

# Report of the Executive Director

## *Kalaeloa Report*

December 6, 2017

The Hawaii Community Development Authority (HCDA) has established four voluntary groups to address and advise the HCDA with respect to various concerns and issues within the Kalaeloa Community Development District (District). The four advisory teams are: the Kalaeloa Community Network (KCN), Kalaeloa Public Safety Group (KPS), Kalaeloa Advisory Team (KAT), and the Kalaeloa Archaeological and Cultural Hui (KACH). The following is a summary of these groups' efforts and other HCDA projects/initiatives over the past several months.

**Kalaeloa Advisory Teams Combined Meeting:** The HCDA held a meeting for all four Kalaeloa advisory teams on Thursday, November 16, 2017. HCDA staff typically schedule a joint meeting when infrastructure projects or development permits are underway or being considered. This allows the community to dialog with the presenters and to hear questions and concerns in a unified setting. This is the second combined meeting for year 2017 and the agenda included the following items:

- The HCDA provided an information update about the construction activities and timeline for the Kalaeloa Enterprise Energy Corridor project. HCDA staff reported that a construction notice was issued to Kalaeloa stakeholders, Kapolei High School and Hookele Elementary School on November 3, 2017. See Exhibit A. Additional construction notices will be issued to the community as appropriate.

Paul's Electrical Contractors LLC has started project mobilization and is expected to commence construction by the end of November 2017.

The Hawaii Army National Guard requested details regarding electrical connection from their facility to the new electrical corridor. HCDA staff replied that landowners should make a service request to the Hawaiian Electrical Company (HECO). Once a service request is established, it will be HECO's determination of the actual power source. It was also reiterated that landowners are responsible for any payment associated with the electrical connection costs.

- The HCDA also noted that they expect to request permission from the HCDA Authority to expend agency funds for a Kalaeloa roadway's

metes and bounds survey and a consultant to establish reliable energy in District.

- The HCDA expects to commence the Hawaii Administrative Rules' process for two District development permit applications. The project representatives from the RP Kalaeloa Landowner/Kalaeloa Rental Homes (RP) and the Aloha Solar Energy Fund II (ASEF) made the following presentations at the combined advisory teams meeting:

1. Greystar, RP's construction and facility management contractor, issued flyers regarding their new outdoor recreation and pool complex. See Exhibit B. They noted that once the HCDA development permit is obtained, construction would take approximately four to six months.

Stakeholders asked for details about the rental townhomes. RP reported that there are -2, -3, and -4 bedrooms market price townhomes that rent from approximately \$1,900 to \$2,800 per month; and that the occupancy rate is typically very high.

2. Representatives from the ASEF provided a PowerPoint presentation on their proposed 5-megawatt solar farm on HCDA-owned land along Coral Sea Road. See Exhibit B.

ASEF has submitted a development permit application and variance request to the HCDA. They will also need to secure a land lease with the HCDA.

ASEF noted that the variance request is for a 6-foot fence height around the project perimeter and for the use of a chain link fence with barbed wire around transformers.

Meeting attendees inquired about the project's electrical line that will be a combination of overhead and underground. HCDA staff noted that the location of the electrical lines and poles will be located within the State of Hawaii's Department of Transportation right-of-way along Coral Seas Road. ASEF anticipates a nine month construction timeline once the development permit is obtained from HCDA.

- Hunt Companies reported that the transition period for the water and wastewater has been extended as they await approval on their permit requests from the Hawaii Public Utilities Commission. They will continue to update the District stakeholders as new information becomes available.

The HCDA sent out email information to the Kalaeloa stakeholders on how to electronically sign up for HCDA Authority meeting agendas, public hearing notices and public testimony procedures.

The Kalaeloa advisory teams will take their annual holiday break in December 2017; and will commence their meetings in January 2018.

**Kalaeloa Landowner Assessments:**

As approved by the Authority at its July 5, 2017 meeting and pursuant to HRS §§ 206E-195 and 206E-196, staff issued Kalaeloa Assessment notices to non-federal land users for Fiscal Year 2017-2018. The following chart reflects payments received as of November 20, 2017:

**Kalaeloa Assessments Status FY2018 - ANNUAL BUDGET \$200,000**

Landowner	Number of Acres July 1, 2017	Proportionate Share-to-Date	Assessment FY 2018 \$200,000/yr	PAYMENT STATUS	AMOUNT
City Board of Water Supply	20.029	1.63%	\$3,268.66	PAID IN FULL NOVEMBER 9, 2017	\$3,268.66
Eagle River Investors	10.000	1%	\$1,631.96	PAID IN FULL AUGUST 29, 2017	\$1,631.96
Hunt Companies	539.752	44%	\$88,085.46	SEMI-ANNUAL PAID SEPTEMBER 13, 2017*	\$44,042.73
RP Kalaeloa Land Owner LLC	77.926	6.36%	\$12,717.22	PAID IN FULL SEPTEMBER 28, 2017	\$12,717.22
State Department of Hawaiian Home Lands	545.285	44.49%	\$88,988.42	PAID IN FULL SEPTEMBER 26, 2017	\$88,988.42
State Hawaii Homeless Programs Office (HHPO)	13.549	1.11%	\$2,211.14		
State Department of Education	14.458	1.18%	\$2,359.49	PAID IN FULL SEPTEMBER 13, 2017	\$2,359.49
University of Hawaii - HCC	4.520	0.37%	\$737.65	PAID IN FULL OCTOBER 19, 2017	\$737.65
TOTAL	1,225.519	100%	\$200,000.00		\$153,746.13

HCDA staff issued a reminder notice to the HHPO for their assessment payment. (\* The second semi-annual assessment payment for Hunt is due on December 15, 2017.)

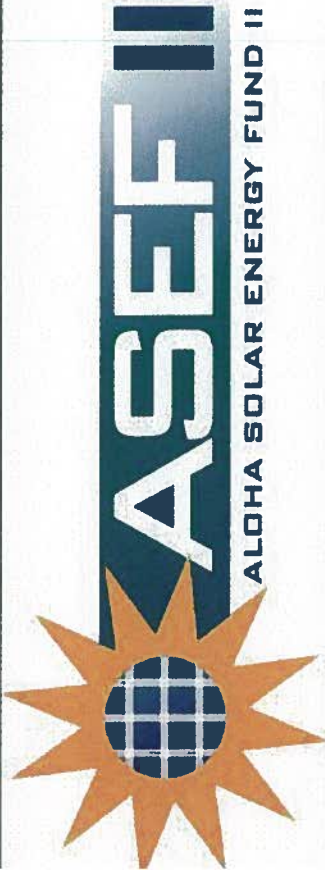
**Asset Management:**

- On November 20, 2017, HCDA staff met with the Kalaeloa Heritage and Legacy Foundation (KHLF) regarding the resolution of the stockpile issue. HCDA requested confirmation of the KHLF's concurrence to the resolution steps and associated costs.

**Administrative Matters:**

- On October 24, 2017, then-HCDA Executive Director Jesse Souki was a guest speaker at the 15<sup>th</sup> Annual West Oahu Economic Development Association Conference. The conference was attended by approximately 150 business, community and government leaders that are dedicated to supporting the economic growth of West Oahu. HCDA's Authority Members Michael Golojuch and Maeda Timson and Kalaeloa staff are participants in this association.





KALAELOA, HONOUULIULI, 'EWA, O'AHU  
TMK 9-1-013:070

16 NOVEMBER 2017

KALAELOA ADVISORY TEAM  
COMBINED MEETING, AGENDA ITEM  
NO. 4

# ECC ENERGY SOLUTIONS

- ECC Energy Solutions is a wholly owned subsidiary of ECC focused on the development of renewable energy projects
- Founded in 1985, ECC is an employee owned company with offices in Hawai'i for the past twenty years
- ECC-ES has been one of the most successful utility scale solar developers in Hawai'i, with 22 Megawatts of projects completed, to date



*Top – 14MW Array completed on the Navy's Waipi'o Peninsula  
Bottom – 6MW Array completed in Wai'anae (HECO FIT)*

# ASEF II SOLAR POWER PROJECT

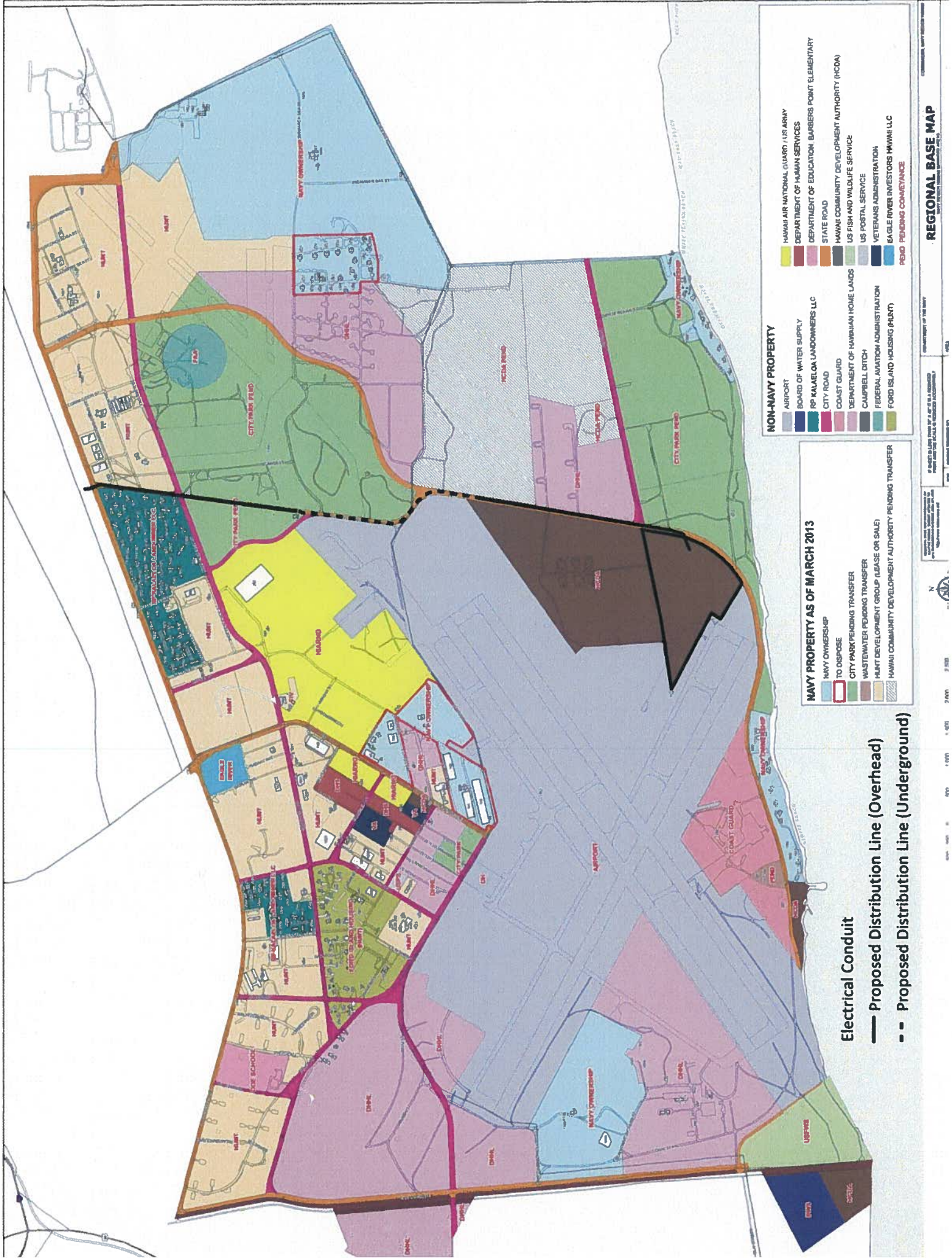
- ASEF II proposing one 5 MWac solar system on HCDA-owned land
- **Approved HECO Tier III FIT Project (Project 15-02)**
- Project helps with Hawai'i Clean Energy Initiative goals for renewable energy
- Provides value for HCDA lands in Kalaeloa for **20** years
- Project consists of the PV array, substation, and 12kV distribution line
- Provides a source of reliable power for the District





# ASEF II PROJECT LOCATION





**Electrical Conduit**

- Proposed Distribution Line (Overhead)
- - -** Proposed Distribution Line (Underground)

**NAVY PROPERTY AS OF MARCH 2013**

- NAVY OWNERSHIP
- TO OBTAIN
- CITY PARK PENDING TRANSFER
- WASTEWATER PENDING TRANSFER
- WASTEWATER DEVELOPMENT GROUP (LEASE OR SALE)
- HAWAII COMMUNITY DEVELOPMENT AUTHORITY PENDING TRANSFER

**NON-NAVY PROPERTY**

- AIRPORT
- BOARD OF WATER SUPPLY
- RF KALAELOA LANDOWNERS LLC
- CITY ROAD
- COAST GUARD
- DEPARTMENT OF HAWAIIAN HOME LANDS
- CAMPBELL BITCH
- FEDERAL AVIATION ADMINISTRATION
- FORD ISLAND HOUSING (HUNT)
- HAWAII AIR NATIONAL GUARD (US ARMY)
- DEPARTMENT OF EDUCATION BARBERS POINT ELEMENTARY
- STATE ROAD
- HAWAII COMMUNITY DEVELOPMENT AUTHORITY (HCDA)
- US FISH AND WILDLIFE SERVICE
- US POSTAL SERVICE
- VETERANS ADMINISTRATION
- EAGLE RIVER INVESTORS HAWAII LLC
- PENDING CONVICTION

# LAND USE CONTROLS & DESIGNATIONS

## Plans & Policies

- Consistent with State Land Use Designation – Urban
- Kalaeloa Community Development District Regulating Plan (2012) – Transect Zone 2 (Rural/Space Zone)
- T2 zone – a solar farm is a compatible use under KCCD Rules with **approved development permit by the HCDA board**

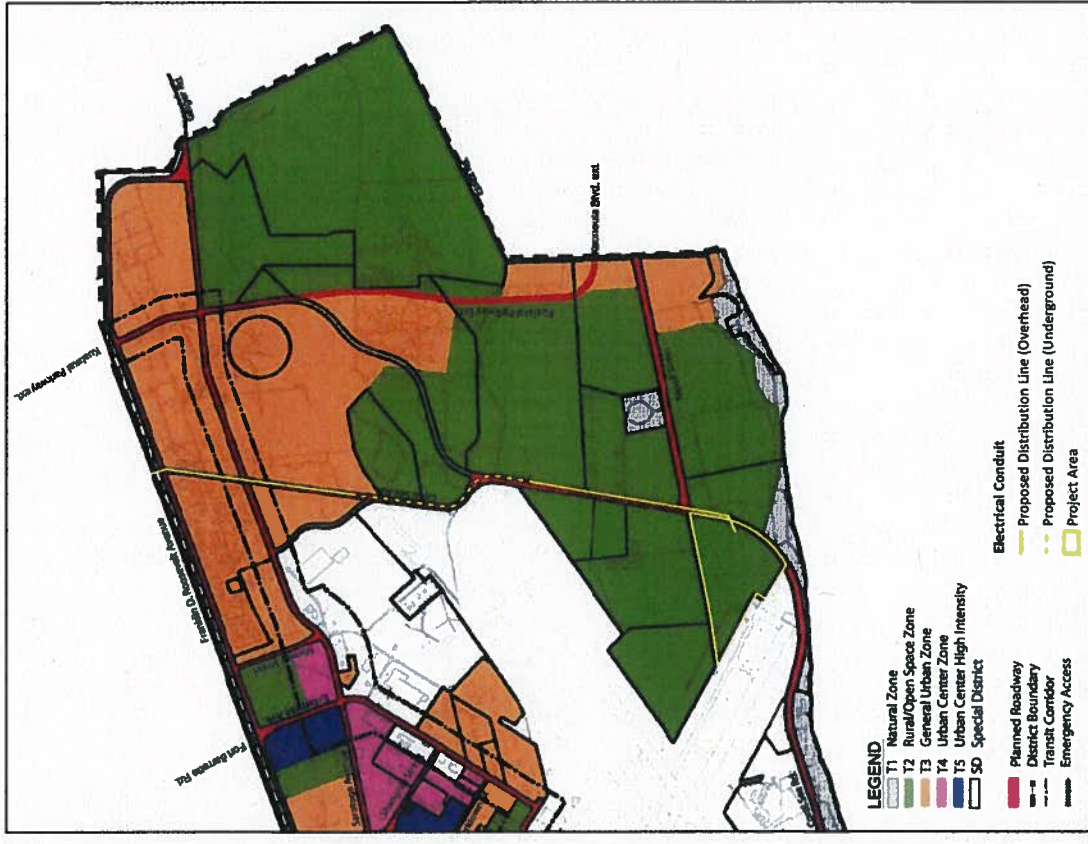
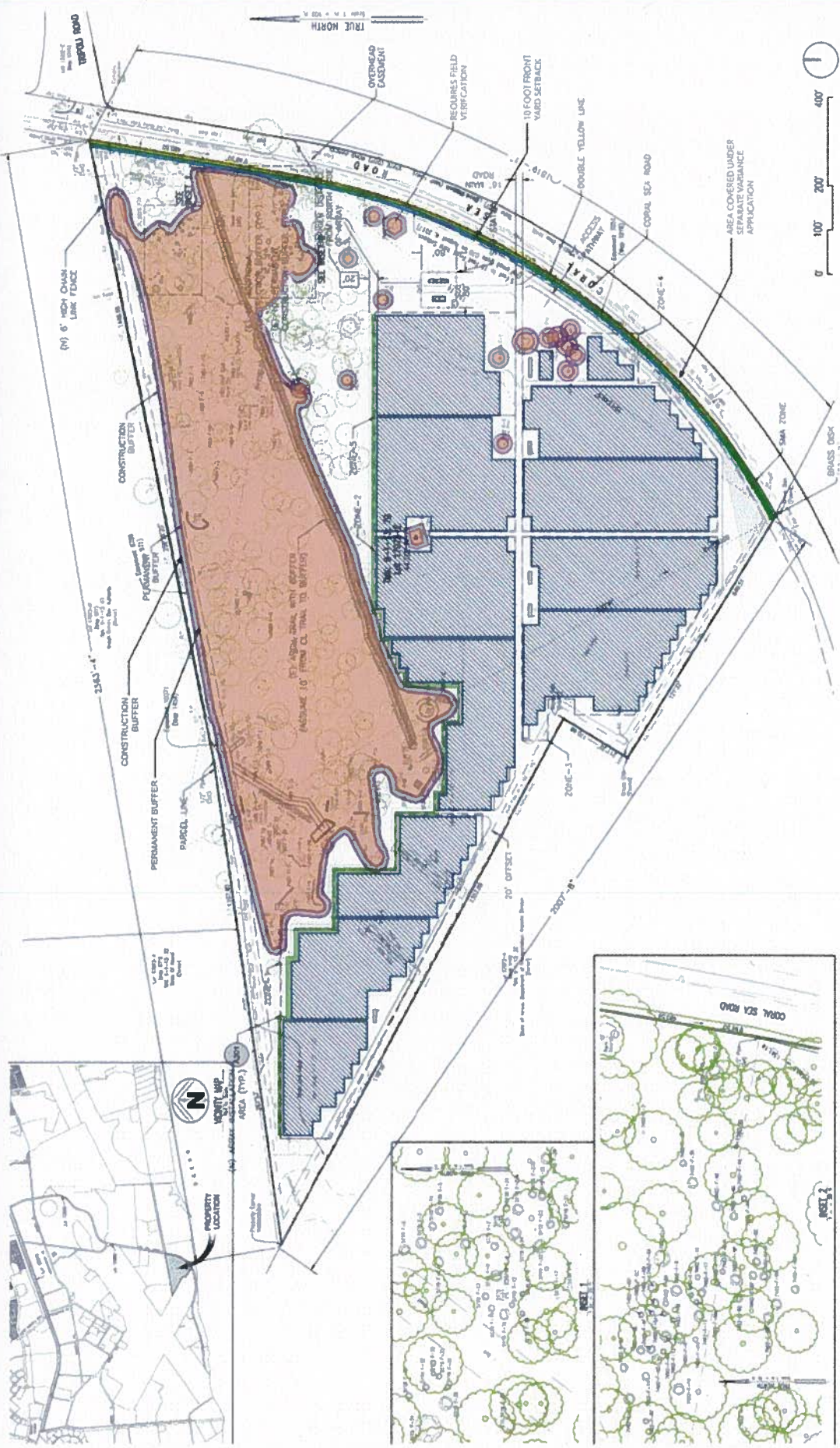




Photo taken October 2014

# ASEF II PROJECT PLAN

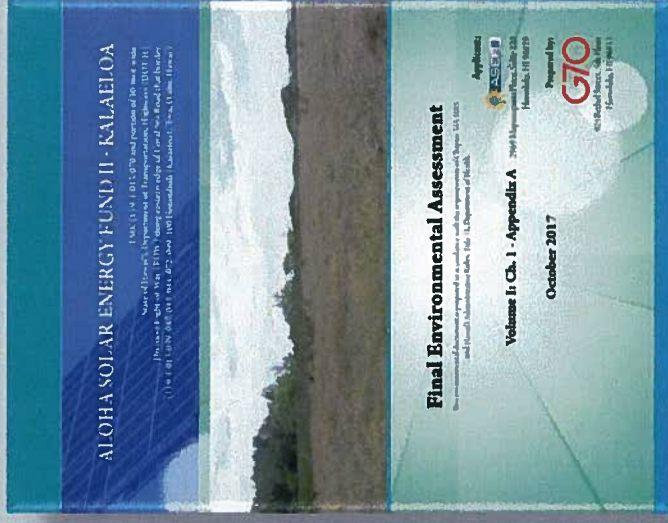
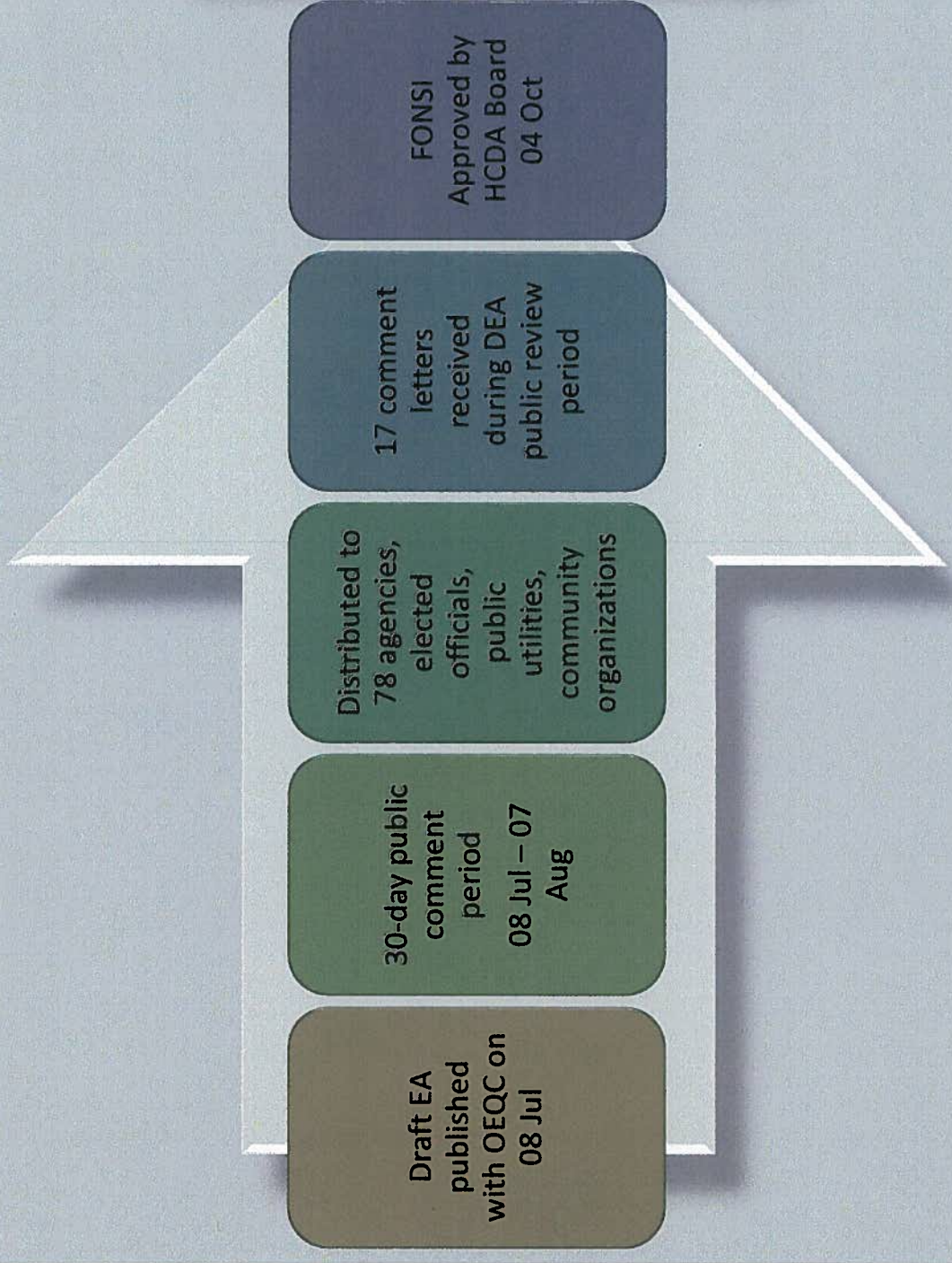


# SMA

SUBJECT TO SMA  
(MINOR) APPROVAL  
FOR PORTION OF  
FENCE AND  
LANDSCAPING BY  
OFFICE OF PLANNING

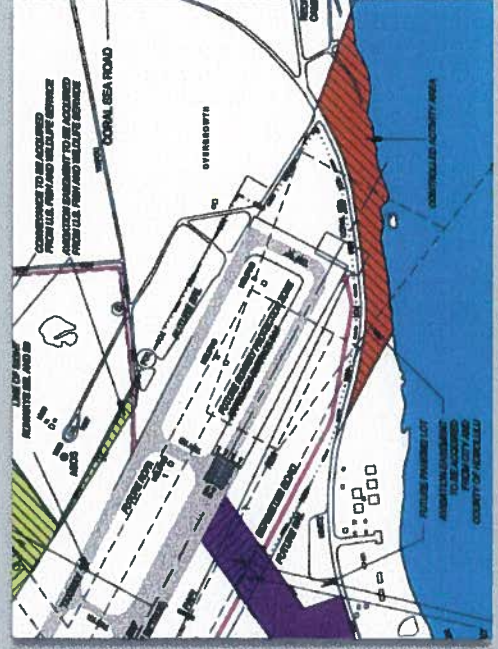
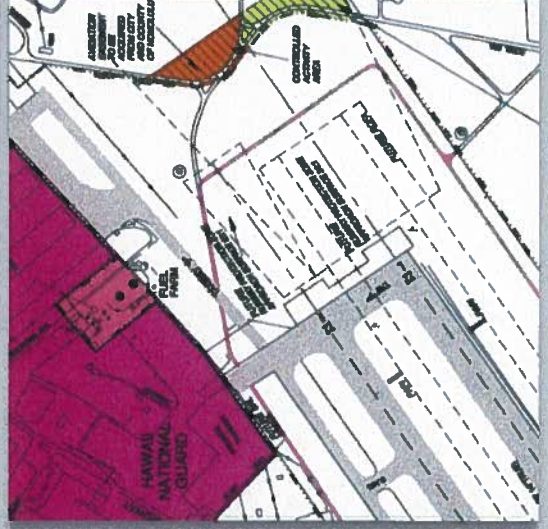
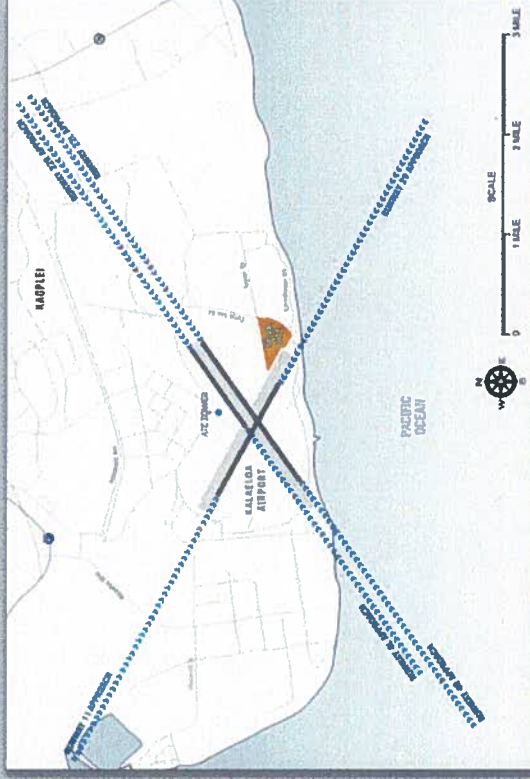


# SUMMARY OF 343 HRS EA PROCESS & COMMENTS



# ISSUES RESOLVED – FAA OBSTRUCTION ANALYSIS

- Glint & Glare Study completed
- Study revealed brief periods of green glare (~10 mins daily) between 630-700 AM in the months of March to Sept on Runway 4R and 4L Approach
- FAA 7460-1 application filed for each proposed structure including utility poles
- No above ground structures in aviation easement
- FAA issued **Determination of No Hazard to Air Navigation.**
- Glint within FAA acceptable limits on final approach





# ISSUES RESOLVED- ARCHAEOLOGICAL & CULTURAL RESOURCES

- Archaeological investigations in 2013 & 2017
- 23 historic properties with 146 unique features
- SHPD required completion of mitigation commitments
- ✓ Archaeological Monitoring Plan (approved by SHPD)
- ✓ Burial Treatment Plan (approved by OIBC) for two NH burials
- ✓ Archaeological Interim Preservation Plan (under review by SHPD, anticipate end of Nov approval)
- ✓ Archaeological Final Preservation Plan (to be submitted post-construction)
- Project will result in a ~20 acre archaeological preserve in perpetuity
- Consultation with HCDA, SHPD, OIBC, ASHOK, KLHF, KCH, and 27 State recognized cultural descendants

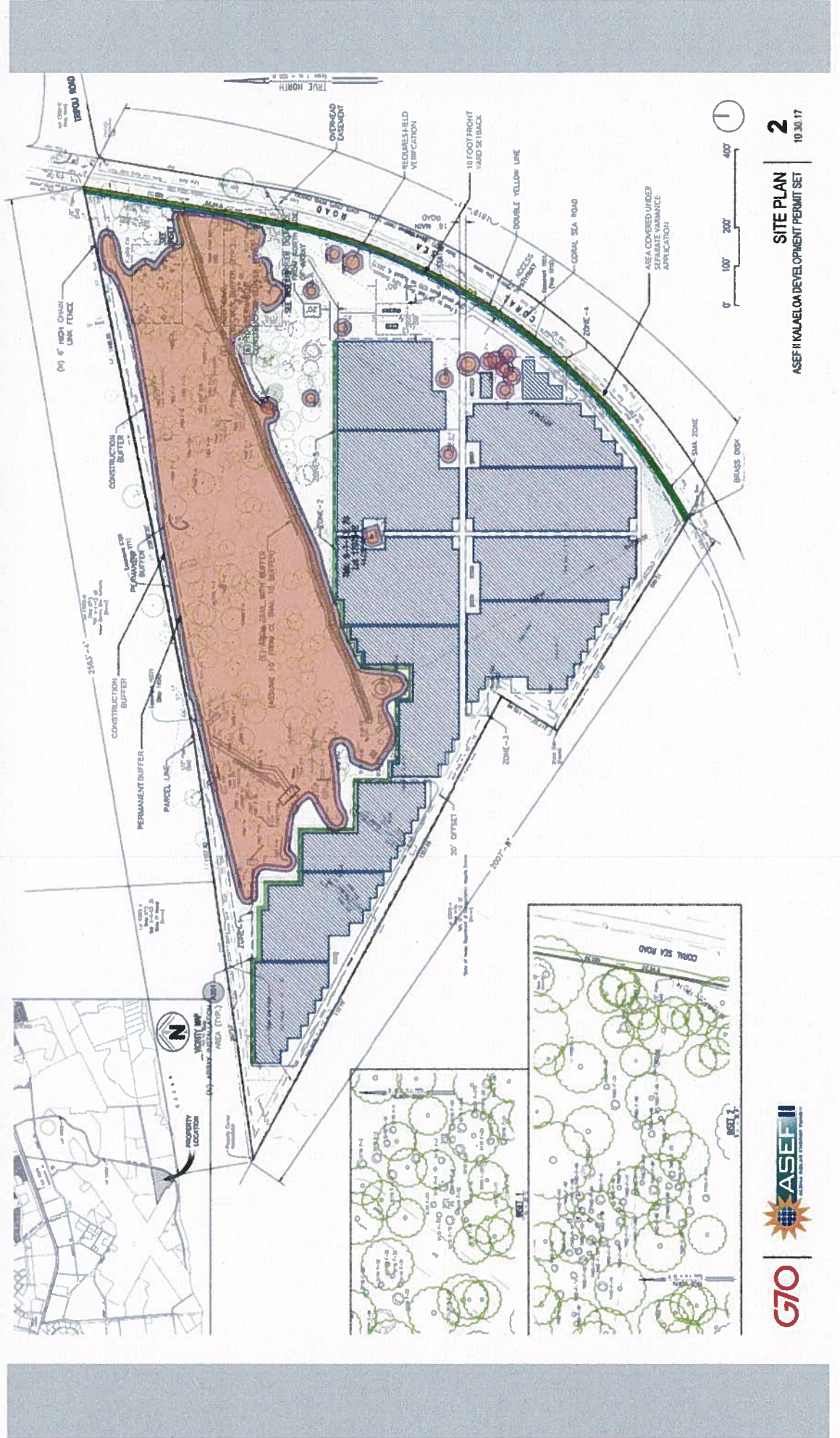


# ISSUES RESOLVED – BIOLOGICAL RESOURCES

- Investigations occurred in 2013 & 2017
- 96 species with 90% non-native/invasive - guinea grass, rubber vine, kiawe, koa haole
- (1) Endemic – kūpala
- (2) Indigenous (IND) species – ‘ilima, ‘ilie‘e
- (2) Polynesian introduced – pōpolo, noni
- Other culturally important plants – ‘uhaloa, kauna‘oa pehu, ‘āheahea
- No Endangered or Threatened plant species within parcel
- 705 individual birds – only IND species – manuokū (in flight) and kōlea (outside project area)
- Pueo and ‘Ōpe‘ape‘a not observed but Kalaeloa is part of habitat; also no ground nests, plumage/molt, scat, or feed remains observed
- No nesting colonies of protected seabird species in project area
- Mitigation - BMPs for vegetation clearing;



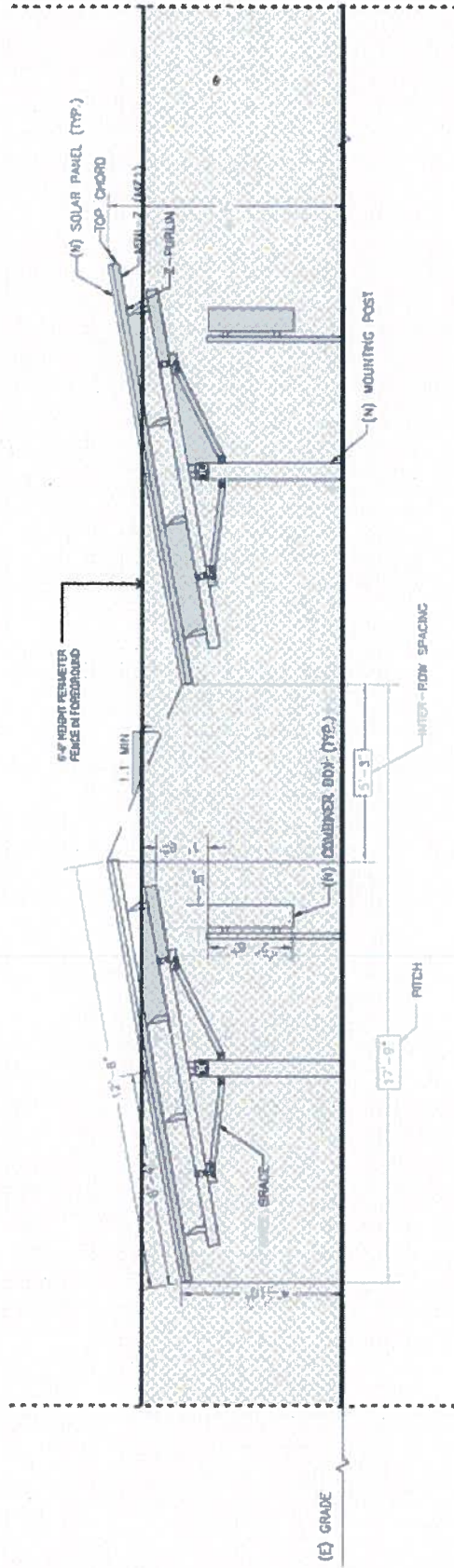
# DEVELOPMENT PERMIT APPLICATION



ASEFI KALAHEOA DEVELOPMENT PERMIT SET  
**2**  
 SITE PLAN  
 10.30.17



# DEVELOPMENT PERMIT APPLICATION

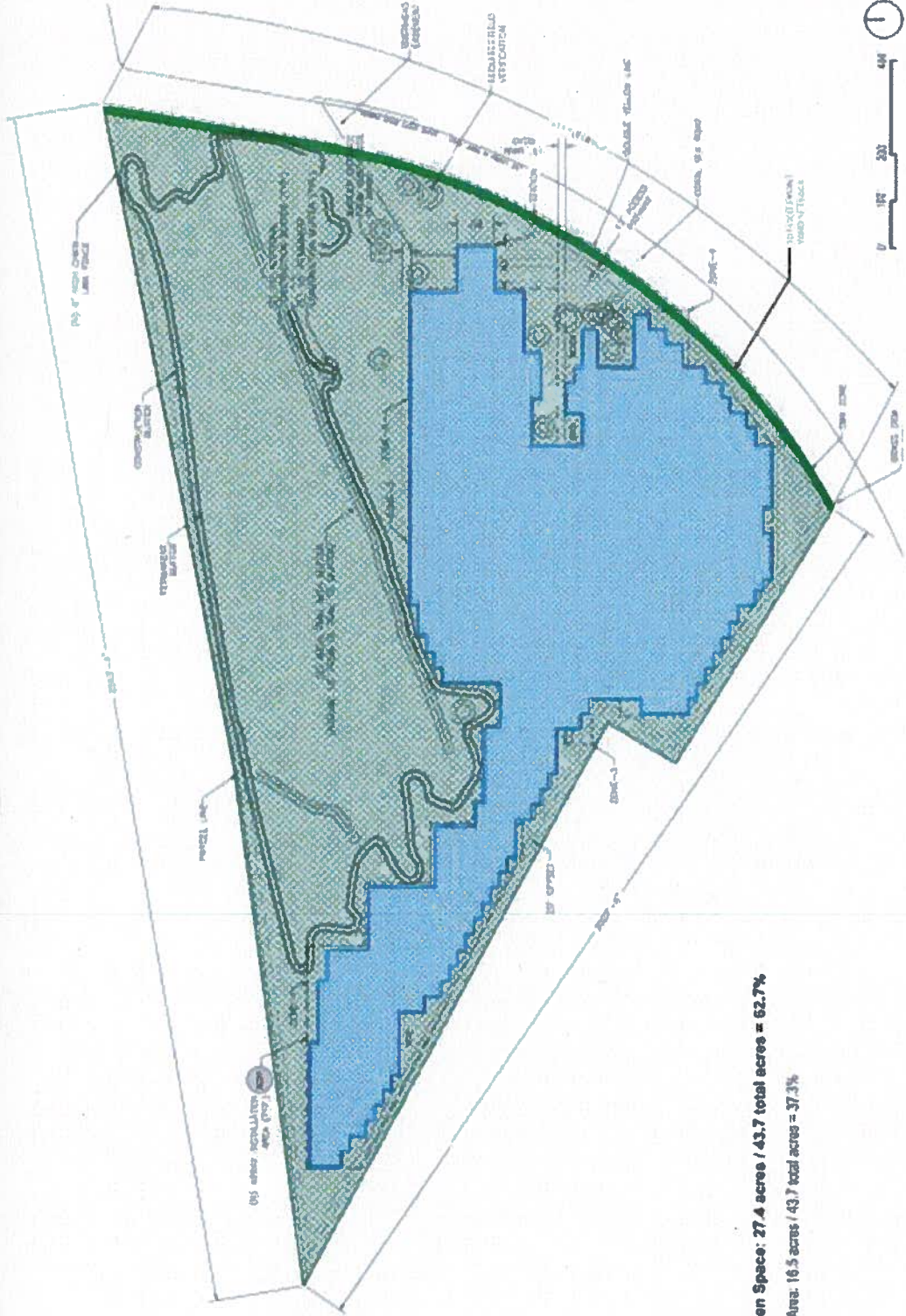


# DEVELOPMENT PERMIT APPLICATION





- LEGEND**
- (E) Kaawe to remain
  - (E) Kaawe and other invasive species to be removed or stumped
  - (N) Firebreak / Vegetation Free Zone
  - (N) Predominant native landscape buffer (to include 'Ilima, Matapilo)

# DEVELOPMENT PERMIT APPLICATION



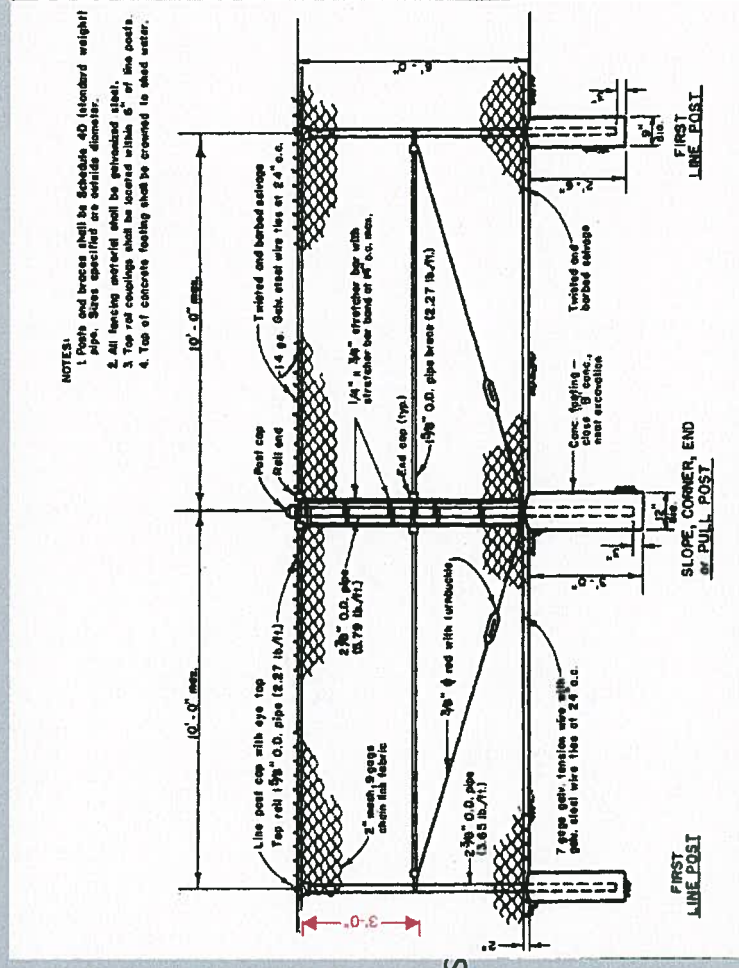
**LEGEND**

-  Open Space: 27.4 acres / 43.7 total acres = 62.7%
-  PV Area: 16.5 acres / 43.7 total acres = 37.3%



# VARIANCE APPLICATION

- **Uniqueness**  
6-foot fence to protect 23 historic properties
- **Self-created hardship**  
Cultural resources existed prior to development plans
- **Minimal deviation**  
3-foot deviation in height from standards for portion along Coral Sea Road
- **Character of transect**  
Will not impair use/development of adjacent properties. Similar in height to Kalaeloa Airport
- **No adverse impact**



# VALUE PROVIDED TO COMMUNITY

1

ASEF II will provide a long term revenue stream that will stay in the Kalaheo District

2

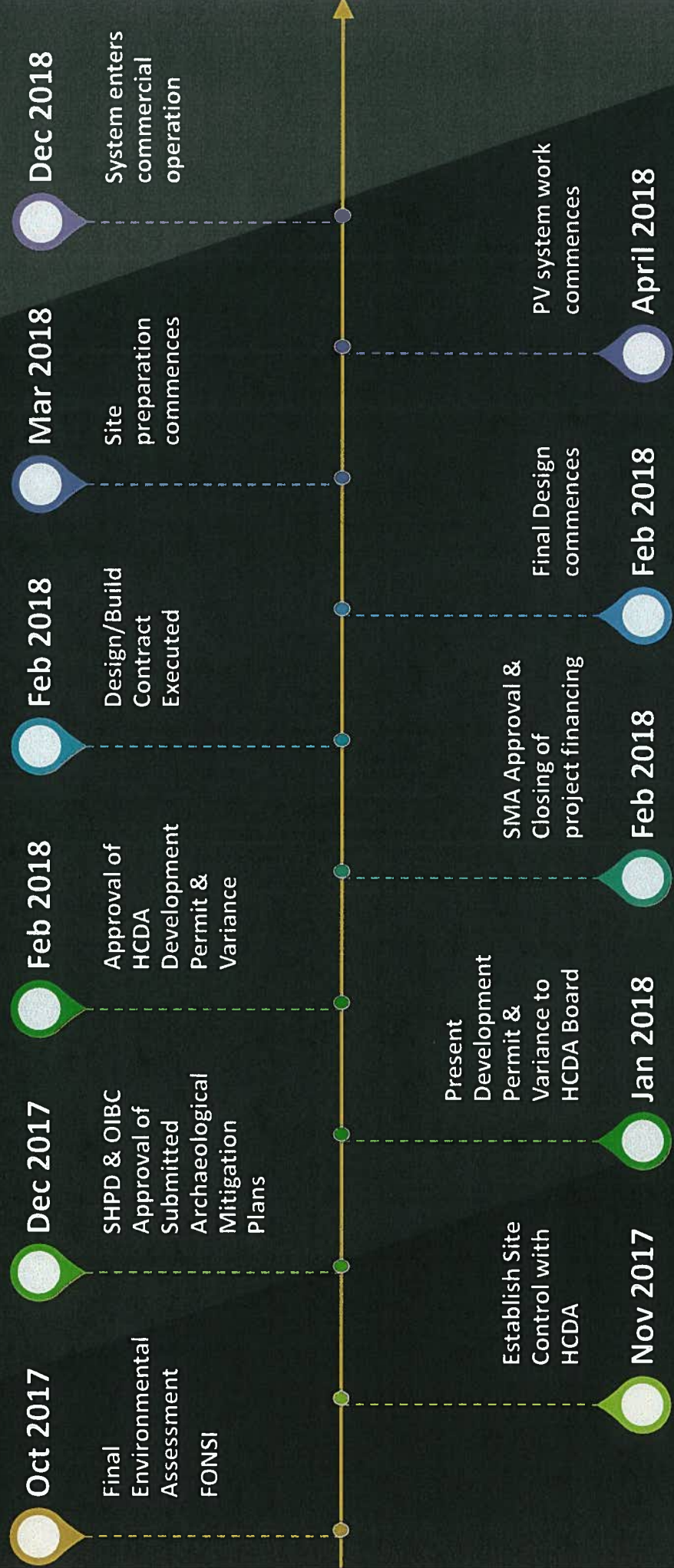
The Project allows ASEF II and HCDA to partner in supplying 100% clean, renewable energy to the people of Hawai'i

3

Moves the State of Hawai'i one step closer to the State mandated 100% renewable energy goal



# PROJECT SCHEDULE



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MAHALO