STATE OF HAWAI'I
OFFICE OF HAWAIIAN AFFAIRS

MEETING OF THE COMMITTEE ON RESOURCE MANAGEMENT

DATE: Wednesday, November 27, 2019
TIME: 9:00 am
PLACE: OHA Board Room, Nā Lama Kukui
560 N. Nimitz Hwy., Suite 200
Honolulu, HI 96817

AGENDA (Amended)

I. Call to Order

II. Public Testimony *

III. New Business
   A. Approval of Minutes
      1. November 6, 2019
      2. November 20, 2019
   B. Workshop #2 – Kaka’ako Makai Discussion re: Programmatic Elements

IV. Executive Session
   A. Approval of Minutes
      1. January 9, 2019
      2. April 10, 2019
      3. May 1, 2019
      4. July 31, 2019
      5. October 2, 2019
   B. Consultation with Board Counsel Robert G. Klein, Esq., Kama Hopkins and RM Leadership
      re: questions and issues pertaining to the Board’s powers, duties, privileges, immunities and liabilities

V. Announcements

VI. Adjournment

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

*Notice: Persons wishing to provide testimony are requested to submit 13 copies of their testimony to the Chief Executive Officer at 560 N. Nimitz. Suite 200, Honolulu, HI 96817 or fax to 594-1688, or email BOTmeetings@oha.org 48 hours prior to the scheduled meeting. Persons wishing to testify orally may do so at the meeting, provided that oral testimony shall be limited to five minutes.

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

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

[Signature]
Trustee Dan Ahuna
Chairperson, Committee on Resource Management

11/21/19
Date
Minutes of the Office of Hawaiian Affairs Committee on Resource Management
November 20, 2019
10:00 am

ATTENDANCE:
Trustee Dan Ahuna, Chairperson
Trustee Robert Lindsey, Vice-Chair
Trustee Keli‘i Akina
Trustee Carmen Hulu Lindsey
Trustee Colette Machado

EXCUSED:
Trustee Kalei Akaka

STAFF PRESENT:
Sylvia Hussey, ICEO
Raina Gushiken
Ray Matsuura
Everett Ohta
Gloria Li
Jim McMahon
Jonathan Ching
Lee Miller
Lisa Watkins-Victorino
Miles Nishijima
Lehua Itokazu
Claudine Calpito
Anuhea Patoc
Paul Harleman
Maria Calderon
Crayn Akina
Melissa Wennihan
Brandon Mitsuda
Kauikealani Wailehua
Zuri Aki
Lei Ann Durant
Priscilla Nakama
Nathan Takeuchi

Guest and Community:
Robert G. Klein, Esq.
Rodney Lee, SPIRE
Lucas Sayin, SPIRE
I. CALL TO ORDER

Chair Ahuna welcomes everyone to the Committee on Resource Management and states it is 10:00 am.

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At the Call to Order, there are eight (8) Trustees present.

Chair Ahuna asks if anyone would like to provide public testimony.

II. PUBLIC TESTIMONY

None.

III. NEW BUSINESS

A. Approval of Minutes
   1. July 31, 2019
   2. September 25, 2019
   3. November 6, 2019

Chair Ahuna stated we would be deferring July 31, 2019 and November 6, 2019 minutes. Asked for motion to approve minutes for September 25, 2019.

Trustee Waihe'e moved.
Trustee Hulu Lindsey seconded.

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Motion passes with eight (8) YES votes.

B. Action Item RM #19-18: Approval of Reimbursement Proposal from State Street Bank for Inaccurate Accounting and Performance Reporting.

Chair Ahuna calls Sylvia Hussey to the table for item III. B.

Sylvia Hussey calls Ray Matsuura for discussion.

Chair Ahuna can we get a motion.

Trustee Waihee moved.

Trustee Machado seconded.

Chair Ahuna asks for discussion.

Trustee Lee states point of inquiry, this motion talks about a confidential settlement, but yet the discussion is in open session. How is it confidential?

Robert Klein states it says to execute a confidential settlement and release agreement, you don’t have to do that in open session.

Trustee Lee states we are doing it in open session.
Robert Klein states executing the signing the agreement, if you are going to talk about something confidential then you are waiving confidentiality to do it in public.

Trustee Lee says which is my question, because this is going to be open for discussion.

Robert Klein states if you are going to discuss the confidential settlement and release agreement, the confidential part of that, not the merits but the confidential agreement itself and go through it line by line then yes, I would agree with you.

Trustee Waihee states I think what its saying is were authorizing you to execute the confidential settlement and release agreement and that’s attached as attachment F, right.

Sylvia Hussey says right. I will ask Corp. Counsel to walk us through this issue.

Raina Gushiken states State Street is aware this was to be brought before the board in open session. This can be discussed in open session.

Trustee Lee states thank you.

Trustee Akina asked if we had legal counsel from Corp. Counsel or Board counsel.

Sylvia Hussey stated yes, Corp. Counsel.

Trustee Akina stated thank you.

Chair Ahuna calls for the vote.

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Trustee Waihee, MOVED, SECOND by Trustee Hulu Lindsey to approve Administration's recommendation that the BOT approve the reimbursement agreement between State Street Bank and OHA and authorize the Interim Chief Executive Officer to execute the Confidential Settlement and Release Agreement attached here to as Attachment F.
C. Action Item RM #19-19: Approval for investment consultant, Segal Marco Advisors, to initiate an active core fixed income Manager search.

Chair Ahuna we are onto item III. C. and calls for motion.

Trustee Waihee moved.

Trustee Machado seconded.

Trustee Ahu Isa asked if Segal Marco will give the results to the board, and the board decides.

Chair Ahuna states yes. Asks for discussion. Hearing none, calls for the vote.

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TRUSTEE Waihee, MOVED, SECOND by Trustee Machado To approve Administration’s recommendation that the BOT approve and authorize for investment consultant, Segal Marco Advisors, to begin a search for an active core fixed income manager.
D. Action Item RM #19-20: Approval of the Non-OHA Executive Managers’ Selection and Seating Process for Hi‘ilei Aloha, LLC

Chair Ahuna states we are on to item III. D.

Chair Ahuna asks for a motion.

Trustee Waihee moved.

Trustee Robert Lindsey seconded.

Trustee Robert Lindsey states I am glad we are finally resolving this matter today, we have been rocking and rolling on this for a long long time. It seems like the end is near.

Chair Ahuna sks for discussion. Hearing none, calls for the vote.

Trustee Waihee, MOVED, SECOND by Trustee Robert Lindsey, to approve Administration’s recommendation that the BOT approve the Non-OHA Executive Manager’s Selection and Seating Process for Hi‘ilei Aloha, LLC and revised LLC Manager Position Description.

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Motion passes with eight (8) YES votes.
E. Workshop #1: Kakaako Makai Overview, Programmatic Elements, Sequence and Options

Sylvia Hussey called Jonathan Ching to give summary and overview on the Kakaako Makai presentation materials.

Jonathan Ching gave summary and overview on the Kakaako Makai presentation materials.

IV. ANNOUNCEMENTS

None.

V. ADJOURNMENT

Chair Ahuna calls for motion to adjourn.

Trustee Lee moved.

Trustee Machado seconded.

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<th>Trustee LEE, MOVED, SECOND by Trustee MACHADO. Motion to adjourn.</th>
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Motion passes with eight (8) YES votes.

Chair Ahuna adjoumed meeting at 11:23 am.
Respectfully Submitted,

Claudine Calpito, Trustee Aide  
Committee on Resource Management

Dan Ahuna, Chairperson  
Committee on Resource Management

Approved: RM Committee meeting

Attachment(s): 1) Excuse letter – Trustee Kalei Akaka
DATE: November 20, 2019

TO: Trustee Dan Ahuna,  
Chair of Committee on Resource Management

FROM: Trustee Kaleihikina A. Akaka, Board of Trustees  
Vice Chair of Committee on Beneficiary Advocacy & Empowerment

RE: Excused Physical Absence

Aloha Chair Ahuna:

I will not be able to attend the committee meeting scheduled for today at 10:00 a.m. and request my physical absence be excused.

Mahalo.

KAA:brm
Programmatic Uses

In reviewing the Pae‘aina responses from June 2015, CPM chose fourteen programmatic uses for Kaka‘ako Makai that could accommodate hundreds of comments surrounding recommended uses. Two (2) questions were posed at the various pae‘aina meetings:

Pae‘aina Question #1: How would you describe an Urban Hawaiian space?
Pae‘aina Question #2: What uses would support both commerce and culture at Kaka‘ako Makai?

CPM did not include the following comments for uses at Kaka‘ako Makai due to either zoning restrictions, feasibility, etc. They are as follows:

1. **Restore Traditional Uses such as Salt Ponds, Fish Ponds (suggested in 20 comments)**—not economically feasible for revenue generation, but could be a feature of the aquarium, and incorporated into the history of use;
2. **Markets and Hydroponic Gardens (suggested in 5 comments)**—not economically feasible for revenue generation but could be a feature of landscaping display or exhibit;
3. **Aquaculture (suggested in 28 comments)**—not economically feasible for revenue generation, but could be a feature of the aquarium; and incorporated into history of use;
4. **Fish Auction/Market (suggested in 5 comments)**—currently accommodated at Pier 38 nearby;
5. **Fisherman’s Wharf (suggested in 4 comments)**—other restaurants offering seafood and great views may be part of new tenant mix;
6. **Memorial (suggested in 2 comments)**—various displays and exhibits throughout the project may include a memorial;
7. **Marijuana Dispensary (suggested in 5 comments)**—possible tenant of the development;
8. **Automobile Free (suggested in 2 comments)**—not practical at this time; both customers and employees need transportation;
9. **Car Utilities (Gas Station, Car Wash) (suggested in 2 comments)**—restricted by zoning;
10. **Residential (suggested in 16 comments)**—prohibited by statute at this time
11. **Hawaiian Housing (suggested in 8 comments)**—prohibited by statute at this time;
12. **Affordable Housing (suggested in 6 comments)**—prohibited by statute at this time;
13. **Not Tourist Oriented (suggested in 3 comments)**—our target market will be both residents and visitors to attract as large an audience for our tenants financial well being;
14. **Fisheries, Build Aku Fishing Boats (suggested in 5 comments)**—not economically feasible for revenue generation, but could be a feature of the aquarium re history of use;
15. **Underwater Tunnel (suggested in 4 comments)**—not economically feasible;
16. **Dry Dock (suggested in 2 comments)**—prohibited by zoning;
17. **Services for Elderly (suggested in 4 comments)**—could be included as part of the development as a tenant use;
18. **Work Force Training (Hawaiian Focused) (suggested in 9 comments)**—could be included as part of the development as a tenant use, or innovation center;
19. **Foreign Trade Zone (suggested in 2 comments)**—determined by Federal government;
20. **Non-Profit Hub (suggested in 2 comments)**—could be included as part of the development as a tenant use;
21. **Loi (suggested in 2 comments)**—not economically for revenue generation; but perhaps a dry land taro area can be incorporated as part of the landscaping design;
22. **No High Rise (suggested in 6 comments)** – the maximum height is 200 ft on select parcels;
23. **Affordable Housing at Other Locations (suggested in 5 comments)** – perhaps revenues at Kaka’ako Makai can assist with loan program for housing;
24. **Help Homeless (suggested in 4 comments)** – perhaps revenues at Kaka’ako Makai can assist with grants for services and assistance;
25. **Health Services/Wellness Center (suggested in 22 comments)** – could be included as part of the development as tenant use and is otherwise incorporated into the 14 proposed areas/uses for inclusion;
26. **Transit Oriented Development (suggested in 10 comments)** – Kaka’ako Makai is outside TOD zoning enhancement area
In response to the question, the most common descriptor on urban Hawaiian space?

Question: How would you describe an urban Hawaiian space?
Economically benefit Native Hawaiians

Hawaiian Identity

Hula, Halau mound

Spiritual content

Historically irresponsible

Restore traditional uses

Fulfil Hawaiian values and obligations

Respond to contemporary Hawaiian issues

21st Century Hawaiian technology

Hawaiian based education lacuna

Beneficiaries support all stands

Loni-loni

Ocean focused

Aquaculture

Fishing village

Ocean access

Ocean land connection

Surfing

Waterfront gathering space

Fisherman waterfront

Entrances boating

Underwater tunnel

Waterfront restaurants

Ocean practices museum

Ducks

Gathering spaces for events

Gathering place specific

Originality, Authenticity

Community space

Services for Youth

Leisure spaces specifically Hawaiian

Community kitchen

Stay out of contemporary boarding

Gathering spaces Hawaiian specific

Flexible spaces

Modern

Services for Elderly

Family events

Services for linking generations

Acknowledges future and present

Festivals

Not for churn stores

Services for disabilities

Hawaiian studies, Hawaiian education

Cultural education

Think tanks, innovation centers

Historic education

Research programs

Generate revenue for programs

Local and international commerce

OHA centric

Workforce training (Hawaiian language)

Business places for Native Hawaiians

Small lines businesses

Credibility use

Community first

Emphasis on commerce

Entrepreneurs

Money stays here

Foreign trade zone

Grants, loans, programs

Buy more land, trap hack land

Non-profit boards

Support Polynesian Voyaging Society

Farms, markets

Community markets

Tourism attractor

Food courts

Marijuana stores

Native Hawaiian plants and agriculture

Arts

In response to the second question, the most

attractive resources

Economic advantages of the area close proximity to

uses of land and water bodies, access, and

inclusivity, historical communities round and

surrounding natural landscapes. The second most

likely for Hawaiian entrepreneurs, businesses, and

inducing the concept of cultural center. A business

induced park does a multitude of things:

the concept of practice looks a multiplicity of forms

creating a space for native Hawaiians to practice.

Economic advantages round the concept of

common feeders, evolved around the concept of

question 2: What uses would

Question 2: What uses would