

SUMMARY - PUBLIC HEARING

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

State of Hawaii

February 6, 2013 – 9:00 a.m.

ATTENDANCE

Members Present: Randy Grune (DOT)
Mary Alice Evans (DBEDT) (9:09 a.m.)
Scott Kami (DBF)
Miles Kamimura
Kamaki Kanahele
Brian Lee
Lois Mitsunaga

Members Absent: Grady Chun
Dean Seki (DAGS)

Others Present: Anthony Ching
Lori Tanigawa (Deputy Attorney General)
Billy Balding
Carson Schultz
Deepak Neupane
Shelby Hoota
Patricia Yoshino
Holly Hackett (Court Reporter).

A public hearing of the Kakaako members of the Hawaii Community Development Authority (“Authority”), a body corporate and public instrumentality of the State of Hawaii, was called to order by Mr. Brian Lee, Chairperson of the Authority at 9:00 a.m. on Wednesday, February 6, 2013, at the Authority’s principal offices at 461 Cooke Street, Honolulu, Hawaii 96813.

Development Permit Application KAK 12-076: Alii International Enterprises

Chairperson Lee stated that the public hearing was being held under the provisions of §206E-5.6, Hawaii Revised Statutes, and pertaining to §15-23-11, Hawaii Administrative Rules. The HCDA would be holding separate public hearings in accordance with §206E-5.6, HRS, to review the development permit application KAK 12-076 dated October 15, 2012. The nature of today’s public hearing was to allow the development permit application to be presented to the Authority and to provide the public with the opportunity to present oral and/or written testimony. A second public hearing is scheduled for March 6, 2013 during which the Authority will render a decision on this

development permit application.

Chairperson Lee stated that the applicant is Alii International Enterprises (“Applicant”), and the project address is 222 Ahui Street. The TMKs for the property are: 1-2-1-059: 001 and 003. The Applicant proposes to develop a recreational facility including a go-cart track, miniature golf course, a wave pool, skate park and amusement rides.

Notice of the public hearing was published on January 6, 2013, in the Honolulu Star Advertiser. The notice was made available for public review at the office of the Hawaii Community Development Authority (“HCDA”) and on the HCDA website. In addition, the landowners, lessees and other stakeholders in the Kakaako District and surrounding communities, state and county agencies, state legislators, Honolulu City Councilmembers, and various interested community groups and individuals were notified of this hearing by fax and e-mail. Pursuant to HRS 206E-5.6, notice was provided to the President of the Senate and Speaker of the House.

Mr. Carson Schultz, HCDA planner, summarized the staff report in the packet distributed to Members. The Applicant was requesting a Development Permit to provide improvements to 15,974 square feet of an existing structure and improve the site for installation of amusement facilities (“Project”). The Project would be located on two adjacent parcels for a combined development lot total of 131,998 square feet (3.03 acres). The site is zoned Mixed-Use Zone under the Kakaako Community Development District Makai Area Plan. The interior alterations include a recreation and arcade space, party rooms, an office, and an equipment maintenance room. Outdoor alterations include a go-cart track, rock wall, wave pool, skate park, miniature golf course, a zip-line, a sky dive tower, outdoor seating, and three amusement park rides. Mr. Schultz also described staff’s analysis of the Land Use, Density, Height, Yards, Open Space, Off-Street Parking, and Infrastructure Improvements for the Project.

Member Kanahele asked how many people would be employed.

Mr. Billy Balding, representing the Applicant, replied that there would be 45 employees full time and would be an economic boost to the area.

Chairperson Lee asked whether a Special Management Area (“SMA”) permit would be required.

Mr. Schultz replied that an SMA permit was required and would be administered by the State Office of Planning.

Chairperson Lee invited the Applicant to provide any exhibits and a presentation on the project.

Mr. Balding provided a video presentation of the Project.

Chairperson Lee asked for the height of the zip line.

Mr. Balding replied that it would be 85 feet in height.

Mr. Anthony Ching, HCDA Executive Director, stated that there was no Alii International Enterprises LLC registered, but there is an Alii International Services LLC with the agent being Billy Balding.

Mr. Balding confirmed that the correct name was Alii International Services and not Alii International Enterprises.

Mr. Ching noted that the permit application and the project authorization would have to be amended to reflect the correct entity.

Mr. Balding stated he would comply.

Mr. Ching asked if the Applicant understood that an SMA permit is required and would likely be a condition of the development permit being approved.

Mr. Balding replied in the affirmative.

Mr. Ching asked, with respect to infrastructure improvements, if the Applicant was aware of the existing water and electric services to the site.

Mr. Balding stated an electrical engineer had assessed some of the property and the type of power that would be needed from Hawaiian Electric. He was aware that the sewage was not up to par in the area, so he would have some bathrooms built out and would have a honey truck come.

Mr. Ching asked if the toilet facilities would be a pump out type situation and not connected to the wastewater system.

Mr. Balding replied in the affirmative.

Mr. Ching asked if the Applicant had an estimate on the water capacity that would be required for the wave pool and whether it would be a recycle situation or a constant flow.

Mr. Balding responded that it would be recycled and he had filters on it.

Mr. Ching noted that the Applicant would have to confirm the availability of water service to that area because of the quantity that would be used.

Mr. Ching asked what the hours of operation would be.

Mr. Balding replied that it would be 9:00 a.m. to 12 midnight. Employees would start at

8:00 am to set up.

Mr. Ching asked if the Applicant planned to serve alcohol at the site.

Mr. Balding replied that it would only be available for private parties.

Mr. Ching asked if the applicant would have an appropriate event license.

Mr. Balding acknowledged that he was aware of the requirement.

Mr. Ching asked whether the projected number of trips in the parking study included tour bus operations.

Mr. Balding responded that tour buses would probably bring in a larger percentage of the people who would come in. The extra parking stalls were put in for the local people.

Mr. Ching asked if the Applicant was accepting the recommendation from the traffic consultant to provide at least one parking space to accommodate drop off and pick up by tour vans.

Mr. Balding replied that the area could fit 2 tour buses parked parallel to each other.

Mr. Ching noted that there would be 70 parking stalls: 42 customers, 12 VIP and 16 tandem for employees. He asked whether the 16 employee stalls were included in the computation of required parking.

Mr. Balding responded in the affirmative.

Mr. Ching asked if the Applicant was aware that there was an adjacent parking facility that might have some capacity.

Mr. Balding replied that if there were any overflow, he would look into valet parking or obtaining extra stalls for the public to park.

Member Evans asked if the Applicant was the landowner or the lessee.

Mr. Balding replied that he was the lessee. The landowner is Kamehameha Schools. He was still working on the lease.

Member Evans referred to the infrastructure improvements in the staff report which stated that the applicant shall be responsible for providing necessary developer improvements and complying with applicable requirements identified as determined by the City & County of Honolulu ("City") requirements. She asked if it was a voluntary decision by HCDA to ask the Applicant to comply with City requirements or something under HCDA's exemption from City land use regulations.

Mr. Deepak Neupane, HCDA director of planning and development, explained that HCDA had 2 improvement district (“ID”) projects, ID 12 and ID 9, in the area. When staff reviewed the application and the infrastructure development in area, they felt there was adequate infrastructure. However, when the Applicant goes to the City for a building permit, sometimes the City will have additional requirements. For example, the wave pool may have a larger pipe requirement. Therefore, the condition was included that, in the event the City has any additional requirement, it would be the obligation of the Applicant and not the HCDA to provide infrastructure at that time.

Member Evans asked what government agencies are referred to regarding improvements which may in the future be necessarily undertaken in the vicinity of the respective projects under the HCDA or other government agencies’ improvement programs.

Mr. Neupane responded that it could be the Department of Transportation, the HCDA or the City, given that there is a lot of improvement work along Ala Moana Boulevard.

Chairperson Lee asked if the ferris wheel would be under 20 feet in height.

Mr. Balding replied that it was 13 feet, 6 inches high.

Chairperson Lee noted there was an implication that the Applicant was trying to get a 2 year lease. If things were successful, he asked if the Applicant would ask for a renewal.

Mr. Balding replied in the affirmative.

Chairperson Lee noted that the go-carts would be gas powered. He asked what the decibel levels would be.

Mr. Balding responded that he would look into it and report back with the exact decibel level.

Member Kanahele stated he would also like to have an answer on the decibel level that would apply for the private parties. He asked whether the eating facility would be a restaurant or a snack bar.

Mr. Balding replied that it would be a 35-foot lunch truck with a full kitchen that has been approved by the State to serve food.

Member Grune asked why the landowner was not present as an advocate for the project.

Mr. Balding replied that the landowner was giving him an opportunity to provide his presentation. He was in regular meetings with the landowner, and they have given him the right to move forward on their property in the application that has been submitted within the HCDA guidelines. The presentation was for the public and the Authority.

Chairperson Lee noted that the landowner did sign off on the project authorization.

PUBLIC TESTIMONY

Chairperson Lee noted that no written testimony from the public had been received prior to today's hearing since the notice of the public hearing was published on January 6, 2013.

Chairperson Lee invited the public to comment.

The following persons provided oral testimony:

1. Mr. Michael Nelson, support
2. Ms. Melinda Mullis, support
3. Mr. Ron Iwami, support
4. Mr. Koa Asam, support

Chairperson Lee asked the Applicant when the project would be open for business.

Mr. Balding responded that his goal is May 31, 2013. Some of the features would take longer and would be rolled out as a second phase.

Member Kanahele noted that Mr. Balding was going to be emphasizing traditional cultural parts in his design. He asked who were the cultural consultants for the Project.

Mr. Balding responded that he was the fourth generation in Hawaii. He has a stepfamily that was Hawaiian and were navigators for the Hokuleia. He wanted to perpetuate the feelings within his family and his own feelings of where he was from. He has pictures of his grandparents sitting with Kalakaua and his father with Gabby Pahinui, and he had sailed with Billy Kahanamoku on the tugboats. He would look deeper into the significance of the Hawaiian aspect. The artists he has been setting up with are 808 Urban and Liliuokalani in Kalihi. His father had wanted to bring back the Aloha spirit from the time he was raised and Waikiki had only one or two hotels.

ADJOURNMENT

There being no further discussion, the public hearing was adjourned at 9:59 a.m.

Note: The transcript of this meeting contains a verbatim record and should be consulted if additional detail is desired.