

HIGHLIGHTS OF AUGUST 4, 2004 HCDA MEETING

Following is a summary of actions taken at the August 4, 2004 meeting of the Hawaii Community Development Authority (HCDA).

Improvement District 11 Assessment Methodology

The Authority deferred approval of a particular property assessment methodology for the proposed Improvement District 11 (ID-11) Project. The proposed project would construct roadway and infrastructure improvements in Queen Street between Kamakee Street and Ward Avenue. Following the first of two public hearings on the proposed ID-11 Project on April 7, 2004, HCDA members authorized the HCDA staff to proceed with the solicitation of sealed bids for the project. The Authority also directed the HCDA staff to develop alternate assessment methods to lessen the impact to property owners. At the August 4 meeting, the HCDA staff presented three alternative assessment methodologies to the traditional method the HCDA has used in the past 10 improvement district projects. These methodologies attempt to reduce the property owner's assessment share of the total construction cost, ranging from 32.96 percent of the total cost to 21.97 percent of the total cost. The percent of total cost using HCDA's traditional assessment method is 38.7 percent. HCDA members deferred selecting one of the alternatives and asked staff to further explore the issue including, perhaps utilizing Tax Increment Financing or other similar tools.

KUD International, LLC's Ocean Science Center

The HCDA's subcommittee on KUD International, LLC's Ocean Science Center at Kaka'ako had no recommendation on the developer's Preliminary Business Plan and Development Agreement and is prepared to consider any information from KUD International before making a recommendation. The Authority entered into exclusive negotiations with KUD in November 2002 for developing an Ocean Science Center on 10 acres of land in the Point Panic area on the Kaka'ako Waterfront. In March 2003, the Authority approved a development agreement, which established a procedure in which KUD would have until three months after the issuance of parking structure revenue bond was approved by the Legislature, to submit its master plan for approval. The parking structure revenue bonds were approved by the 2004 State Legislature.