
HOUSE RESOLUTION

REQUESTING THE AUDITOR CONDUCT A MANAGEMENT AUDIT OF THE
ADMINISTRATIVE PRACTICES OF THE HAWAII COMMUNITY
DEVELOPMENT AUTHORITY.

1 WHEREAS, the Hawaii Community Development Authority
2 (Authority) was established in 1976 to supplement traditional
3 community renewal methods by promoting and coordinating public
4 and private sector development; and

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6 WHEREAS, upon creating the Authority, the Legislature
7 recognized the need for community renewal in the district of
8 Kakaako, as it was found to be significantly underdeveloped and
9 underutilized; and

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11 WHEREAS, in 1982, after five years of planning, the
12 Authority adopted the Kakaako Community Development District
13 Plan, and later amended the plan to include the Kakaako makai
14 area, including the area known as the Kakaako waterfront,
15 adjacent to Kewalo Basin and Kakaako Waterfront Park and Kakaako
16 Makai Gateway Park; and

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18 WHEREAS, in 2002, in response to the decision to locate the
19 John A. Burns School of Medicine in Kakaako makai, the Authority
20 adopted the Kakaako Waterfront Business Plan, supported by a
21 private consultant study, that recommended that residential
22 units were needed in the area for maximum social and economic
23 value; and

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25 WHEREAS, the Authority's goal in the Kakaako Waterfront
26 Business Plan is to create a "gathering place" to help fulfill
27 Hawaii's needs for public recreation, entertainment, and
28 amenities, and to serve as a centerpiece for dynamic urban
29 redevelopment; and

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31 WHEREAS, in January 2005, the Authority issued a request
32 for proposals for the redevelopment of the Kakaako waterfront,
33 in which the stated project goals included:
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- 1 (1) The preservation and enhancement of the natural
2 tropical environment, while maintaining public access
3 to the ocean and shoreline;
- 4 (2) Serving as a catalyst for future growth,
5 diversification, and stimulation of Hawaii's economy;
6 and
7 (3) Providing an economic balance between revenue and non-
8 revenue projects; and
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11 WHEREAS, between 1990 and 2005, the Authority's
12 administrative rules allowed only for commercial, maritime
13 industrial development, and public and park use in the Kakaako
14 makai area,
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16 WHEREAS, in 2005, after initiating the effort over two
17 years earlier, the Authority amended its administrative rules to
18 change the one hundred per cent commercial designation to one of
19 mixed uses, including residential use; and
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21 WHEREAS, in September 2005 and only a week after the
22 aforementioned administrative rule amendment, the Authority
23 selected Alexander and Baldwin Properties, LLC, as the master
24 developer for a prime thirty-six acre tract of waterfront land
25 makai of Ala Moana Boulevard and management of twenty-nine acres
26 of submerged lands at Kewalo Basin; and
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28 WHEREAS, the time frame in which the Authority's
29 administrative rules were amended and the developer for the
30 Kakaako waterfront lands was selected provided the general
31 public with very little time to digest the ramifications of the
32 newly amended rules and their impact on the surrounding area;
33 and
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35 WHEREAS, both the Authority and the developer have
36 designated that twenty per cent of the units developed shall be
37 sold as "affordable housing", as dictated by administrative
38 rules, and assured that sizable tracts of waterfront land and
39 access to the shoreline would be made more accessible than it
40 currently is; and
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42 WHEREAS, although the Legislature supports the development
43 of housing for the current and future residents of the State,
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1 the residential unit costs proposed in the Kakaako makai
2 development plans are not considered affordable for most
3 citizens; and

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5 WHEREAS, the issue of public access to government records
6 is drawing increased attention and a recent study done by the
7 University of Florida's College of Journalism and Communication,
8 *Citizens Access Project*, ranked Hawaii among the bottom ten
9 worst states in the country in open records systems; and

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11 WHEREAS, keeping in mind the need to effectively engage the
12 community to ensure that the community's concerns are received
13 and considered by the Authority, both the Authority and the
14 developer need to reach out to gain community access and input
15 through traditional means, as well as through the use of the
16 internet; and

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18 WHEREAS, consequently, many citizens feel as though the
19 Kakaako makai project was "fast-tracked" to avoid additional
20 public opposition; and

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22 WHEREAS, there is a perceived insensitivity by the
23 Authority to the needs of the general public brought about by
24 the inadequacy of engagement with the community; now, therefore,

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26 BE IT RESOLVED by the House of Representatives of the
27 Twenty-third Legislature of the State of Hawaii, Regular Session
28 of 2006, that the Auditor is requested to conduct a management
29 audit of the current public hearing notice requirements and the
30 decision making practices of the Hawaii Community Development
31 Authority; and

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33 BE IT FURTHER RESOLVED that the Legislature requests that
34 the Auditor's audit include suggested improvements to the
35 Authority's administrative procedures, so that the concerns of
36 the public and the Legislature regarding public access to
37 hearings and decision making matters are fully addressed by the
38 Authority, and that future endeavors to effectively engage the
39 community in sharing its concerns with the Authority are
40 satisfactory to all parties; and

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42 BE IT FURTHER RESOLVED that the Auditor is requested to
43 submit the Auditor's report, including findings and



1 recommendations, to the Legislature not later than twenty days
2 prior to the convening of the 2007 Regular Session; and

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4 BE IT FURTHER RESOLVED that certified copies of this
5 Resolution be transmitted to the Auditor and the Chairperson of
6 the Hawaii Community Development Authority.

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OFFERED BY: Mark Caldwell



MAR 15 2006

