

House District 26

Senate District 12

THE TWENTY-EIGHTH LEGISLATURE
APPLICATION FOR GRANTS
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Recipient" means any organization or person receiving a grant.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Ola Ka 'Ilima Arts Center LLC

Db: n/a

Street Address: 1025 Waimanu Street, Honolulu, HI 96814

Mailing Address: 250 Third Avenue North, Suite 400, Mpls, MN 55401

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name STACEY MICKELSON

Title Vice President, Government Affairs

Phone # 612-810-1759

Fax # 612-333-9089

E-mail stacey.mickelson@artspace.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII
- FOR PROFIT CORPORATION INCORPORATED IN HAWAII
- LIMITED LIABILITY COMPANY
- OTHER
- SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

A CIP GRANT IN AID REQUEST OF \$3,000,000 TO SUPPORT THE CONSTRUCTION OF AN 84 UNIT AFFORDABLE WORK-FORCE HOUSING DEVELOPMENT IN KAKA 'AKO NEIGHBORHOOD OF HONOLULU, HAWAII.



RECEIVED

1/28/15 1:23 pm

4. FEDERAL TAX ID #:

5. STATE TAX ID #:

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2016: \$ 3,000,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
- EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ 10,000,000
 FEDERAL \$ 14,400,000
 COUNTY \$ _____
 PRIVATE/OTHER \$ 7,400,000

AUTHORIZED SIGNATURE

STACEY MICKELSON, VICE PRESIDENT
NAME & TITLE

01/28/15
DATE SIGNED

Application for Grants

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Please include the following:

1. A brief description of the applicant's background;

ARTSPACE AS DEVELOPER/OWNER/OPERATOR:

Artspace Projects, Inc., a 501c3 non profit real estate developer, was founded in 1979 to address a deceptively simple question: how could Minneapolis responsibly relocate artists who were being displaced by the gentrification of its warehouse district? Working at the intersection of the arts, urban planning, and real estate development, Artspace pioneered a new approach to an age-old problem. Rather than seeing these artists as barriers to economic growth, we recognized them as unique partners in building better communities: individuals who may be low in income but are rich in creativity, entrepreneurialism, and resilience. From a one-person organization with an annual budget of \$40,000, Artspace has grown into the nation's leader in arts-driven community transformation with satellite offices in Seattle, Los Angeles, New York City, Washington DC, and New Orleans.

Artspace has developed 37 projects in 17 states, representing a total investment of more than \$600 million in communities and neighborhoods. A typical Artspace project blends affording "live/work" spaces for artists and artist families with commercial spaces, often occupied by non-profit partners. Typical projects also include extensive public space (galleries, meeting rooms, theaters, and commercial bays).

The majority of funding for the residential portion of the project is provided by a combination of Low Income Housing Tax Credits, complementary public funding and private financing. Philanthropy is used to stretch "affordable housing" into "affordable live/work spaces," where artists can both live and work, thereby minimizing their need to pay rent on two spaces. Philanthropy also frequently provides the majority of funding for public spaces. By minimizing debt, we ensure that affordable rents and leases are sufficient to cover the on-going operating costs of a project – allowing our properties to remain of high quality and affordable over decades without on-going fundraising.

We are often asked, “How can you use government funding to build affordable housing yet limit that housing to a particular subset of the population such as artists and creative individuals?” The answer is simple: in 2008 we worked with the Congress to change the General Public Use Requirement language of Federal Low Income Housing Law to reflect artist preference as a legally acceptable means of populating a building. To paraphrase...a developer is not in violation of the General Public Use Requirement if they use public funds to build affordable housing for persons engaged in artistic or literary activities, period. Because of this work we have helped integrate the arts into federal initiatives like Choice Neighborhoods (New Orleans and Memphis) and the Promise Zone (Los Angeles) and we helped inform the emergence of the NEA’s “Art Works” and “Our Town” programs.

Artspace has been meeting with artists, arts and community organizations and government partners in Hawai‘i since 2009. With support from the Ford Foundation, the National Endowment for the Arts, and ArtPlace America we were asked to partner with PA‘I Foundation to begin working to understand the space needs of the creative community in Hawai‘i. Through our work, we have come to understand how providing permanent, affordable space for the artist community here in Hawaii would meet city, county and state goals for economic development, transit oriented development and cultural preservation. Additional information can be found at www.artspace.org.

PA‘I AS DEVELOPMENT PARTNER & PRIMARY ANCHOR TENANT: PA‘I, organized in 2001, also a 501c3 non-profit organization. Their mission is to preserve and perpetuate Hawaiian cultural traditions for future generations. The goal of PA‘I is to establish a cultural center on O‘ahu to better serve the broader Hawaiian community.

PA‘I has been honored by national grant makers as a participant in several major initiatives aimed at building capacity among exemplary organizations working to impact the future of the arts in America. These funders include: ARTOGRAPHY: Arts in a Changing America, whose support launched the PA‘I Arts & Culture Center, which today houses class and office space; and The Ford Foundation, whose funding and technical support – through the DeVos Institute of Arts Management at the Kennedy Center – is helping PA‘I prepare for the development and management of the PA‘I Arts & Culture Center.

PA‘I is the organization of Pua Ali‘i ‘Ilima, a halau hula founded by kumu hula Vicky Holt Takamine in 1977. While the organization is centered around and supported by halau members, the purpose of PA‘I is not centered around servicing the needs of the halau, but to address and serve the needs of Native Hawaiians and those who make Hawai‘i their home. To accomplish these goals, PA‘I has partnered with several organizations to successfully create and manage events, programs and outreach activities to strengthen the Native Hawaiian community. Additional information is available at www.paifoundation.org.

2. The goals and objectives related to the request;

AFFORDABLE HOUSING & ARTIST LIVE/WORK SPACE:

Ola Ka 'Ilima Artspace is a mixed-use development that blends live/work space for artists and their families and commercial space for non-profit partners and community events and gatherings. Ola Ka 'Ilima Artspace will be located in the Kaka'ako neighborhood of Honolulu, a transitional neighborhood of light industrial property between the downtown business district and Waikiki Beach, very near the Ward Center shopping district.

Ola Ka 'Ilima Artspace will provide **84 units of affordable live/work space for low-income artists and their families**. Residential units will feature high ceilings, large windows, durable surfaces, large doors, and wide hallways to accommodate a variety of creative activities. Each of the residential units will be larger than a typical affordable unit to allow for ample workspace. Like all Artspace projects, this building will be **multi-ethnic, multi-generational, and multi-disciplinary**.

COMMUNITY SPACE & COMMERCIAL ACTIVITY:

Ola Ka 'Ilima Artspace will offer approximately **13,000 square feet of community and green space**, including an outdoor gardening area, and a community room available to residents, partnering non-profit organizations, and the surrounding community for rehearsals, exhibitions, performances and events. Approximately 94 parking stalls will be provided to accommodate both residents and commercial tenants and their clients.

The building will also feature 4,500 square feet of space reserved for PA'I Arts & Culture Center who will program it not only for their use but that of other Native Hawaiian dancers, musicians, visual artists, cultural practitioners and community members and tourists who are interested in experiencing and sharing authentic Native Hawaiian cultural traditions. The Cultural Center will combine classroom space and flexible space for teaching and performing Hula, music, and other traditional practices.

EDUCATION, TECHNOLOGY & DISTANCE LEARNING:

Artspace was an early pioneer in distance learning for the arts with their project in Minneapolis, MN, the Cowles Center. There they use the latest technology in video conferencing to share with school children, all across the state, arts programming occurring at the Cowles Center giving them access to various arts and cultural experiences that only a few were enjoying within close proximity to the Cowles Center.

Ola Ka 'Ilima Artspace will attempt to replicate this model in the PA'I space. Currently PA'I is a partner in an early pilot program funded by the Ford Foundation and led by Artspace using this technology to teach Hula to students in NYC. Through distance learning technology, the Cultural Center will be networked to audiences and artistic partners both across the Islands and around the world.

IN SUMMARY, THE PROJECT GOALS ARE:

- To create a long-term (65+years) affordable workforce housing project in the Kaka 'ako Neighborhood of Honolulu for Hawaii's artistic and cultural community
- Create affordable live/work space that allows multi-ethnic, multigenerational and multi-disciplinary artists to be more productive, more collaborative, and to earn more from their income from their creative pursuits
- Create affordable space where local non-profit partners can translate increased stability into increased programming and impact and revenue
- Structure Ola Ka 'Ilima to maintain its affordability and positive community impact over decades without relying upon on-going fundraising
- Create a home for the PA'I Arts & Culture Center to help preserve and perpetuate Hawaiian cultural traditions for future generations

3. The public purpose and need to be served;

ECONOMIC DEVELOPMENT AND NEIGHBORHOOD VITALITY:

Ola Ka 'Ilima Artspace will provide long-term affordable workforce housing in Kaka 'ako that will leverage artistic energy into advancing complementary public agendas including affordable housing, economic development, transit-oriented development, community education, cultural preservation, commercial activity and tourism.

Artspace projects generate many community benefits including increased street activity, reduced crime, more vibrant arts districts and the attraction of complementary development. Given the particular issues in rapidly developing Kaka 'ako, our community focus is to help retain and sustain the cultural vitality already present by ensuring that low-income artists and creative individuals, culture and tradition bearers, and cultural organizations remain a part of the neighborhood fabric even as the neighborhood gentrifies.

We also encourage you to think of these artists as entrepreneurs and micro-businesses and cottage industries. Most of the residents will have other jobs in the community from which they derive the majority of their income, as is often the case, but when given more space and affordable rents they can spend more time on their creative pursuit and potentially become more self-sufficient.

JOBS, JOBS, JOBS & SHOVEL READINESS:

We estimate that this project will provide a couple hundred jobs during predevelopment and construction. These positions include those in the highly

skilled sector such as architectural and design firms and those in other skilled professions such as electrical, HVAC and plumbing as well as laborers who will construct the building. Full time positions will also be created for a project manager and project assistant. Other consultant jobs will be created for graphic designers, marketing and publicity firms.

DEMONSTRATION PROJECT:

The Ola ka 'Ilima Artspace Lofts can and will serve as a new model of development in Hawaii successfully showing how complex, cross-sector partnerships (housing, economic development, cultural preservation, transit, tourism) can be combined with art and culture at their core, making cultural development projects sustainable and affordable over decades.

4. Describe the target population to be served; and

The target population includes all artists (Native and non-Native) living in Honolulu and within the State of Hawai'i at 30%, 50%, and 60% of Area Median Income who income qualify for affordable housing based on HUD formularies. That population includes Native Hawaiian artists and cultural practitioners who will sustain the PA'I Native Hawaiian Arts and Culture Center, arts-related businesses to occupy the commercial spaces, visitors, residents and tourists who will come to experience activities at Ola Ka 'Ilima Artspace.

5. Describe the geographic coverage

Although the project will be located in Kaka'ako, Honolulu, HI, the project will provide 84 units of affordable rental units for all of Hawaii's creative community who income qualify. This project will be multi-ethnic, generational, and disciplinary. Because of the early distance learning effort at PA'I we hope to eventually connect the Cultural Center to other islands and halaus, as well as a more global community that might be interested in sharing in the Hawaiian Cultural experience.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;

The Artspace team will be responsible for the development and construction of Ola Ka 'Ilima. Artspace President, Kelley Lindquist is the chief fundraiser for the project. He will interface with foundations, philanthropists and individuals to

assist with funding the creative spaces and other areas not covered by government funding. Greg Handberg is responsible for overseeing the construction of the project from pre-development to completion. Cathryn Vandenbrink will oversee all requests for proposals, be responsible for interviewing potential applicants and work with the Community Advisory Board for Ola Ka 'Ilima Artspace to review artists and applicants for housing and the creative spaces. A Community Advisory Board has been organized comprised of artists and community members for Ola Ka 'Ilima Artspace. They will assist with helping to communicate the goals and objectives of the project, review applications from artists and other related activities.

PA'I Executive Director, Vicky Holt Takamine is a well-recognized kumu hula, Native Hawaiian activist and advocate for Native Hawaiian rights and the protection of the natural and cultural resources of Hawai'i. She will help lead as the cultural and community advisor on this project. PA'I and the Artspace team will share in the planning, communication, and coordination of all activities related to the development of Ola Ka 'Ilima Artspace. PA'I will assist by providing administrative support to the project team including production and distribution of collateral, file management, data collection, report creation, research and other office related duties.

- 2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;**

See Attachment A – Project Timeline

- 3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and**

The Artspace President and PA'I Executive Director will monitor, evaluate and oversee the project to ensure quality and that all requirements and procedures are met. A recent survey of the artist market has been completed with data analysis complete. A full report and/or the executive summary can be made available upon request.

Artspace has monthly and sometimes weekly meetings for project leads and support staff to assess timelines and to share information and work on next steps. A fundraising plan is in place and several key meetings have already occurred to begin securing private and philanthropic support. Artspace has staff in Honolulu monthly.

- 4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the**

measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

Artspace will monitor, evaluate and oversee the project to ensure quality and that all requirements and procedures are met. Artspace has a 35-year positive track record managing and reporting on millions of dollars in federal-state-local and philanthropic funds and grants. Our team has already been in communication with the Labor and Industrial Relations Department, our assigned contact in the Office Community Services there, and understands the rules and regulations governing these funds and their intended use.

III. Financial

Budget

- 1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.**

Attachment B – Project Budget

GIA Page 5 – Budget Request by Source of Funds

GIA Page 6 – Budget Justification - Personnel Salaries and Wages N/A

GIA Page 7 – Budget Justification - Equipment and Motor Vehicles N/A

GIA Page 8 – Budget Justification – Capital Project Details

- 2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2016.**

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$3,000,000				

- 3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2016.**

Pending:

- Ford, \$500K
- Kamehameha Schools, \$2M
- Ward Village Foundation, \$100K
- Clarence T.C. Ching Foundation, \$100K

Other Planned 2015 Requests:

- Harold Castle Foundation, \$250K
- Strong Foundation, \$100K
- McInerney Foundation, \$100K
- James and Abigail Campbell Foundation, \$50K
- Ron and Sanne Higgins Foundation, \$50K

- f. Alexander & Baldwin, \$50K
- g. Individuals, \$100K

Other

- a. ANA, request in development, likely to include \$250 - 500K for build out (not core capital) for Hawaiian cultural space

Committed funds to date include:

- a. Ford, \$1.15M
 - b. ArtPlace, \$300K
 - c. Atherton Family Foundation, \$200K
 - d. NEA, \$150K
 - e. Cooke Foundation, \$100K
- 4. The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.**

Federal LIHTC Awarded by HHFDC 7/14/14: \$1,425,000
State LIHTC Awarded by HHFDC 7/14/14: \$712,500

- 5. The applicant shall provide a listing of all government contracts and grants it has been and will be receiving for program funding.**

GIA Page 9 – Government Contracts and/or Grants
State GIA 2013 and 2014: \$1,850,000
City Council Grant: 2013: \$1,100,000

- 6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2014.**

N/A

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

With 37 projects in 29 states in operation or development the Artspace staff has the development experience to carry out the development tasks associated with a major mixed-use project. From site control to assembling financing through lease up, Artspace will manage all activities related to the Ola Ka 'Ilima Artspace project. PA'I will work closely with the Artspace team to insure the project meets the needs of Hawaii's creative community. Artspace has been in operation since 1979 and has deep knowledge and expertise in the following: philanthropic fundraising; use of housing tax credits, new market tax credits, and historic preservation tax credits; stewardship of federal, state and local government funds including earmarks, bonds, grants and loans; construction management; lease-up and occupation; facilities management; artist selection; and tenant relationship management. Great strides are taken by Artspace on every single project in community relations to ensure that goals are met for and voices are heard in each community.

PA'I has been honored by national grant makers as a participant in several major initiatives aimed at building capacity among exemplary organizations working to impact the future of the arts in America. These funders include: ARTOGRAPHY: Arts in a Changing America, whose support launched the PA'I Arts & Culture Center, which today houses class and office space; and The Ford Foundation, whose funding and technical support – through the DeVos Institute of Arts Management at the Kennedy Center – is helping PA'I prepare for the development and management of the PA'I Arts & Culture Center.

In addition to classes in chant and dance, PA'I programs include/have included:

- Healing Our Spirit Worldwide 2010, with 2500 attendees from indigenous nations worldwide;
- Ho'oulu Project (2004-2010), which provided opportunities for 45 Native Hawaiian high school sophomores and juniors to attend Harvard Medical School summer programs to study substance and drug abuse;
- Hapa Haole Hula & Music Festival (2003-present), which brings together musicians, dancers, and scholars to showcase the music and dance of the Hapa Haole era;
- MAMo: Maoli Arts Month (2006-present), originally a one-month annual celebration of Native Hawaiian art and artists, which today spans April through June;
- Nana I Ke Kumu (Look To The Source), providing cultural outreach and education;
- Net Microfest (2013), a national gathering of artists in Honolulu, PA'I served as the local host;
- The new Mo'olelo Storytelling Festival to be held at the Honolulu Museum of Art's Doris Duke Theater to be held on November 14-16, 2014; and
- PA'I Kaka'ako Arts & Makahiki Fest, to be held November 22, 2014 at the Mother WaldronPark.

All of these events and activities are intended to engage the community, create opportunities for Native Hawaiians to share their culture and educate visitors and those who live and work in Hawai'i a deeper appreciation for Native Hawaiian traditions. It is also an opportunity to create new partnerships with businesses, schools, non-profits and individuals interested in building a vibrant community.

Events and projects created and managed by PA'I include:

MAMo: Maoli Arts Month 2006-present Since 2006, PA'I has successfully organized and implemented this month - long celebration to highlight native Hawaiian arts, artists and cultural practitioners. Held annually in May, we have partnered with the Bishop Museum to coordinate a two day Native Hawaiian Arts Market and Keiki Arts Festival on the grounds of the Bishop Museum. We have also partnered with the Bishop Museum and the Arts at Mark's Garage to coordinate exhibits and workshops in downtown Honolulu art galleries.

Ho'oulu Project 2004-2010: Since 2004 PA'I has sent 45 native Hawaiian high school sophomores and juniors to Harvard Medical School for a three week summer program to study substance and drug abuse.

Hapa Haole Hula & Music Festival 2003-present

The Hapa Haole Festival event brings together musicians, dancers, and scholars to showcase the music and dance of this interesting Hawaiian dance genre. The project objective is to create activities and events that showcase Hapa Haole Music and dance that will be of interest to residents, visitors, scholars, collectors, students, musicians, dancers, artists, keiki and kupuna.

Native Rights Educational Outreach Programs 1997 - present

PA'I Foundation collaborates with other institutions and organizations to educate the broader Hawaiian community about Hawaiian history, native Hawaiian rights and other issues. It is hoped that we can improve the relationships between the tourist industry, immigrants to Hawai'i, and long time residents and established communities who choose to live in our ancestral land. Events include Ka 'Aha Pono, Intellectual Property Rights conference, Onipa'a Celebration for Queen Lili'uokalani and Kū I Ka Pono. Partners include the Association of Hawaiian Civic Clubs, Kamehameha Schools, Queen Lili'uokalani Children's Center, Hawai'i Pono'i Coalition and others.

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities.

Artspace owns and operates 37 projects across the county. All of our projects meet ADA requirements as well as all other local government building and

housing requirements and codes. Our facilities are designed and managed to ensure compliance with all Federal and State housing and disability requirements.

PA'I has offices and a dance studio and gallery space located in the Kapālama Shopping Center in Kalihi, Honolulu, O'ahu. Their facility meets ADA requirements and is on the ground floor. It is a multipurpose facility providing meeting space and dance studio for other halau hula including Takamine's halau, Pua Ali'I 'Ilima. Other kumu hula currently using the space for practice and teaching include Robert Cazimero, Leialoha Amina and Momiala Kamahele. Actor/director Keo Woolford used the space to audition and rehearse for his film production Under the Hula Moon. Other artists have used the dance studio for Zumba classes and information meetings. They have the ability to hold small community meetings, planning meetings and interviews for the Ola Ka 'Ilima project.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

Kelley Lindquist has been president of Artspace Projects since 1987. Under his leadership, Artspace has grown from a staff of one and an annual budget of \$60,000 into the nation's leading nonprofit developer of space for artists with a staff of 70, a budget of \$12 million, and stewardship of properties containing more than two million square feet of residential, studio, office, rehearsal, and performance space. To date, Artspace has completed 35 major projects containing more than 1,500 affordable live/work residences for artists and their families.

During Mr. Lindquist's tenure, Artspace has received a number of significant awards, including the National Trust for Historic Preservation's Honor Award for contributing to the revitalization of inner-city communities and the University of Illinois at Chicago's "Best Practices in Affordable Housing" award.

Mr. Lindquist's expertise has made him much in demand as a consultant and speaker, and he is frequently invited to speak at national and international conferences on the role of artists and arts facilities in urban revitalization. While he remains actively involved in Artspace's day-to-day operation, he increasingly focuses his energy on the broader task of restoring national confidence in America's creative communities and on helping artists reclaim their rightful place in the national discussion about the role of the arts in American society.

Greg Handberg joined Artspace in October 1999. As Senior Vice President of Properties, Greg is responsible for all new project development and oversight of Artspace's existing real estate assets. Greg plays a key role in the origination of all new real estate development projects at Artspace. Perhaps his most significant role at Artspace is what he calls "putting a box" around a project. He helps a community translate their space needs into a project that fits with physical and financial opportunities. He then works with the Properties team to advance this project from vision to reality.

Under Greg's leadership, Artspace has developed approximately \$275 million in real estate over the past eight years (completed and currently under construction). Another \$175 million is in the pipeline and advancing toward construction. Greg has experience in both for-profit and non-profit real estate development. Before joining Artspace, he worked as Development Manager at Twin Cities Housing Development Corporation, a non-profit affordable housing developer based in

Saint Paul, MN and before that worked in Boston as a Senior Associate at Byrne McKinney & Associates, a for-profit development consulting and appraisal firm. In Boston, much of his work centered on public/private development initiatives.

Greg is an avid photographer and mountain biker. Photography keeps his eyes open. Mountain biking keeps his synapses active. And although Greg believes that he can do the moonwalk, his wife and two daughters would disagree. He has a BA degree in Urban Studies from the University of Minnesota and has received his MS degree in Real Estate Finance from the University of Wisconsin, Madison. He has lectured nationally and internationally on arts facility development and real estate finance.

Heidi Kurtze, as Vice President of Property Development for Artspace, oversees the development process for new Artspace projects including finance, community engagement, architecture, construction and government relations. She led the development of several successful Artspace projects, including the award winning Brookland Artspace Lofts in Washington, DC, and Elgin Artspace Lofts in Elgin, IL. She currently leads development for Artspace in Memphis, Tennessee, Dearborn, Michigan, and Mesa, Arizona.

She has a Masters Degree in Urban Planning from the Humphrey Institute at the University of Minnesota and has been working in the field of affordable housing, real estate development and urban planning for over 19 years.

Before joining Artspace, Ms. Kurtze managed the private development of over \$220 million in real estate in the Twin Cities. She received her BA in Political Economy from Michigan State University, Phi Beta Kappa. She is a member of the Urban Land Institute and serves as President, Board of Directors of Zenon Dance Company in Minneapolis, MN and Advisory Board for Dance Place in Washington, D.C.

Cathryn Vandenbrink grew up in Yakima, Washington, and graduated from Pitzer College in Claremont, California (BA, Sociology, 1972). For two decades she worked as a jewelry artist in Seattle, Washington. She is a nationally acclaimed artist with work in various collections, including those of the Tacoma Art Museum, the Boston Museum of Fine Art and the Museum of American Design in New York.

In 1996 she began working as an urban planner and advocate for artists and arts organizations. She was a founding member of the Pioneer Square Community Development Organization, in which capacity she brought Artspace to Seattle to consult on a live/work project in historic Pioneer Square. This first contact led to the Tashiro Kaplan Artist Lofts project.

After five years as an independent consultant focusing on the space needs of Seattle artists, Vandenbrink joined the Artspace staff in 2004 as director of the

company's West Coast office, its first satellite office. In this capacity she has developed two projects in Seattle, Tashiro Kaplan Artist Lofts and Artspace Hiawatha Lofts, Artspace Everett Lofts in Everett, Washington, and The Tannery Arts Center in Santa Cruz, California.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organization chart that illustrates the placement of this request.

See Attachment C – Artspace Staff Organizational Chart

C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

From the Artspace 2013 Form 990:
Kelley L. Lindquist \$197,274
William Law \$158,500
Wendy Holmes \$156,768

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

N/A

B. Licensure or Accreditation

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that the applicant possesses relevant to this request.

N/A

C. Federal and County Grants

The applicant shall separately specify the amount of federal and county grants awarded since July 1, 2014.

Since July 2014, we don't know that we have received any federal or county grants. We received the federal tax credit award (not a grant) in July 2014 and a State RHTF award (a loan not a grant) in August 2014.

D. Private Educational Institutions

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question.

N/A

E. Future Sustainability Plan

The applicant shall provide a plan for sustaining after fiscal year 2015-16 the activity funded by the grant if the grant of this application is:

- (1) Received by the applicant for fiscal year 2015-16, but**
- (2) Not received by the applicant thereafter.**

Attachment D – HCA Ltr for Lot 40 – Executed Lease Terms Approval

F. Certificate of Good Standing (If the Applicant is an Organization)

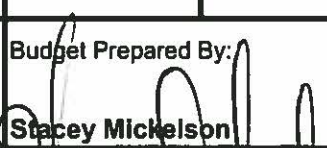
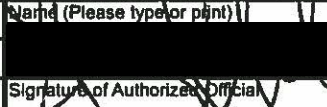
If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2014.

Attachment E – Hawaii Artspace Certificate of Good Standing
Attachment F – Artspace Certificate of Good Standing

BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2015 to June 30, 2016

Applicant: Ola Ka 'Ilima Arts Center, LLC

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	3,000,000			
TOTAL (A+B+C+D+E)	3,000,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	3,000,000	 Stacey Mickelson 612-810-1759 <small>Name (Please type or print)</small> <small>Phone</small>		
(b) LIHTC/State/Local	27,300,000			
(c) First Mortgage	4,500,000	 <small>Signature of Authorized Official</small> 01/28/15 <small>Date</small>		
(d) Philanthropy	3,400,000			
TOTAL BUDGET	38,200,000	Stacey Mickelson Vice President, Govt Affairs <small>Name and Title (Please type or print)</small>		

BUDGET JUSTIFICATION - PERSONNEL SALARIES AND WAGES

Period: July 1, 2015 to June 30, 2016

Applicant: Ola Ka 'Ilima Arts Center LLC

POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
N/A - There are no plans to use GIA funds for Peroneel Salaries and Wages				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
				\$ -
TOTAL:				

JUSTIFICATION/COMMENTS:

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2015 to June 30, 2016

Applicant: Ola Ka 'Ilima Arts Center LLC

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
N/A - There are no plans to use GIA funds to purchase equipment			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
N/A - There are no plans to use GIA funds to purchase motor vehicles			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2015 to June 30, 2016

Applicant: Ola Ka 'Ilima Arts Center, LLC

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2013-2014	FY: 2014-2015	FY:2015-2016	FY:2015-2016	FY:2016-2017	FY:2017-2018
PLANS	100,000					
LAND ACQUISITION						
DESIGN	100,000					
CONSTRUCTION	150,000	1,500,000	3,000,000			
EQUIPMENT						
TOTAL:			3,000,000			
JUSTIFICATION/COMMENTS:						

GOVERNMENT CONTRACTS AND/OR GRANTS

Applicant: Ola Ka 'Ilima Arts Center, LLC

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1.	State GIA Contract	FY 2013-2014 FY 2014-2015	OCS, Dept of Labor and Industrial Relations	State	\$1,850,000
2.	City Council Grant	2013	City of Honolulu	Honolulu	\$1,100,000
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
				TOTAL	

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAI'I REVISED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
 - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.

- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.

- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawai'i Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawai'i Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Artspace Projects for Ole Ka 'Ilima Arts Center LLC
(Typed Name of Individual or Organization)



(Signature)

01/28/15

(Date)

Stacey Mickelson
(Typed Name)

Vice President, Government Affairs
(Title)

**Ola Ka 'Ilima Arts Center LLC
Attachment A**

**Ola Ka 'Ilima Arts Center LLC
Project Timeline**

	2013				2014				2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Design/Financial	■																			
Schematic Design	■																			
Preliminary Cost Analysis	■																			
Preliminary Pro Forma	■																			
Lender/Investor Selection								■	■											
Gap Funding Applications	■	■	■	■	■	■	■	■	■											
LIHTC Application	■	■			■	■														
Development						■	■													
Construction Documents								■	■											
Construction										■	■	■	■	■	■					
Lease Up																■	■	■		
Stabilized Occupancy																	■	■	■	■

**Ola Ka 'Ilima Arts Center, LLC
Project Budget**

ATTACHMENT B

Sources

First Mortgage - Secured	\$4,500,000
Federal LIHTC - Secured	\$14,400,000
State LIHTC - Secured	\$3,650,000
State RHTF - Secured	\$4,500,000
City Housing Funds - Secured	\$1,000,000
City Housing Funds - Un Secured	\$1,900,000
Sponsor Loan (Philanthropic/FHLB/Other) - Partially Secured	\$3,400,000
State GIA (Secured 1,850,000)	\$4,850,000
Total Sources of Funds	\$38,200,000

Uses

Construction	\$34,950,000
Developer Fee	\$2,100,000
Legal	\$400,000
Reserves	\$750,000
Total Uses of Funds	\$38,200,000

BOARD OF DIRECTORS

Kelley Lindquist
President

PROPERTIES
Greg Handberg
Senior Vice President

OPERATIONS
Will Law
Chief Operating Officer

NATIONAL ADVANCEMENT
Colin Hamilton
Senior Vice President

CONSULTING AND STRATEGIC PARTNERSHIPS
Wendy Holmes
Senior Vice President

ASSET MANAGEMENT
Bill Mague
Vice President
Greg Foley
Asset Manager
Jean Kramer-Johnson
Asset Manager
Naomi Marx
Asset Manager
Kimberly Moore
Asset Manager
Julie Alexander
Regional Asset Manager
Jennifer Marmol
Asset Manager

PROPERTY DEVELOPMENT
Heidi Kurtze
Vice President
Naomi Chu
Director
Sarah White
Director
Leah Swartz
Project Manager
Sarah Swingley
Project Manager
Joe Butler
Project Manager
New Orleans
Becky Carlson - St. Clair
Project Manager

SEATTLE REGIONAL OFFICE
Cathryn Vandenbrink
Vice President
Julie Alexander
Regional Asset Manager

Melodie Bahan
Vice President,
Communications
Shannon Joern
Sr. Director
National Advancement
Kathleen Kvern
Sr. Director
National Advancement
Emily Taylor
Communications Manager

Stacey Mickelson
Vice President,
Government Relations
Roy M. Close
Vice President,
Special Projects
Teri Deaver
Vice President
Los Angeles
Anna Growcott
Consulting Associate

OPERATIONS
Mark Conrad
Chief Financial Officer
Lori Pope
Finance Manager
Kellie Hmong
Financial Assistant
Mary Jo Johnson
Special Projects
Assistant
Shacla Wilson
Executive Assistant
Xiyuan Jia
Finance Assistant

PROPERTY MANAGEMENT
Freddie Houston
Director
Performance Property
Management, Inc.
Nu Lee
Finance Assistant

FINANCE/ REAL ESTATE
Steve Stanley
Director



HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



David Y. Ige
Governor

Brian Lee
Chairperson

Anthony J. H. Ching
Executive Director

December 19, 2014

Mr. Greg Handberg
Sr. Vice President, Properties
Artspace
250 Third Avenue North, Suite 400
Minneapolis, MN 55401

Dear Mr. Handberg:

Re: Ground Lease terms for the 30,000 s.f. land parcel located at 1025 Waimanu Street further identified as TMK No. (1) 2-3-003:040 for the development of Ola Ka Ilima Lofts, a mixed use affordable housing development project

I am pleased to inform you that the Hawaii Community Development Authority (HCDA) approved the following ground lease terms for the subject project at its publicly notice meeting on November 25, 2014.

- Premises: 30,000 s.f. parcel located at 1025 Waimanu Street further identified as TMK No. (1) 2-3-003:040
- Term: Sixty-Five (65) years
- Base Rent: \$1 Per Year
- Additional Rent: Residential – Lessee will pay 75% of the project's residual income from its residential component to the Rental Housing Trust Fund; Lessee will deposit the remaining 25% of the residual income in the project's residual receipts account; Should the Lessee decide to make a cash distribution from such account for anything other than a bona fide project expense, Lessee will pay the HCDA 50% of the distribution
- Commercial – Lessee will pay the HCDA 50% of the projects residual income from its commercial component

461 Cooke Street
Honolulu, Hawaii
96813

Telephone
(808) 594-0300

Facsimile
(808) 594-0299

E-Mail
contact@hcdaweb.org

Web site
www.hcdaweb.org

Rental Payments: Paid annually with the submittal of the audited financial statements

Lease Provisions: Standard mortgagee protection provisions which will allow the lender to step in and correct any tenant defaults under the lease

Pursuant to the HCDA's approval of the ground lease terms, HCDA staff will be preparing a development/ground lease agreement for execution.

Please contact Mr. Deepak Neupane, P.E., AIA, HCDA Director of Planning & Development if you have additional question on this matter.

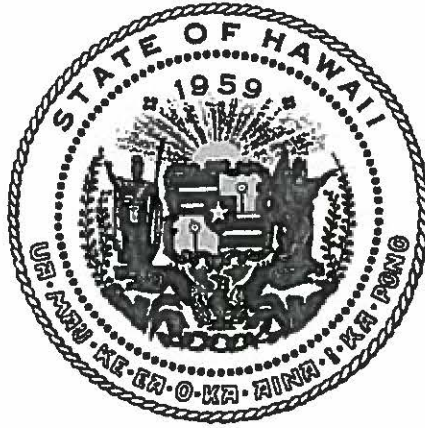
Sincerely,



Anthony J. H. Ching
Executive Director

AJHC/DN:as

ATTACHMENT: E



Department of Commerce and Consumer Affairs

CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

ARTSPACE PROJECTS, INC.

incorporated under the laws of Minnesota

was duly registered to do business in Hawaii as a foreign nonprofit corporation on 06/27/2013, and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporation Act, regulating foreign nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: January 27, 2015

Interim Director of Commerce and Consumer Affairs



**Office of the Minnesota Secretary of State
Certificate of Good Standing**

I, Steve Simon, Secretary of State of Minnesota, do certify that: The business entity listed below was filed pursuant to the Minnesota Chapter listed below with the Office of the Secretary of State on the date listed below and that this business entity is registered to do business and is in good standing at the time this certificate is issued.

Name: Artspace Projects, Inc.
Date Filed: 01/09/1978
File Number: P-1183
Minnesota Statutes, Chapter: 317A
Home Jurisdiction: Minnesota

This certificate has been issued on: 01/27/2015



Steve Simon
Steve Simon
Secretary of State
State of Minnesota

**Ola Ka 'Ilimina Arts Center, LLC
Letters of Support**

March 14, 2013

Aloha kākou!

I am writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for all Hawaiian artists. Artspace is the recognized national leader in the development of affordable space for the arts. This will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

I am especially pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience. Since last year, PA'I has provided my students of Hawaiian chant and composition a place to learn as spaces are difficult to secure or rent especially for small groups of learners as ourselves. Thanks to PA'I's hospitality, I was also able to hold a class on Hawaiian string figure making, which is a relatively unknown and threatened tradition, at their space. PA'I's support of this class they participate in preserving and perpetuating important Hawaiian traditions in need of care and attention.

I attended the groundbreaking ceremony for the Ola Ka 'Ilima Artspace Lofts project and was thrilled to learn that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. I look forward to a housing project focused on artists with the excellent design, planning and community involvement they are known for.

Again, I support Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

'O wau wale nō,

Kalani Akana

Kalani Akana, PhD
Kumu Hula, Kumu Oli
Ka Pā Hula O Ka Lani

c: Representative District 30, Romy Cachola
Senate District 15, Glenn Wakai

Melanie Holt and Tim Bostock
PO Box 819, Kamuela, HI 96743
(808) 885 5346

TO WHOM IT MAY CONCERN

Thursday, April 18, 2013

Aloha,

We are writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for all Hawaiian artists. This will also be the home of PA'I Arts & Culture Center - a 4,000 sq. ft. center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

We are pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's Office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience.

We have long been champions of artists and artist housing in Hawaii, as supporters of The Arts at Marks Garage and the Artist's Lofts in Chinatown through the Hawaii Academy of Performing Arts, as well as strong supporters of Bishop Museum, Iolani Palace, Honolulu Theatre for Youth, Tau Dance Theatre, the Hawaii Theatre, Hawaii Opera Theatre and other important local arts organizations. As Board members of PA'I we have supported the dreaming, and have followed the progress of Ola Ka 'Ilima Artspace Lofts project and are thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses.

Artspace is the recognized national leader in the development of affordable space for the arts – we in Hawaii are lucky that the organization has chosen to work with us in Honolulu. We are looking forward to a housing project focused on artists with the excellent design, planning and community involvement they are known for.

We whole heartedly support Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa, and sincerely,

Melanie F Holt Bostock and Tim Bostock

ROBERT CAZIMERO
1330 Ala Moana Blvd. Ste. 1
Honolulu, HI 96814

March 13, 2013

Aloha!

I am writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for all Hawaiian artists. This will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

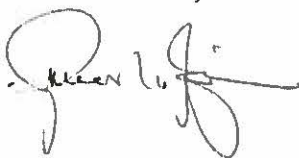
We are pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience.

In a lifetime of practicing our native culture in a kind of "grass-roots" fashion of working where we can depend on the kindnesses of others, the thought of having a space, an art space dedicated to what we do, is an overwhelming and fantastic opportunity. In an effort to be humble and grateful for having "anything" we have, Artspace is a kind of nirvana, utopian dream come true. It presents itself accessibly before us, an unbelievable and invaluable gift.

We have followed the progress of Ola Ka 'Ilima Artspace Lofts project and are thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. Artspace is the recognized national leader in the development of affordable space for the arts. We are looking forward to a housing project focused on artists with the excellent design, planning and community involvement they are known for.

Again, I, Robert Cazimero, support Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa,

A handwritten signature in black ink, appearing to read 'Robert Cazimero', with a stylized flourish at the end.

Robert Cazimero
Kumu Hula
Halau Na Kamalei / Wahea Foundation



**HAPA: Hawaii Academy of Performing Arts
Chinatown Artists Lofts & The ARTS at Marks Garage**

March 13, 2013

Aloha!

I am writing in support of the Oia Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for all Hawaiian artists. This will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

We are pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience.

The ARTS at Marks Garage, Chinatown Artists Lofts and the other projects that we manage are based on the belief that creativity is the raw resource for the economy of the future, and innovation is the key ingredient for new technology. Far from the arts being a "frill" or an "elective" creativity is in the top 5 applied skills desired by business leaders, and 72 percent of business leaders now say creativity is of high importance when hiring. A college arts degree is regarded as the biggest creativity indicator.

Artspace is sets the gold standard for artists housing. We have toured other Artspace projects and can offer testimony that their projects are attractive, landmark sources of civic pride. They serve as incubators for creativity, innovation and economic development in the neighborhoods lucky enough to be home to one of their projects.

Hawaii Academy of Performing Arts and community leaders in Chinatown embrace this project as a tremendous benefit to our artists ohana in the state of Hawaii. Programs are being considered to link Kakaako and the creative industries of Chinatown for the benefit of all.

We have followed the progress of Oia Ka 'Ilima Artspace Lofts project and are thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. Artspace is the recognized national leader in the development of affordable space for the arts. We are looking forward to a housing project focused on artists with the excellent design, planning and community involvement they are known for.

Again, Hawaii Academy of Performing Arts supports Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa,

Rich Richardson,

Executive Director

HAPA: Hawaii Academy of Performing Arts

1159 Nuuanu Avenue, Honolulu, Hawai'i, 96817

808-521-2903 fax:521-2923 info@artsatmarks.com www.artsatmarks.com

Mission: To transform our community with the power of the arts & establish Chinatown, Honolulu as the creative capital of the Pacific.

**Hawai'i
Arts
Alliance**



*A member of
the Kennedy Center
Alliance
for Arts Education
Network*

January 31, 2013

Aloha!

I am writing to support the Ola Ka 'Ilima Artspace Lofts. Artspace has undertaken this development to provide affordable live/work housing for all artists in Hawai'i. It will also be the home of PA'I Arts & Culture Center, a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

We are pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's Office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and thriving arts community and to a strong and vibrant urban experience.

As a private non-profit, the Hawai'i Arts Alliance promotes and advocates for all the arts statewide. The Alliance was the founder of *The ARTS at Marks Garage*, a collaborative, community arts center in downtown Honolulu. *The ARTS at Marks* was a leader in the revitalization of Chinatown and continues today as an independent entity and a key player in the economic vitality and quality of life in historic downtown Honolulu. We anticipate the Artspace Lofts will have a similar, even greater, impact in its neighborhood and for arts and culture across the state.


We have followed the progress of Ola Ka 'Ilima Artspace Lofts and are thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. Artspace is the recognized national leader in the development of affordable space for the arts. We look forward to a housing project focused on artists supported by Artspace with its reputation for excellent design, planning and community involvement.

Again, Hawai'i Arts Alliance supports the work of Artspace to increase housing opportunities for Hawai'i's artists throughout the state.

*Visit our
Community
Project:
The ARTS at
Marks Garage
www.artsatmarks.com*

P.O. Box 3948
Honolulu, Hawai'i
96812-3948
Phone: (808) 533.2787
Fax: (808) 526.9040
arts@hawaiiartsalliance.org
www.hawaiiartsalliance.org

Mahalo nui loa,


Marilyn Cristofori
Chief Executive Officer



March 2013

Aloha!

I am writing in support of an amazing effort underway.

The PA'I Foundaion, State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's Office on Culture & Arts are all working with **Artspace** [<http://www.artspace.org/>] to create the first ever living and working housing units for Native Hawaiian artists. This space, known as the **Ola Ka 'Ilima Artspace Lofts**, is a much needed, affordable new concept space supporting our Hawaiian artists.

Ola Ka 'Ilima Artspace will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

As a long-time Hawaiian filmmaker and artist, I fully support this effort to bring our creative together – to give them an opportunity to live and grow in a healthy, safe space that will be supportive and caring. What we have lacked for too long is a dedicated community creative space to mentor artists who remain a very important part of the fabric of our community.

Artspace is the recognized national leader in the development of affordable space for the arts. We are looking forward to a housing project focused on artists with the excellent design, planning and community involvement they are known for.

I strongly support this effort and am sincerely grateful to Vicky Holt Takamine for her tireless effort to create this opportunity.

Mahalo for your time on this important matter,

Heather Haunani Giugni
Filmmaker/President
Juniroa Productions Inc.



April 16, 2013

Aloha!

On behalf of Kauahea Inc., I am writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for Hawaiian artists. This will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

We are pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience. Artspace is the recognized national leader in the development of affordable space for the arts and we look forward to welcoming this project to our community.

Ola Ka 'Ilima will create a living and working atmosphere which cultivate the Hawaiian values of no'eau (artistic skill), aloha (affection), 'ohana (family), laulima (cooperation), and po'okela (excellence). These values are essential parts of who we are as a community and who we are as Hawai'i.

Again, Kauahea Inc. supports Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa,

Hökūlani Holt-Padilla
President
Kauahea Inc.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII 96813-3065

ANN H. KOBAYASHI
COUNCILMEMBER, DISTRICT 5
CHAIR, COMMITTEE ON BUDGET
TELEPHONE: (808) 768-5005
FAX: (808) 768-1227
EMAIL: akobayashi@honolulu.gov

May 22, 2013

Mr. Ralph Mesick
Chairman, Board of Directors
Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Dear Mr. Mesick,

I am writing to express my full support for the Ola Ka 'Ilima Artspace Lofts, being developed by Artspace, to provide affordable live/work housing for all Hawaiian artists. The proposed project site is located at 1025 Waimanu Street, in the Kaka'ako District of Honolulu, on the island of Oahu. The project includes 80 units of affordable live/work space for low-income artists and their families as well as ample community and green space. In addition, approximately 4,000 square feet will be reserved for a cultural center for Native Hawaiian dancers, musicians, visual artists, cultural practitioners and others who are interested in experiencing Native Hawaiian cultural traditions and functions. This will be the home of PA'I Arts & Culture Center.


I am pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's Office of Culture & Arts. Artist housing and workforce housing have long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience.

This project will meet our goals for diversity of housing stock in the Kaka'ako district and will increase housing opportunities for workers in the neighborhood.

I have followed the progress of Ola Ka 'Ilima Artspace Lofts project and am thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. Artspace is the recognized national leader in the development of affordable space for the arts. I am also looking forward to a housing project focused on artists with the excellent design, planning and community involvement that Artspace is known for. Artspace possesses the capacity and expertise to successfully develop dynamic artist housing and community spaces.

Again, thank you for the opportunity to express my support of Artspace's work of increasing housing opportunities for Hawai'i's creative community.

Sincerely,


Ann H. Kobayashi
Council District V

March 12, 2013

Dear Committee,

I am writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for all Hawaiian artists. This will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

We are pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience.

As the former State Captain for Arts Advocacy, and a long-time creative industry professional, I know the need and potential for this project. I am a designer, arts administrator and small business owner in the arts, and spent 13 years working in creative industry in New York City. There is excellence in creative and cultural expression in Hawai'i that equals my experience anywhere, that I believe can be further developed with the right formula of support, market diversification, and artist education/exposure. This would only mean an enhancement to the State's economy and the enrichment of lives of its citizens.

We have followed the progress of Ola Ka 'Ilima Artspace Lofts project and are thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. Artspace is the recognized national leader in the development of affordable space for the arts. We are looking forward to a housing project focused on artists with the excellent design, planning and community involvement they are known for.

Again, I support Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa,

Marla Momi Musick
Projects & Community Director, The Fine Art Associates
Producer, T-Shirt Theatre
Owner, Pacifikology – An Art, Design and Fashion Pop Up Event Experience

January 23, 2013

To Whom It May Concern:

Ola Ka 'Ilima Artspace lofts is a project worthy of my support. Developed by Artspace,, which has been the catalyst for successful programs in Santa Cruz, CA, across the nation to Illinois, Indiana, Louisiana and Florida - now Hawai'i has the perfect opportunity to be a part of this very reputable program where artists of Hawai'i can come together to practice and share their craft, art and talent with the community.

It is not new knowledge that having strong presence of art in the community is the woven fabric which brings together past, present and future of any culture. It is important to build a strong foundation and support for Ola Ka 'Ilima, and with PA'I Foundation, the State of Hawaii, the Hawaii Community Development Authority, the City and County of Honolulu and the Mayor's Office of Culture & Arts, and Artspace -America's Leading Nonprofit Real Estate Developer - a better foundation could not exist.

I have worked in Affordable Housing with the City and County and now with a private company who manages 17 affordable rental projects for multi family as well as senior housing. From my vantage point I can easily declare that while the need for units in the 30% of Median will always exist, it is within the 50% - 60% Median, for households which earn incomes too large to qualify for HUD, or 30% meanwhile unable to pay the outrageous rents being asked - \$1,500 a month for a one-bedroom apartment, market rate, that is clearly the most growing percentage on the island and the most needed. A person would need to earn at least \$3,750 a month to even be considered as a tenant. This directly impacts the working artist who will have to work more to pay the rent, rather than spending time on his/her craft which ultimately may have a more positive effect on the community at large.

This project is exciting, vibrant and what is needed on the island to make Hawaii, more Hawaii. I look forward to the day when the doors open to 80 artists and their families as well as the PA'I Arts & Culture Center and Art associated businesses.

Again, I, Ann C.R. Olson support Artspace's effort of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa,

Ann C.R. Olson

annrav.olson@gmail.com

Previous Resident Manager:

Chinatown Gateway Plaza - City & County Affordable Housing Project.

Mokuola Vista - Affordable Family Housing

Project Administrative Assistant:

For 17 Affordable Multi-Family and Senior Independent living housing projects.

March 12, 2013

Aloha!

I am writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for artists in Hawai'i. This will also be the home of PA'I Arts & Culture Center, a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit Hawai'i by providing affordable space for artists and arts activities.

I am pleased and excited to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. It is an important partnership of the right entities at a singularly timely moment in the development of the artistic community in Kakaako, and by extension Honolulu and the state as a whole.

I have spent 23 years in the arts, initially managing theatre and dance companies in New York City and then for 16 in arts philanthropy nationwide for the Rockefeller Foundation and the AT&T Foundation. During that time, artists and artist housing have been identified as necessary elements in a vibrant and economically diverse urban community. For the past 25 years, Artspace has been the premier developer of well-designed, community-centered space for artists that carefully balance the needs of artist residents with positive community growth.

Returning to Hawai'i in 2003 and now as a resident of Kakaako, I am thrilled that a nationally recognized organization of such high integrity and caliber is partnering with the accomplished PA'I Foundation to provide a unique resource for artists and to catalyze positive community growth. I am very familiar with Artspace personally and professionally and know that every project they have undertaken of 32 nationwide has been an unqualified success. That's not luck; their completion record is due to planning, forethought and professionalism.

I have followed the progress of Ola Ka 'Ilima Artspace Lofts project and am so pleased that the doors will be opening soon to 80 artists and their families as well as to the PA'I Arts & Culture Center and new arts-related businesses. In numerous cases nationwide, artists make a community more vibrant, appealing, economically diversified, and quite simply, better. I am looking forward to this housing project focused on artists with the excellent design, planning and community involvement that are the hallmarks of all Artspace projects.

Again, as a resident of Kakaako, and a citizen of Hawai'i, I enthusiastically support the Artspace partnership with the PA'I Foundation and their work to provide housing opportunities designed for and dedicated to Hawai'i's artists.

Mahalo nui loa.



Suzanne M. Sato
600 Queen Street, #3701
Honolulu, HI 96813

March 12, 2013

Aloha!

I am writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for all Hawaiian artists. This will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. I believe this project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

I am pleased to know that Artspace is working with PA'I, the State of Hawaii, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. Artist housing has long been identified as a necessary element of a strong and vibrant arts community and urban experience.

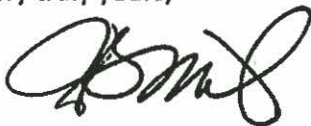
Although my primary occupation is that of a corporate attorney, I also am blessed and privileged to be a local recording artist and vocalist (owner and President of Leo Hano Records, LLC). Thus, I know first-hand how important this project is and how it can benefit our many talented artists and our community.

I have followed the progress of Ola Ka 'Ilima Artspace Lofts project, and I am thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. Artspace is the recognized, national leader in the development of affordable space for the arts. I look forward to a housing project focused on artists with the excellent design, planning and community involvement for which they are known.

I whole-heartedly support Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa,

Very truly yours,



Paul B. Shimomoto

Licensed in Hawaii and the District of Columbia

CHAR HAMILTON YOSHIDA & SHIMOMOTO

Direct: 808.524.9623

pbs@charhamilton.com

1.21.13

Aloha!

I am writing in support of the Ola Ka 'Ilima Artspace Lofts which is being developed by Artspace to provide affordable live/work housing for all Hawaiian artists. This will also be the home of PA'I Arts & Culture Center a 4,000 sq. ft center for sharing and showcasing native Hawaiian art and cultural practices as well as a community center. This project will benefit the entire State of Hawai'i by providing affordable space for artists and arts activities.

We are pleased to know that Artspace is working with PA'I, the State of Hawai'i, the Hawai'i Community Development Authority, the City and County of Honolulu and the Mayor's office of Culture & Arts. Artist housing has long been identified as a necessary element to a strong and vibrant arts community and to a strong and vibrant urban experience.

It is very exciting to know that a project like this is becoming a reality. There is a rich and diverse community of native Hawaiian arts and artists that currently lack a physical space to use specifically as a community and creative center. This project will encourage growth in the existing arts community as well as nurture developing artists by unifying them in a common, creative environment. I have lived in places like New York, London and Los Angeles where artistic communities and community centers such as this are plentiful. To have this development happening here in Hawai'i is personally gratifying to see and a long time coming. I am an actor, director, writer and hula dancer. This space would facilitate any and all of these areas of my work.

The Kaka'ako district will experience tremendous growth in the next 20 years. This affordable housing project, developed by Artspace will insure that artists have a permanent home in the community.

We have followed the progress of Ola Ka 'Ilima Artspace Lofts project and are thrilled that the doors will be opening soon to 80 artists and their families as well as the PA'I Arts & Culture Center and new arts related businesses. Artspace is the recognized national leader in the development of affordable space for the arts. We are looking forward to a housing project focused on artists with the excellent design, planning and community involvement they are known for.

Again, Keo Woolford, support Artspace's work of increasing housing opportunities for Hawai'i's artists throughout the state.

Mahalo nui loa,
Keo Woolford



ALA MOANA/KAKA'AOKO NEIGHBORHOOD BOARD NO. 11

c/o NEIGHBORHOOD COMMISSION • 530 SOUTH KING STREET ROOM 406 • HONOLULU, HAWAII, 96813
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET <http://www1.honolulu.gov/nco>

X SEE PAGE 4 X

**DRAFT REGULAR MEETING MINUTES
TUESDAY, JULY 24, 2012
MAKIKI CHRISTIAN CHURCH**

CALL TO ORDER: Chair Larry Hurst called the meeting to order at 7:00 p.m. with a **quorum of eight (8) members present**. Note - This nine-member Board requires five (5) members to establish quorum and to take official Board action.

Board Members Present - Larry Hurst, Wayne Ibara, Tony Kato, P. Nathan Minn, Steven Okumoto, Dexter Sensui, Kevin Shiota, Chelsea Tanimura (arrived at 7:01 p.m.), and Michael Zehner.

Board Members Absent - None.

Vacancies - None.

Guests - Dale Uno (State Senator Brickwood Galuteria's Office staff), State Representative Tom Brower, Sonny Le (Representative Karl Rhoads' Office staff), Jonathan Tungpalan (State Representative Scott Saiki's Office staff), Robin Chun-Carmichael (Mayor Peter Carlisle's Representative, Department of Human Resources, Deputy Director); City Councilmember Ann Kobayashi and Michele Sansone (Councilmember Ann Kobayashi's Office staff), James Larson (City Councilmember Tulsie Gabbard's Office staff), Wayne Yoshioka (Department of Transportation Services, Director), Captain Robert Hoopii and Fire Fighter Ed Agi (Honolulu Fire Department, Pawa Station), Lieutenant Eric Zarriello, and Sergeant Dalton Wong (Honolulu Police Department, District 1), Pat Lee (Honolulu Rail Transit Project); Ryo Fujise, Alan Kashiwabara, Ayako Kobayash, Evelyn Kuramoto, Sandra Young, Resty and Letty Riguerra, Shinya and Sumie Yoshikoski, Sun J. Hwang, John Y. Yamano, Joe Magaldi, K. Shiraya, Albert Cowie, Marion MacRitchie, Naoto Suzuki, Cathy Yu, Misako and Allen Hill, Sharon Tada, M. Ogawa, Dr. Ron Perry, Guy Perry, Gerry Hsu, Wes Suzawa, Toshiko Koizumi, Jocelyn Leroux, Mary Hee Wai, Scott Hee Wai, Sharon Shak, Haruko Takahashi, C. Banerschkeises, Myron S.S. Wong, and Shioko Yosemite (Hawaiki Tower); Sharon H. Nishi, Ira Ratner and Myrtle Wong (Homeowners), Dave Striph (Howard Hughes Corporation), Joyel Horita, M. Tait (Hawai'i Convention Center), Tino Balcita (Citizens Patrol), Roy Gatter, Liz Larson (Senate District 12 candidate), Tiffany H.Y. Au (Candidate for House District 26) and Cynthia Au (Friends of Tiffany H.Y. Au), Richard Gamberg, Jim Hayes, and K. Russell Ho (Neighborhood Commission Office staff).

CITY MONTHLY REPORTS

Honolulu Fire Department (HFD) - Fire Fighter Ed Agi reported the following:

1. **Statistics for July 2012** - There were 0 structures, 0 wildland, 2 rubbish, and 0 vehicle fires; 141 medical emergencies, 6 search/rescue, and 114 miscellaneous calls for service. There were no major or unusual incidents.
2. **Fire Safety Tips** - Open burning of any material, including green yard waste and household trash, is prohibited throughout the state. Violations of open burning rules may result in fines of up to \$10,000 per day for each offense. Owners, operators, or managers of properties, premises, businesses, or industries where open burning occurs will be held responsible.

Comments followed: Chair Hurst noticed that HFD was busy after a "light" month.

Board member Tanimura arrived at 7:01 p.m.; **9 members present**.

Honolulu Police Department (HPD) - Sergeant Dalton Wong distributed the monthly report and reported the following:

1. **June 2012 Statistics** - There were 23 assaults, 4 burglaries, 48 drug offenses, 44 driving under the influence (DUI), 8 family offenses, 5 graffiti, 193 motor vehicle collisions, 10 motor vehicle thefts, 26 property damages, 5 robberies, 2 sex offenses, 16 unauthorized entries into a motor vehicle (UEMV), and 355 miscellaneous calls for service.



2. Neighborhood Security Watch - If you or someone that you know would like to join or participate in a Neighborhood Security, Business Security Watch or Citizen Patrol group, contact Sergeant Lawrence Santos at 529-3695 or at lsantos@honolulu.gov.

Comments followed:

1. Beat 176 - Chair Hurst pointed out that Beat 176 had about 31 percent of the driving under the influence (DUI) cases and 28 percent of the motor vehicle collision (MVC) for the whole district.
2. Paperwork - Board member Kato, formerly with the Los Angeles Police Department (LAPD), noticed that there is more time spent on paperwork in Honolulu. LAPD is different as the officers spend 1/2 an hour to write up a report and in Honolulu it is more detailed. HPD responded that they park in the shade for visibility and with computers installed in the patrol cars and better communications, HPD gets better investigations.
3. Tip - To prevent burglaries, watch out for your neighbors. A neighbor spotted a person removing the louvers to the windows of a house. When the HPD "checked it out," the officers found out that the neighbor had forgotten his keys in his house.
4. Another Tip - Chair Hurst mentioned that at the main HPD headquarters on South Beretania Street, there is a museum on the HPD. It is worth a visit.

EXECUTIVE SESSION: The Board received a letter from the Neighborhood Commission Office (NCO), regarding "Executive Sessions," and no action was taken. Chair Hurst moved on to the next agenda item.

ELECTION OF BOARD OFFICERS: This item was moved to later in the agenda.

RESIDENTS' CONCERNS

1. Fresh Café and The Asylum - A resident mentioned that he complained about the Fresh Café in February 2012 and it was resolved with the help of Councilmember Tulsi Gabbard and the Ala Moana/Kakaako Neighborhood Board No. 11. The Asylum has a "Bring Your Own Booze (BYOB)" policy and they have after hours fights.
2. Quick Fix Cycles - At 858 Queen Street, Quick Fix Cycles "fixes" motorcycles with illegal muffler modifications. This is a State licensing and noise enforcement issue. Mayor's Representative Chun-Carmichael was asked what the law was. This complaint was suggested to be forwarded to Councilmember Tulsi Gabbard to change the laws and to the State Hawaii Community Development Authority (HCDA).
3. Candidate for State House District 26 (Republican) - Tiffany Au introduced herself. Two of her campaign issues were fighting graffiti and recycling. She was advised to contact the Citizens Patrol Permitted Interaction Group (PIG) Chair Sensui.
4. Candidate for City Council District 5 (Non-Partisan) - Jim Hayes introduced himself. He was concerned about the State noise laws and different land uses at property lines.
5. Three Concerns from 1133 Waimanu Street - Chair Hurst reported the following:
 - A. Speeding Cars on Queen Street at Kolowalu Park Crosswalk: This item was previously referred to Department of Transportation Services (DTS), which installed special signs. The median was removed to accommodate residents on the makai side of Queen. A controlled light or flashing light are more than likely being considered, along with the construction costs of supplying power by much trenching. The park design was excellent, allowing a view of the crosswalk. As with all traffic problems, it comes down to the individual driver and pedestrian. A pedestrian impeding traffic is just as dangerous as a non-attentive driver. HPD Chief of Police (Louis Kealoha) has made a TV Public Service Announcement (PSA), emphasizing speeding and pedestrians. Residents can make traffic incident reports, citing speeders to HPD.
 - B. Cars Parked on Street over 24 Hours: This should be reported to the City by telephone with the exact required information. This gets the fastest response by one of the two investigators. Then, the abandoned vehicle process starts and that vehicle might be towed within a month, as the contracted towing company works island-wide by sectors. During that time, a vehicle can be moved only two inches to start the process all over again. Enforcing metered parking is a HPD function. Tickets for violations of any kind are issued. At one time, it was explained to the complainants that not reporting four-hour storage parking violations, by limos and tour buses, causes a "broken window," when not addressed, is a sign of a deteriorating area and invites not just more parking violations, but other more serious crimes.

- C. Early Morning Refuse Pick-Up: At the last town meeting, the following was resolved - urban refuse pick-up is required by law and allowed at 4:00 a.m., as refuse trucks are prohibited on main thoroughfares after 6:30 a.m. In fact, the City Council legislated an extra 30 minutes, so companies might start later. However, population growth inevitably means more refuse pick-ups. Voters could elect legislators, who will change existing laws.
6. Kissaten Liquor License at the Hawaiki Tower at 88 Piikoi Street - Sharon Tada, the spokesperson for 44 residents, mentioned the following concerns for the Liquor Commission public hearing on Thursday, July 26, 2012: There were no adequate parking (only four (4) spaces); no adequate restrooms (patrons had to walk through the common area of the condo; and no adequate security (for families and children). Tada asked for the Neighborhood Board's support. A resident had looked at the application and noted "violations" - no nearby restrooms and a long walk through the condo's common area. The preliminary approval has been given. Representative Tom Bower added that he invited the Kissaten people, but they did not attend tonight's meeting. **Sensui moved; and Zehner seconded that the Ala Moana/Kakaako Neighborhood Board No. 11 opposes the issuance of a liquor license for Kissaten and that it supports the residents. The motion was ADOPTED by UNANIMOUS CONSENT, 9-0-0 (AYE: Hurst, Ibara, Kato, Minn, Okumoto, Sensui, Shiota, Tanimura, and Zehner).**

Comments followed:

- A. Appreciation Noted - Tada acknowledged the participation of Board members and residents.
- B. Other Comments - The Kissaten people did not show up. The residents should also attend the Liquor Commission meeting. The condo association board and KHON may also have input. Chair Hurst mentioned that the Board's standing resolution on liquor licensing will be on next month's agenda.
7. Candidate for State Senate District 12 (Republican) - Liz Larson introduced herself. She will be hosting a Veterans Appreciation Barbeque on Saturday, August 25, 2012 at Kapi'olani Park, starting at 4:00 p.m. There will a speaker from the famed 442nd Regimental Combat Team.

COMMITTEE REPORTS:

Chair's Report - Chair Larry Hurst had previously reported - Three Concerns from 1133 Waimanu Street.

Citizen Patrol (Permitted Interaction Group) - Chair Hurst reported that the Citizens Patrol was recognized by the HPD.

Community Relations - No report.

Health - Committee Chair Chelsea Tanimura reported the following:

1. Sewage Spill - On July 21, 2012 a private contractor drilled into a sewer lateral during construction work at 1500 Ala Moana Boulevard and more than 3000 gallons have entered the Ala Wai Canal.
2. No New Cases - On June 20, 2012 the Hawaii State Department of Health (DOH) has completed its contact investigation for tuberculosis (TB) that began in March 2012, after a student attending Hawaii Pacific University (HPU) and Kapiolani Community College (KCC) was diagnosed with active TB disease. As of today, no new related cases of active TB disease have been identified.

O'ahu Metropolitan Planning Organization (OahuMPO) Citizen Advisory Committee (CAC) - Chair Hurst assigned this area to Board member Kato.

Land Utilization -

1. Artspace Affordable Housing - Cathryn Vandenbrink made an encore presentation about Artspace in Hawai'i. The fact sheet highlighted the following:
 - A. Project Goals
 - Create a cultural facility that sustains and nurtures native Hawaiian artists and arts organizations
 - Create affordable multi-ethnic artist housing
 - Expand our capacity to support the space needs of culturally distinct communities
 - Connect Honolulu-based artists with peers and constituents across Hawai'i and beyond
 - Fulfill affordable artist housing, transit-oriented development, and economic development goals of City and County of Honolulu
 - B. Project Updates/Details

- The Hawaii Community Development Authority (HCDA) has approved an exclusive agreement with Artspace/PA'I for the Block 40 site in the Kaka'ako neighborhood of Honolulu. This 30,000-square-foot site will be leased to Artspace for 65 years.
- 80 units of artist live/work housing will have high ceilings, large windows, durable surfaces, large doors, and wide hallways to accommodate a variety of creative activities. Each unit will be larger than a typical affordable unit to allow for ample workspace. A podium deck will provide residents with common space and a generous gardening area. The live/work space will be available to income-qualifying artists from all cultural backgrounds represented in Hawai'i. Like all Artspace projects, this building will be multi-ethnic, multi-generational, and multi-disciplinary.
- 4,000 square feet will be used to create a Hawaiian Cultural Center with classroom space, and space for teaching and performing hula, music, and other traditional practices. Additional commercial space will be available for artistic and community uses.

C. Next Steps/Timeline

- Throughout 2012 Artspace/PA'I will undertake physical due diligence on the site, ramp up community and artist outreach, and apply for subordinate and grant financing/funding. Artspace will apply for City and County of Honolulu housing funding in 2012. We expect to apply for state Low Income Housing Tax Credits in January/February 2013. This would support a late 2013, early 2014 construction start and a projected opening in 2015.

Comments followed:

1. Marketing - There will be community space for residents and the community. They will be marketing rentals to artists first, then to the non-artists list.
2. Who is an Artist? - A group of local artists will determine the criteria to qualify for the units. The applicant must show a body of work and must be actively pursuing the art.

Ibara moved; and Shiota seconded that the Ala Moana/Kakaako Neighborhood Board No. 11 support this project by Artspace. The motion was ADOPTED, 8-1-0 (AYE: Hurst, Ibara, Kato, Minn, Okumoto, Sensui, Shiota, and Zehner; NAY: Tanimura). Tanimura mentioned that she was not opposed to The Arts, but she did not like the giving of preference to certain groups, as everyone needs affordable housing.

Legislation - No report.

Parks and Waterways - Board of Water Supply (BWS) representative Sandy Nahoopii-Soong was not present, but she had e-mailed the following report to Neighborhood Assistant Ho, who e-mailed it to Board members, who have an e-mail address:

1. Board of Water Supply (BWS)

- A. Main Break Report - There was one main break on June 24, 2012 at 5:37 a.m. at 205 Koula Street in Kakaako. It was a 6-inch pipe, installed in 1937.
- B. Open House and Unthirsty Plant Sale - BWS will be holding its 24th Annual Halawa Xeriscape Garden Open House and Unthirsty Plant Sale on Saturday, August 4, from 9:00 am. to 3:00 p.m. Studies have shown that up to half of the average single family home's total water consumption is used outdoors and that practicing a concept known as xeriscaping, or conserving water through efficient landscaping, can amount to a significant savings on water and sewer bills. As a way of giving back to its customers, the BWS puts on this free, family-friendly event every year as a way to teach people how to save water outdoors by incorporating xeriscape concepts at home.

All Neighborhood Board members, along with the entire community, are invited to the open house, which includes a full day of fun educational activities such as xeriscape workshops, keiki games, keiki garden planting, garden tours and a free mulch giveaway. Don't miss the ever popular Rain Barrel Workshop, which will offer a limited supply of barrels on a first-come, first-served basis! At least a dozen local nurseries will be selling a variety of unthirsty plants, with proceeds supporting educational programs and classes at the BWS's Halawa Xeriscape Garden.

If you are unable to attend the event, follow the BWS on Facebook and Twitter to view live social media updates from the event. This fun and educational event highlights xeriscaping, which is an innovative technique that can save 30-80 percent on outdoor water consumption.

For more information, please visit www.boardofwatersupply.com or call 748-5041.

- C. BWS Projects - BWS has not set the start dates for both the Kona Street and Ward Avenue projects. It will have these dates set by next month and will send the start dates as soon as the dates are determined.

Public Safety - No report.

Transportation, Honolulu Authority for Rapid Transportation (HART) - Chair Hurst mentioned that the Neighborhood Commission Office (NCO) had asked for the name of the Transportation Chair. Committee Chair Kevin Shiota reported the following:

1. Thursday, June 28, 2012 - Honolulu Authority for Rapid Transportation (HART) submits its request for a Full Funding Grant Agreement (FFGA) to the Federal Transit Administration (FTA). FFGA would formally establish the level of federal funding (\$1.55 billion) for the rail project.
 - A. FFGA Approval Timeline
 - 1) FTA review, approximately 30 days.
 - 2) White House Office of Management and Budget, 30 days.
 - 3) FTA informs Congress of its intent to sign, Congressional review, 60 days
 - B. FFGA Application Included An Updated Financial Plan
 - 1) Total estimated project cost decreased \$10 million, from \$5.17 to \$5.16 billion.
 - 2) General Excise Tax (GET) revenue projection increased from \$3.15 to 3.29 billion.
 - 3) Contingency reserve reduced to 15% of project's cost.
 - C. Regarding the Updated Financial Plan, Honolulu Star-Advertiser Reports (June 29, 2012 and July 16, 2012):
 - 1) Initial segment opening date (Kapolei to Aloha Stadium) changed from late-2015 to mid-2016.
 - 2) The city is planning for fare increases in 2017 and 2023.
 - 3) Subsidy to operate during 2010-2030 is \$5.87 billion, increase of approximately \$582 million from the previous plan.
 - 4) After the rail is running, the operating subsidy will be 17% of overall City tax collections.
 - 5) Today, transit is approximately 12% of City tax collections.
2. Tuesday, July 10, 2012 - HART Executive Director Daniel Grabauskas announced \$2.8 million of public relations-related cost reductions. The reductions involve several sub-consultants and public involvement positions.
3. Wednesday, July 11, 2012 -City Council pass resolutions and continues to apply downward pressure to rail costs:
 - A. Ask the City Auditor to audit public relations spending for rail.
 - B. Ask the City to review its contracts to prevent change orders or budget overruns and instructs HART to hold off authorizing new construction, until after the City has secured federal funding.

Honolulu Rail Transit Project (H RTP) - Due to the lateness of hour and not to be redundant of Board member Shiota's report, Pat Lee summarized his report and submitted the following full report:

- Honolulu Authority for Rapid Transportation (HART) has submitted a request for \$1.55 billion in federal "New Starts" funding for the Honolulu Rail Transit Project. The "Full Funding Grant Agreement (FFGA)" submittal is the final step in the Federal Transit Administration's planning and development process, which concludes in a multi-year agreement between the City & County of Honolulu and the FTA that formally establishes the level of federal funding for the rail project.
- The Honolulu Rail Project has already received \$120 million in federal funding that goes toward the requested \$1.55 billion. When the FFGA is approved later this year, Honolulu will secure the commitment of \$1.55 billion in federal funds for construction of the rail project.
- After receiving Honolulu's FFGA request, the FTA will take approximately 30 days to review it before forwarding the request to the Office of Management and Budget at the White House for its own 30-day review. From there, the FTA will inform Congress of its intent to sign the agreement as part of a 60-day notification process. The completed agreement is expected to be finalized later this year.
- Along with the FFGA request, HART provided FTA officials with an updated financial plan and other documents that include the scope, schedule and budget for the rail project. The new financial plan provides updated figures from the previous financial plan published in September 2011.
- Among the highlights of the final financial plan:
 - ◊ Total project cost is projected to decrease by \$10 million to \$5.16 billion.
 - ◊ The applied contingency decreased 21% from \$815 million to \$645 million. HART is anticipating that it would be zeroed out by the end of construction.
 - ◊ Potential use of Section 5307 funds decreased 14% from \$244 million to \$210 million.

- ◊ Finance cost decreased 27% from \$295 to \$215 million.
- ◊ General Excise Tax (GET) surcharge revenue increases 4% from \$3.15 billion to \$3.29 billion due to Hawai'i's economic recovery.
- ◊ Ending cash balance increases 113% from \$83 million to \$193 million.

For more information, please visit the project website at www.honolulutransit.org, call the project hotline at 566-2299, or email at info@honolulutransit.org.

ELECTED OFFICIALS

City Councilmember Tulsi Gabbard - James Larson distributed the newsletter and he was available to hear concerns. The newsletter highlighted the following:

1. Honoring the Kailua Independence Day Parade.
2. Honoring Father Claude Francis Du Teil - On July 1st, 2012, the Institute of Human Services (IHS) celebrates its 34th year. Father Du Teil would have been 92 years old.
3. Resolution 12-149: Auditing Hart Contracts - The Budget Committee passed Resolution 12-149, calling for an audit of the Honolulu Authority for Rapid Transportation's contracts and spending for public relations and public involvement services. Resolution 12-149 now goes before the full City Council on July 11th.
4. PROJECT C.L.E.A.N. (Community Lokahi to Enrich our Aina Now)
5. District 6 Spotlight - Sean Barboza was in the spotlight.

City Councilmember Ann Kobayashi - Michele Sansone distributed the newsletter and Councilmember Kobayashi reported the following:

1. Award - The YWCA awarded Councilmember Kobayashi a Women's Leadership Award.
2. Budget - The Ala Moana Beach Park restrooms were cleaned and repaired with extra funding. Councilmember Kobayashi received many complaints about the TheBus changes. She hoped to restore funds. Although HART cut \$2.8 million for its public relations staff, there are still nine (9) people on staff. Councilmember Kobayashi questioned why HART spends so much money on public relations.

Mayor Peter Carlisle's Representative - Robin Chun Carmichael reported the following:

1. Roads -
 - A. The City & County of Honolulu owns about 3,400 lane miles.
 - B. 464 lane miles were paved between October 2010 and June 2012.
 - C. 170 lane miles of paving are under construction.
 - D. 329 lane miles of paving were recently awarded by Department of Budget and Fiscal Services (BFS).
 - E. 330 lane miles of are in design, pending bidding by June 2013 with Fiscal Year (FY) 2012 funds.
 - F. That's a total of 1,293 lane miles being addressed
2. Ala Moana Neighborhood Transit-Oriented Development (TOD) Plan - There will be a Community Workshop #1 on Tuesday, August 7, 2012 from 6:00 p.m. to 8:00 p.m. at the McKinley High School Cafeteria, 1039 South King Street. For more information, visit - www.honoluludpp.org/planning.
3. TheBus Changes - Department of Transportation Services (DTS) Director Wayne Yoshioka report the following:
 - A. Roll Out - The changes will come in two (2) phases in June and in August. The Route 55 Circle Island off-peak schedule will use the double bus. For the August 19 changes, Route 13 will go from Liliha to Kaimuki/Kapahulu and up to the University of Hawaii (UH) on Kapi'olani Boulevard, not on King Street. Visit - www.thebus.org, or call 768-8365 to talk to DTS.
 - B. Help for the Department of Education (DOE) - As the DOE cut school bus service, DTS will enhance bus service for some routes. There will be more crowding.

State Senator Carol Fukunaga - No representative was present, but the newsletter was available.

State Senator Brickwood Galuteria - Dale Uno distributed the newsletter and was available to hear concerns.

State Representative Tom Brower - Representative Brower reported the following:

1. Liquor License for Kissaten Restaurant at Hawaiki Tower - Representative Brower thanked the Ala Moana/Kakaako Neighborhood Board No. 11 for opposing the granting of a liquor license.

2. Kakaako Waterfront Park - It appears that homeless people are moving there. Board member Okumoto added that the homeless are moving around and establishing campsites, as they are not going to the shelters.

State Representative Karl Rhoads - Sonny Le reported the following:

1. Senate Bill 2630 (Act 297) - It would authorize the liquor commission in a county with a population of over 700,000 to establish a pilot program that uses both the dBA and the dBC weighting system for the purpose of community noise control. The measure was signed into law by Governor Neil Abercrombie on July 10, 2012.
2. McKinley High School Going Green Day - It will be on Saturday, August 25 from 9:00 a.m. to 1:00 p.m.

State Representative Scott Saiki - Representative Saiki distributed his newsletter and reported the following:

1. Governor's Vetoed Bills - His report listed the vetoed bills.
2. Homeless - Representative Saiki was also concerned about the homeless.

Governor Neil Abercrombie's Representative - Barbara Krieg had submitted her written report to Chair Hurst.

PRESENTATIONS/BOARD BUSINESS

Makahiki Autumn Festival "Block Party" and the Closing of Keeaumoku Street - Rick Taniguchi and Clifford Chang of DB Productions, and the City & County of Honolulu are exploring the possibility of holding a block party for the revitalization of the area for the merchants on Saturday, September 29 on Rycroft Street at Keeaumoku Street. It would be totally cultural with no liquor or rock bands. The merchants would get involved. They just wanted to come and listen.

Comments followed:

1. Bad Idea - It is a high crime area and Keeaumoku Street should not be blocked off, as it is a major thoroughfare.
2. Korean Chamber of Commerce - This project will be on the Korean Chamber of Commerce's next month's agenda.

APPROVAL OF JULY 24, 2012 REGULAR MEETING MINUTES: Chair Hurst mentioned that he made no corrections. Zehner moved; and Sensui seconded that the Ala Moana/Kakaako Neighborhood Board No. 11 APPROVE the July 24, 2012 regular meeting minutes as written. As there were no objections, the Ala Moana/Kakaako Neighborhood Board No. 11 ADOPTED the motion by UNANIMOUS CONSENT, 9-0-0 (AYE: Hurst, Ibara, Kato, Minn, Okumoto, Sensui, Shiota, Tanimura, and Zehner).

ELECTION OF BOARD OFFICERS: Zehner moved; and Shiota seconded that the Ala Moana/Kakaako Neighborhood Board No. 11 keep the same officers as last year. As there were no objections, the Ala Moana/Kakaako Neighborhood Board No. 11 ADOPTED the motion by UNANIMOUS CONSENT, 9-0-0 (AYE: Hurst, Ibara, Kato, Minn, Okumoto, Sensui, Shiota, Tanimura, and Zehner).

TREASURER'S REPORT: Shiota reported that the Fiscal Year (FY) 2012 Allocation was \$574.00. After expenditures for the printing of the agendas and minutes, the balance, as of July 24, 2012 was \$189.31. The Treasurer's report was filed.

ANNOUNCEMENTS

1. Next meeting - The next meeting of the Ala Moana/Kakaako Neighborhood Board No. 11 will be on **Tuesday, August 28, 2012** at 7:00 p.m. at Makiki Christian Church, 829 Pensacola Street.
2. No Loitering on Church Grounds after Board Meetings (after 9:00 p.m.)

ADJOURNMENT: The meeting adjourned at 9:00 p.m.

Submitted by: K. Russell Ho, Neighborhood Assistant
Reviewed by: Adam LeFebvre, Neighborhood Assistant
Reviewed by: Larry Hurst, Chair