glass towers – both extreme misfits. Salute other restaurants that have closed i.e. Canlis, M’s Ranch House, Kelley’s, The Roundhouse, Flamingos, Southseas (and others) by serving their signature dishes. Fried taro medallions (in lieu of hash browns) and banana muffins were Tahitian Lanais best. Bring her back in her tropical grandeur (pavilion style, tiki torches, palms, thatched umbrellas) for us who savor the memories of this iconic gathering place. Her spirit is still here looking for a home. It will flourish. See you there!

Lani Wagner
Aiea
486-8886
February 20, 2015

Testimony of Jimmy Wong

Office of Hawaiian Affairs
Discuss Kakaako
Windward Community College
Hale Akoakoa Rm 105

Aloha Trustees;

Summary: It is inevitable that a Hawaiian political entity will be reinstated in the near future. OHA should suspend decisions on Kakaako.

Welcome to Heeia and mahalo for this opportunity to discuss options for the nine land parcels in Kakaako that was deeded to OHA in 2012 as part of a $200 million settlement with the State of Hawaii over ceded-lands claims. Unfortunately, questions remain over the amount of the settlement and the restrictions the State has imposed on the use of these parcels.

In March of 2014, OHA launched an ambitious plan to reinstate a Hawaiian Nation after lobbying for the passage of the failed Native Hawaiian Reorganization Act. The Department of Interior has also been involved in determining Native Hawaiian desires to have DOI develop administrative rules to federalize Native Hawaiians similar to American Indians.

OHA is presently negotiating with Na'i Aupuni, a non-profit, to become the contractor and decision maker in the Nation building process. The process also plans for the Native Hawaiian Legal Corporation to receive the funding from OHA to honor the contracts entered into by Na'i Aupuni. In addition, the Native Hawaiian Roll Commission is in communication with Na'i Aupuni concerning merging the estimated 125,000 electors into the process. OHA has pledged to remain uninvolved in shaping the process or the outcome in order to truly reflect what the certified Native Hawaiian electors desire.

Native Hawaiians have now created an internationally certifiable list and are entitled to restore a government of their choosing. It is inevitable that this government, whether federalized or independent, will become a reality in the near future. (A ratification of a constitution MAY be held as early as February 2016.) It is also inevitable that these nine land parcels will be part of the land base or territory of the reinstated government.

It is for this reason, that I strongly suggest that OHA hold in abeyance any decision on the use of these valuable parcels. The decision for the highest and best use of these lands should be the responsibility of the reinstated government under its land use policies and not under any other government restrictions.

The best option for OHA is to suspend any decisions relative to developing these parcels and other real estate transactions that will restrain the Hawaiian government from attaining the highest and best economic use of its lands for its citizens.

Mahalo for all you do.

[Signature]

Jimmy Wong
Heeia, Hi. 96744
Kakaako Town Hall Meeting

OHA Public Hearing, Feb. 17, 2015

By Donald Goo, FAIA

Resident access to the ocean and the amenities and services is critical to providing a 24/7 live, work and play development of OHA's land and Makai Park.
- Because of its projected density and location between the Central Business District and Waikiki, it will be Honolulu's first urban community.
- This location adjacent to the Pacific Ocean should be for all of Hawaii's residents
- As planned by HCDA, this will be a live, work, and play community.
- As an urban place, it should be a 24/7 active place. There needs to be activity during the week day, week night, weekend day and weekend night.
- It will need parking and convenient and safe pedestrian access over Ala Moana for 30,000 residents at Kakaako Mauka.
- The uses selected should include office space that will require parking which can be used at night by other activities. Office workers and students from the Medical school will provide activity during the week day. Visitors could provide additional activity during the week day as well as at other times.
- The need to provide protection from rising sea level can be provided by parking at ground level and an elevated pedestrian promenade and other uses above the parking.

Resident access to OHA's developed land and Kakaako Makai Park is a critical domino for the development of these lands.

Special attractions such as relocation of the Waikiki Shell to the Makai Park and the creation of a museum for the Hawaiian Music Hall of Fame to focus on Hawaiian Music and Dance should be considered as a high priority. The UH educational facility should also be integrated into the development of this special place. All of Kakaako should be planned as a special place for Hawaii.

There should be a tree shaded pedestrian promenade from Kakaako Makai (OHA and Makai Park) to Kakaako Mauka and the Cultural Center of Honolulu, a mountain to Ocean connection.
Aloha Kaboom!

© Skippy looke keia.
I think that there are enough cultural centers that are tourist oriented and nothing for the kanaka. What we could use is a cultural prison. If OHA make one prison of kokeo kanaka you get paid by the state per prisoners. And then we charge tourists to see the cultural prison. Ask Bob kindley for call me if he get questions.

ok den.

Skippy
Kuhikuhipu‘uone has been selected as the design team that will help to develop a conceptual master plan for Kaka‘ako. The design team is made up of four Hawaiian firms: the Edith Kanaka‘ole Foundation, DTL, PBR Hawai‘i, and WCIT Architecture. The partnership’s contract requires its leadership team to actively seek input from the Hawaiian community during the master planning for Kaka‘ako Makai.

Kuhikuhipu‘uone
Collaborative to help develop master plan

BY: Mora T. Daniels
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2.24.15

"Kakaako Makai" Aquaculture
fish ponds, limu, algae, salt ponds, etc.

"Kakaako Makai Larai Cafe"
Barista cafe (B, L, D) with coffee - Wi-Fi friendly

"Kakaako Ke Kai"
Navigational resource workshop

Kakaako Health & Wellness Center
Keiki Land Park

Kakaako Hale Pono Congregational

Kakaako Kraits & More
"K" Farmer's Market
Green house, O' I Garden Grove
Native Hawaiian Sea Bird Sanctuary

Kakaako Congregational Hale Pono

Kakaako Tech Science Center

BY: Mona Dariel
email: monaoba@yahoo.com 2.24.15