

## **DEVELOPMENT PERMIT REQUEST**

### **KAK 13-057: 801 South Street, Building “B” Staff Report, Findings and Recommendations**

December 4, 2013

#### **I. REQUEST**

Downtown Capital LLC (“Applicant”) is requesting of the Hawaii Community Development Authority (“HCDA”) a Development Permit to demolish a portion of the Honolulu Advertiser Building (aka “News Building”) to construct a parking structure and develop a new workforce housing residential tower (“Project”). The Project site is bounded by South Street and Kapiolani Boulevard. The Project is located at 801 South Street in the Mauka Area of the Kakaako Community Development District (“KCDD”) (Tax Map Key (“TMK”) No.: 2-1-047: 004). The Applicant’s Development Permit application was provided at the October 2, 2013 public hearing. The Applicant provided additional information on the application regarding historical mitigation plans on November 13, 2013.

#### **II. PUBLIC HEARING NOTICE AND COMMUNITY OUTREACH**

A public hearing notice for the Project was published in the Honolulu Star-Advertiser on September 1, 2013. In accordance with the provisions of Hawaii Revised Statutes (“HRS”) §206E-5.6, the President of the Senate and the Speaker of the House of Representatives were notified upon posting of the public hearing notice. Association of apartment owners of residential buildings adjacent to the Project, surrounding landowners and businesses, the Ala Moana/Kakaako Neighborhood Board No. 11, and the Kakaako Improvement Association were notified of the public hearings. Various elected officials and State and County agencies were also notified of the public hearings. Public hearing notice was also provided to approximately 320 individuals and organizations that have shown interest in development in Kakaako in the past and who have requested that they be kept informed of development activities in the district.

HCDA staff encouraged the Applicant to present the Project to the Ala Moana/Kakaako Neighborhood Board No. 11, and the Project was presented at the Board’s August 27, 2013 meeting.

#### **III. STATE AND COUNTY AGENCIES CONSULTATION**

The Development Permit application for the Project was provided to several government agencies on August 28, 2013 for review and comment. HCDA staff invited the following agencies and the Applicant to meet on September 16, 2013 to discuss the Project and share their comments and concerns:

State of Hawaii

- State Historic Preservation Division (“SHPD”), Department of Land and Natural Resources (“DLNR”),
- Department of Education,
- Department of Transportation (“DOT”)-Highways Division, and
- DOT-Airports Division.

City and County of Honolulu (“City”)

- Department of Transportation Services,
- Department of Planning and Permitting (“DPP”),
- Department of Environmental Services (“DES”), and
- Honolulu Board of Water Supply (“BWS”).

Representatives from the DPP and the SHPD attended. Comments have been received from the SHPD, DOT-Airports Division, DTS, and DPP and are provided hereto as Exhibit A.

The SHPD has provided comments requesting consultation, that a mitigation plan is developed, and for an Archaeological Inventory Survey (AIS) to be conducted. The Applicant has submitted a mitigation plan for review by the SHPD.

The DOT-Airport Division has provided comments that a form for “Notice of Proposed Construction or Alteration” has been filed with, and is under review by, the Federal Aviation Administration.

Previous comments from the City BWS stated that the existing water system was adequate to accommodate both this Project, as well as an adjacent first phase development being constructed by the Applicant. The BWS has indicated that the final decision on availability of water will be confirmed when the building permit application is submitted for approval.

*HCDA staff notes that BWS requirements become conditions on the Development Permit, including but not limited to water conservation measures (such as low-flow plumbing fixtures, etc.), and installation of water hammer arrestors or expansion tanks for high-rise buildings with booster pumps.*

*The City DTS has requested that the Applicant coordinate project construction with the Honolulu Authority for Rapid Transportation, and to keep the surrounding stakeholders apprised of any transportation impacts. It was also recommended by DTS that a Traffic Impact Assessment Report (“TIAR”) be conducted to evaluate potential traffic issues in the affected Kakaako and Kapiolani districts, and also to address any short- and long-term mitigation transportation need. HCDA staff notes a TIAR was requested of the Applicant early in the review process, as provided by*

§15-217-85(i) of the Mauka Area Rules. The Applicant has only submitted a Traffic Access Memo to date.

The City DPP provided comments from the Civil Engineering, Traffic Review, and Wastewater branches.

The Hawaiian Electric Company, Inc. (HECO) submitted comments that the proposed Project will block an existing microwave radio communications pathway to a critical communications site. HECO has subsequently submitted comments indicating that a solution acceptable to them has been reached with the Applicant. This solution calls for the installation of repeater facilities to be installed on the roof of the proposed residential tower.

*Staff recommends that installation of repeater facilities on the roof of the proposed residential tower mutually acceptable to the Applicant and HECO be included as a condition of approval.*

#### **IV. DESIGN REVIEW**

As provided by §15-217-80(f) of the Mauka Area Rules, Hawaii Administrative Rules (“HAR”), a Design Advisory Board (“DAB”) was convened to review the Development Permit application and provide comments. The DAB included the following members:

- Mr. Deepak Neupane, P.E., AIA (HCDA Director of Planning and Development),
- Ms. Lois Mitsunaga, (HCDA Board Member), and
- Mr. Tom Schnell, AICP (professional expert and Kakaako resident).

DAB dialogue with the Applicant with respect to project design included the following comments.

- The driveway drop-off along South Street should be made into a plaza, with special consideration for paving and provision for street furniture.
- As this area would serve as the primary pedestrian access to the site, landscaping around this driveway and around the parking garage street frontage was particularly important.
- The Applicant was commended for having concrete walls separate units.

- It was suggested that the second phase have a unique style or exterior motif for its exterior envelope. This might break up the massing of the project's two towers.
- It was suggested that the monotonous façade of the parking structure might be broken up to create a visually interesting and three dimensional surface by designing the louver fenestration in varying patterns.
- Appreciation was expressed for placing the living rooms in the corner units so as to benefit from views and cross ventilation and the inclusion of lanais for these units.
- General pedestrian circulation could be improved for the project site.
- Operation of the parking garage could have more of a public benefit if parking was managed as a shared resource allowing neighborhood parking and visitor use when residents were away.
- Car sharing and enhanced vehicle charging facilities programs were also suggested.

## **V. COMPLETENESS REVIEW, AUTOMATIC APPROVAL, AND FILING FEES**

In accordance with the provisions of §15-217-85(g) of the Mauka Area Rules, the Development Permit application was determined to be complete and a Certificate of Completeness was issued on August 27, 2013. The purpose of the completeness review is to determine whether all required information is provided in a Development Permit application. A completeness review does not constitute a determination as to whether an application complies with the provisions of the Mauka Area Rules.

In accordance with the provisions of §15-217-86 of the Mauka Area Rules, the Development Permit application will be deemed approved if the Authority has not rendered a decision on the Development Permit application within 180 days from when it is determined to be complete and public hearing notice is published. The public hearing notice was published on September 1, 2013 thus establishing an automatic approval date of February 28, 2014.

Records indicate that all filing fees have been paid in accordance with the provisions of §15-217-93 of the Mauka Area Rules.

## **VI. DEVELOPMENT PERMIT PROCEDURES**

Pursuant to §15-217-80(c) and Figure 1.1 of the Mauka Area Rules, developments within the KCDD require a Development Permit that is subject to Authority review and approval. The HRS §206E-5.6 requires that when rendering a decision regarding

the acceptance of a developer's proposal to develop lands under the Authority's control, the Authority shall render its decision at a public hearing separate from the hearing at which the proposal was presented. This essentially requires that the Authority conduct two separate public hearings in rendering a decision regarding a Development Permit.

## **VII. SUBCHAPTER 4 - KAKAAKO RESERVED HOUSING RULES**

The Applicant is requesting consideration of the Project under the provisions of Subchapter 4 of the Kakaako Reserved Housing Rules. Subchapter 4 of the Kakaako Reserved Housing Rules provides that, "*New residential project(s) where at least seventy-five per cent of the residential units are set aside for purchase by families earning between one hundred to one hundred forty per cent of the AMI, which does not require financial assistance for construction from Federal, State, or County governmental bodies, and which meets the following unit size requirements shall qualify as a workforce housing project.*" The Applicant is proposing that the Project will comply with Subchapter 4 and will deliver at least seventy-five percent (75%) of the residential units as workforce housing. Section 15-218-55(e) of the Kakaako Reserved Housing Rules also provides that in considering a Development Permit application for a qualified "workforce housing project", the Authority may consider modifications to the provisions of the HAR, Chapter 217, Title 15, Mauka Area Rules.

To qualify as a workforce housing project, a project also needs to comply with the provisions of §15-218-55(a) of the Kakaako Reserved Housing Rules which pertain to household income, project financing, and residential unit size. Forty-nine (49) residential units in the Project do not meet the residential unit size as provided in §15-218-55(a) of the Kakaako Reserved Housing Rules. The remaining three hundred and sixty-one (361) residential units in the Project meet the unit size provision. Therefore, the Project will have at least eighty-eight percent (88%) of the residential units that meet the requirements of §15-218-55(a) of the Kakaako Reserved Housing Rules.

## **VIII. ANALYSIS**

### **Project Description**

The Project is proposed as the second phase to a previously approved (December 5, 2012) project on an adjacent site (TMK: 2-1-047: 003), also called "801 South Street" (KAK 12-109). The Project is identified as "801 South St, Building B". The Project does not propose a Joint Development with the first phase; however, both phases share similar design and scale of residential tower and parking garage.

The site has been cleared of previously existing warehouses and surface parking during construction for the first phase, with the exception of the existing 3-story Honolulu Advertiser Building on the corner of Kapiolani Boulevard and South Street. The 85-year old Honolulu Advertiser Building is vacant except for a portion being utilized as a field office for the contractor working on the first phase of 801 South Street project, and is planned for renovation and future occupancy subsequent to rehabilitation of the building. Partial demolition of the Honolulu Advertiser Building is proposed for this Project.

The Project consist of two structures including:

- A 46-story (400-foot high), approximately 480,153 square foot residential tower fronting Kapiolani Boulevard. The residential tower includes 410 residential units including 9-unit types comprised of a mix of one-bedroom, two-bedroom, and three-bedroom units. The first story of the tower includes a lobby, lounge, mechanical rooms, trash room, staff spaces, residential units and open space along Kapiolani Boulevard. The remaining stories (Floors 2-46) are dedicated to residential units. There is access to the proposed adjacent parking garage from the ground floor.
  
- A 10-story (107-foot high), approximately 22,362 square foot footprint parking garage with 788 parking stalls that fronts South Street. The parking garage is partly surrounded by the existing Honolulu Advertiser Building at the corner of Kapiolani Boulevard and South Street. This parking garage is not attached but is accessible to the residential structure fronting Kapiolani Boulevard.

**Table 1: Project Summary**

Development Lot Area	84,432 sq. ft.
Proposed Floor Area	480,153 sq. ft.
Residential Units	410 units
Open Space	16,603 sq. ft.
Recreation Space	23,134 sq. ft.
Tower Footprint	12,025 sq. ft.
Parking	788 stalls
Loading	3 stalls

## **Land Use**

The Project is located within the Kapiolani Zone (“KA Zone”) according to Figure 1.2 *Regulating Plan* and proposes a multi-family residential use, which is an allowable use pursuant to Figure 1.9 *Land Use* and §15-217-26 of the Mauka Area Rules.

The Project site is identified as TMK: 2-1-047: 004 and is 84,432 square feet in area. The existing News Building is located within the Project site. The Applicant is proposing a total of 480,153 square feet of floor area within the Project and including the News Building. The Applicant intends to create a separate condominium regime for the existing News Building, which is expected to be renovated for commercial/office use.

*Staff recommends that an appropriate CPR shall be recorded by the Applicant that establishes 801 South Street, Phase B and News Building Project Areas.*

Since the Project qualifies as a workforce housing project under §15-218-55(a) of the Kakaako Reserved Housing Rules, it is eligible for floor area bonus under the provisions of §15-218-55(d) of the Kakaako Reserved Housing Rules. Utilizing a base floor area ratio (“FAR”) of 3.5, the total allowable base floor area for the Project will be 295,512 square feet (84,432 square feet x 3.5 = 295,512 square feet). The Development Permit application indicates that the Applicant intends to reserve 44,100 square feet of floor area as commercial which is not eligible for floor area bonus provision. Therefore, the total floor area that can be considered for floor area bonus is 251,412 square feet (295,512 - 44,100 = 251,412 square feet) if all of the floor area is utilized for a workforce housing project. In accordance with the provisions of §15-218-55(d), a workforce housing project can receive up to 100% floor area bonus. Therefore, the total allowable floor area for the workforce housing project is 502,824 square feet (251,412 x 2 = 502,824 square feet) and the total allowable floor area for the Project is 546,924 square feet (502,824 + 44,100 = 546,924 square feet).

The Applicant is proposing a total floor area of 480,153 square feet, inclusive of the commercial floor area. The allowable FAR for the Project, inclusive of commercial floor area is approximately 6.48, and the proposed FAR is approximately 5.68.

Staff finds that the proposed density and land use is consistent with the Land Use and Zoning provisions under the Mauka Area Rules, according to Figure 1.2 *Regulating Plan* and Figure 1.9 *Land Use* designations for the development site.

Staff notes that the Project’s mix of housing opportunities, including workforce housing units, and the proposed future renovation and commercial use of the adjacent Honolulu Advertiser Building are both positive strategies in-line with realizing

Mauka Area Plan goals for Smart Growth (*Mauka Area Plan 1.1*). Creating such a mixed-use community offers potential synergies for residents to live near work, and have greater accessibility and mobility choices.

### **Building Type**

The Project proposes a “podium high rise” as a building type that is permitted for the KA Zone in accordance with Figure 1.3 of the Mauka Area Rules. The Project is consistent with the requirements of Figure BT.10 *Podium High Rise* of the Mauka Area Rules which specifies lot width, pedestrian access, parking design and location, and open space. The 107-foot high parking structure is proposed to be detached from the high-rise building, which is consistent with the Podium High Rise building type (Figure BT.10-C.4).

The Project proposes a parking podium that will consist of a community room on the ground floor, and upper floors of the parking podium to be screened as required by Figure BT.10 of the Mauka Area Rules.

Staff finds that the proposed building type of podium high rise for the Project is consistent with the applicable provisions of Figure 1.3, Figure NZ.2, and Figure NZ.2-1 of the Mauka Area Rules.

### **Building Form and Height**

The Project proposes a building form for the residential high rise that is consistent with the requirements of §15-217-54 and Figure BT.10 of the Mauka Area Rules. The proposed 400-foot high residential tower is consistent with the maximum allowable 400 feet height for Block 14 of the KA Zone in accordance with Figures 1.8 and NZ.2.1 of the Mauka Area Rules.

Figure BT.10 of the Mauka Area Rules permits a parking podium that is detached from the podium high-rise building. Figure NZ.2(D) of the Mauka Area Rules requires that podium heights shall be between thirty (30) – sixty-five (65) feet. The podium element of the Project proposes eleven (11) floors with a height of 107 feet. Staff notes that in accordance with the provision of §15-218-55(e), the Applicant is requesting modification of the allowable height provision of Figure NZ.2D and Figure NZ.2-1, and the building form provision of §15-217-54(f) and Figure 1.3-D and Figure 1.12-A of the Mauka Area Rules.

The proposed parking podium will provide a total of 788 stalls in 10 levels of parking. HCDA requirements call for a minimum of 512.5 stalls to be provided for the 410 residential units of Phase B (410 units x 1.25 = 512.5). An additional 100 stalls are required to be available for occupants of the renovated News Building (35,000 sf / 450 sf = 78).



To meet the minimum parking requirements, given the proposed floor plate of the parking structure (e.g., ground floor – 41 stalls; levels 2 to 9 @ 85 stalls; level 10 @ 67 stalls) at least 8 levels of parking is required. This would result in a minimum elevation for the parking podium of 76'8" requiring a modification of at least 11'8". Applicant offers that for residential demand and public use, construction of the additional 175 parking stalls on parking levels 8-10 is necessary and not excessive.

### **Building Placement**

The proposed development site is on a corner with frontages on two streets – South Street and Kapiolani Boulevard.

Pursuant to Figure NZ.2, KA Zone, the build-to-line along South Street is fifteen (15) feet. Since South Street is a view corridor street and the proposed parking podium is higher than sixty-five (65) feet, the Applicant is proposing to locate the parking podium approximately fifty-eight (58) feet from the lot line along South Street. The proposed building placement for the parking preserves the designated South Street view corridor and is consistent with §15-217-55(1)(6).

A driveway drop-off is proposed to be located in the front yard setback along South Street. The Applicant has described the driveway drop-off to be a “focal point” for the Project. If the parking podium is limited to a maximum height of sixty-five (65) feet, then there would be no requirement for a 50-foot setback; however, staff notes that the placement of the parking podium along South Street is justified by the Applicant’s proposed commitment to retain a portion of the existing adjacent Honolulu Advertiser Building for renovation and use by a commercial tenant during a planned third phase of the project.

A 2005 report, provided hereto as Exhibit D, determined that the News Building is of historical significance. Staff recognizes the sensitive context of the News Building, and finds the proposed development and placement of the parking podium facilitates the development of the Phase B residential tower and will:

- facilitate the preservation and restoration of the historic and character defining portion of the News Building for commercial use;
- allow for a 50’ setback of the proposed parking structure from the South Street view corridor;
- allow the Applicant to create a driveway drop off and project focal point to be created along South Street; while
- still producing an appropriate footprint for a parking structure to meet project parking requirements.

Pursuant to Figure NZ.2, KA Zone, the build-to-line along Kapiolani Boulevard is between five (5) to fifteen (15) feet from the lot line. The Applicant is proposing to place the 400-foot tower at twenty-two (22) feet from the lot line on Kapiolani Boulevard. Staff notes that in accordance with the provision of §15-218-55(e), the Applicant is requesting a modification of §15-217-53 and Figure NZ.2 of the Mauka Area Rules allowing the Project to be twenty-two (22) feet from the property line along Kapiolani Boulevard. The Project proposes a Terrace Front frontage along Kapiolani Boulevard for the tower as a result of building placement greater than fifteen (15) feet, which is consistent with §15-217-53(b). The Applicant maintains that an increased setback will provide additional open space, enhance the pedestrian experience, and provide more visibility.

Staff finds that the proposed 6-foot fence bifurcating the landscaped setback does not achieve these goals. While the Applicant's decision to locate residential units on the ground floor creates a need to design a security buffer between the street and the building's street frontage, staff finds that the tower frontage along Kapiolani can conform to Terrace Front frontage requirements.

*Staff recommends that proposed Kapiolani Boulevard frontage fences not exceed maximum height limits of three (3) feet, and the Project to be consistent with Figure FT.8 and §15-217-55(e) of the Mauka Area Rules.* Further, staff finds that all frontage type requirements for a Terrace Front frontage according to Figure FT.8 and §15-217-39(e)(2) shall be applicable.

### **Frontage Type**

In accordance with the provisions of §15-217-53, the Applicant is required to provide a Terrace Front frontage type along South Street and Kapiolani Boulevard, except at the location of the existing News Building.

Staff notes that in accordance with the provision of §15-218-55(e), the Applicant is requesting modification of provisions of §15-217-39(3), and Figure FT.8 to propose alternative landscaping than what is required for a Terrace Front frontage type. The Applicant is also requesting modification of §15-217-55(e)(1), and Figure FT.8 of the Mauka Area Rules to propose an increase in fence height to six (6) feet, from a maximum three (3) feet allowed for Terrace Front frontage type along Kapiolani Boulevard.

A street-front element is required along all street fronts, sited adjacent to the street along a build-to-line, and is described in the Mauka Area Plan as "a consistent street wall that defines the street as a public space...playing a key role in creating outstanding streetscapes and a sense of place" (Mauka Area Plan, 19). Frontage occupancy of the principal frontage is required to be a minimum of seventy-five percent (75%) in the KA Zone according to Figure NZ.2, Figure 1.3, and Figure 1.13.

The Project proposes partial occupancy (approximately 58% occupancy) of ground-floor frontage in the street front parking podium with a meeting space along South Street. This meeting space is not directly accessible from South Street, and access to the meeting space is limited by a fenced exterior space. Similarly, the Project proposes partial occupancy (approximately 32% occupancy) in the tower frontage along Kapiolani Boulevard. It is staff's opinion that providing direct access to the meeting room parking podium from South Street, by creating a mid-block connection, would enhance the relationship of the street front and the street front element. A mid-block pedestrian passageway from South Street would create greater connectivity throughout the development site, and improve accessibility to the Building B residential lobby.

Staff recommends revision of the fencing along South Street between the first phase Building A and the proposed Project that inhibits a mid-block connection. *Staff recommends this area to be un-gated and undivided to offer a publically-accessible passageway directly from the South Street drop-off driveway as a condition of approval.*

A concept presented in the Mauka Area Plan for enhancing urban character is to create a "fluid transition at the street level" (5.1). The tower and podium are vertically uniform with the exception of a meeting room on the ground floor of the podium, and a lobby area on the ground floor of the tower. A guiding urban design principle articulated in the Mauka Area Plan is to create "an outstanding pedestrian realm and active uses at the street level" (5.1). The intention of the requirement for a street-front element is to architecturally "frame the street" and "create outstanding streetscapes and a sense of place" (*Building Form and Density*, 5.2). On the ground floor of the street-front element, building entries and windows are required according to the Mauka Area Plan (*Building Form and Density*, 5.2).

The proposed South Street drop-off driveway shows potential to serve as a public plaza, with the Project already identifying special consideration for paving, landscaping, and street furniture. The Applicant has described this area to be the focal point for the Project. Staff finds this area as potentially the primary pedestrian access into both the second and first phase for the site.

*Staff recommends that the proposed drop-off driveway be redesigned as a plaza space, so as to mediate the functional need for temporary parking with the planning requirement for creating pedestrian-oriented street frontages as a condition of approval.*

Staff finds that this could be achieved by a variety of simple and inexpensive alterations, including limiting the amount of curbing, transitioning hardscape surfaces with landscaped areas, and applying special treatment to paved surfaces. Staff finds that incorporating a plaza would feasibly achieve the intention for the street-front

element to create a sense of place along the street without substantially modifying the proposed Project design.

*Consistent with §15-217-80(e) of the Mauka Area Rules, staff recommends that the Applicant be required to submit a revised design for the drop-off area (consistent with this report) for review and approval by the HCDA Executive Director before HCDA approval of the building permit.*

### **Thoroughfare Plan**

The Thoroughfare Plan of §15-217-39 of the Mauka Area Rules provides requirements for a project's pedestrian zone, street trees and landscaping, street lighting and planting strips. Every thoroughfare shall have street trees planted within the public frontage area, with the exception of service streets, alleys and street right-of-way measuring forty (40) feet or less. The Project has frontage on two (2) thoroughfares; South Street is categorized as an "avenue", Kapiolani Boulevard is categorized as a "boulevard".

The pedestrian zone is distinguished and organized according to three functional categories: pedestrian throughway area, furnishing area and private frontage area pursuant to §15-217-39(d), *Pedestrian zone*. Furnishings located in the pedestrian zone, but still within the public right-of-way will require confirmation by the City. The City has requested that furnishings not be located near the right-of-way to reduce vehicles stopping, loading and unloading along the right-of-way. Street lighting shall illuminate both the sidewalk and the vehicular lanes. The sidewalk lighting shall be confirmed with the City prior to installation.

Street trees and landscaping shall be planted in a regularly-spaced pattern of a single species with shade canopies of a height that at maturity clears at least one story. The Project is required to plant trees in accordance to the parameters defined in Figure 1.7B of the Mauka Area Rules, which specifies Queen's White Shower trees to be planted forty-five (45) feet on-center along South Street, and Monkeypod trees to be planted sixty (60) feet on-center along Kapiolani Boulevard.

The Project proposes a modification of the build-to-line requirement along Kapiolani Boulevard, which if approved by the Authority will require that the Project conform to Terrace Front frontage requirements including §15-217-39(e)(2) of the Mauka Area Rules that specifies trees to be aligned in the pedestrian zone to form a double row along the sidewalk. Currently, the Applicant is proposing a secondary sidewalk that immediately parallels an existing sidewalk along Kapiolani Boulevard. Staff notes that conformance with Terrace Front frontage requirements will require that the Applicant revise the proposed sidewalk scheme.

Although the proposed second phase Building B tower and parking structure are sited on a separate development lot than the first phase Building A tower and parking structure, the two projects are considered one multi-phase development in the Applicant's proposal. While the provisions for large lots (§15-217-58) do not apply in this case, the intention in the Mauka Area Rules is clearly to encourage interconnected pedestrian-oriented blocks. Staff believes the proposed Project could better enable pedestrian circulation around the site with very simple revision to the site plan.

The Mauka Area Plan highlights the need to provide for maximum connections to "enable alternative routes for circulation and access to properties" and "more convenient routes for all modes of travel" (5.1, 18). In accordance with §15-217-39(b)(2) of the Mauka Area Rules, design conflicts between vehicular and pedestrian movement in new thoroughfares shall be generally decided in favor of the pedestrian, unless there is overriding public interest which dictates that the conflict be resolved in favor of vehicular movement.

The Project application states that "pedestrian safety is a key consideration". Yet, the proposed Project currently requires very circuitous paths for accessing the proposed ground floor public lobby areas and recreation spaces. Staff believe that providing pedestrian connection from South Street through the development site will increase safety, accomplish greater access to open space and ground floor public spaces (such as the community rooms) as well as to public parking in the proposed parking structure.

The Project application describes that a surplus of parking is being proposed for rental use by surrounding neighborhood businesses and workers; however, the parking podium is inaccessible from both South Street and Kapiolani Boulevard to pedestrians.

The Project proposes short- and long-term bicycle parking to be located on the second through ninth floors of the parking podium. *Staff recommends that short-term bicycle parking should be located on the ground floor in an area that is accessible and separate from vehicle traffic.*

The application proposes an entrance to the ground floor meeting room in the parking podium that is outside of the Project site through a fenced-off exterior space between the proposed Project and the approved first phase building.

The South Street drop-off driveway is described as a "focal point" for the Project. Yet, the drop-off driveway offers very limited accessibility to Building A - without direct pedestrian connection to the ground floor community space in the proposed parking structure, the vertical circulation for the parking structure, or the ground-floor entry of the proposed residential high rise Building B.

*Staff recommends that the Project create a mid-block pedestrian connection from South Street.*

### **Open Space**

Figure BT.10 of the Mauka Area Rules provides provisions for open space. At least fifteen percent (15%) of the lot area shall be provided as open space and shall be open to the sky. The open space may be located at-grade, on podium, roof garden, or combination thereof. The Project is proposing 16,603 square feet of open space at grade, which translates to approximately 19.6% of the lot area. The open space has a minimum dimension of forty (40) feet on any one side, as required by Figure BT.10 of the Mauka Area Rules.

Staff finds that the Project is consistent with the requirements for open space.

### **Landscape and Recreation Space**

The Project proposes to plant native and/or adapted species and will provide a landscape maintenance plan for both the irrigation system and planting pursuant to §15-217-56 of the Mauka Area Rules. Section 15-217-56(d) provides that, “Residential projects requiring a development permit shall provide fifty-five square feet of recreation space per dwelling unit. The required on-site recreation space, if provided outdoors, may be used to satisfy the open space requirement.” The Project proposes a total of 410 residential units, therefore, requiring 22,550 square feet of on-site recreation space. The Project will provide a 6,531 square feet recreation room on the ground floor of the parking podium structure and 16,603 square feet of outdoor open space that will provide a total of 23,134 square feet of qualifying recreation space.

Staff finds that the Project is consistent with the requirements for recreation space.

### **Architectural Design**

Section 15-217-55, *Architectural design* of the Mauka Area Rules provides provisions for the following architectural features: awnings, trellises and canopies, balconies, buildings with auto retail or sales uses, storm water drainage, fences, walls and hedges, lighting, building facades and elevation materials, roofs, service functions, signage, windows, view preservation, storefront and windows for retail. The Project is consistent with the provisions of the *Architectural design* section of the Mauka Area Rules, where applicable.

Section 15-217-55 (1)(3) of the Mauka Area Rules provides for tower floor plate dimensions. The Project proposes a maximum dimension of 188 feet between the farthest two points of the tower floor plate.

The Project tower floor plate is 9,511 square feet which is consistent with the maximum allowed floor plate ratio of 10,222 square feet for a development lot of 84,432 square feet - as calculated on a linear scale for development lots between 80,000 to 120,000 square feet in area. (Figure BT.10-1).

Staff finds that the Project is consistent with the requirements for architectural design.

### **View Preservation and Tower Separation Distance**

Section 15-217-55(l) provides for tower orientation and separation. Figure 1.6B provides for Mauka-Makai axis reference. For the proposed Project, orientation of South Street is considered the Mauka-Makai axis. The tower element of the Project is oriented along South Street Mauka-Makai axis and is consistent with the provisions of §15-217-55(l)(1) of the Mauka Area Rules.

Section 15-217-55(l)(4) and (5) provide for tower separation distance. The provisions require that a tower shall be located a minimum of 300 feet from an existing tower when any portion of the proposed tower falls within the Mauka-Makai axis of the existing tower and no tower shall be less than eighty (80) feet from another tower.

The proposed Project tower element is outside of the Mauka-Makai axis of Phase A of the 801 South Street project and is separated by a distance of 158 feet from the tower element of that project. The proposed Project tower element is separated by a distance of approximately 167 feet from the existing Royal Capital Plaza tower.

Staff finds that the Project is consistent with the requirements for view preservation and tower separation.

### **Green Building**

Section 15-217-59 of the Mauka Area Rules provides standards intended to result in a responsible development pattern that conserves natural resources and provides a healthy environment for inhabitants of the Mauka Area. Provisions of this section require that development projects achieve and document at a minimum three (3) credits of the Leadership in Energy and Environmental Design (“LEED”). Projects shall qualify for the applicable LEED rating system in which the Project is categorized, but are not required to certify or submit the Project to the U.S. Green Building Council (“USGBC”) for Project recognition or approval. The USGBC is the regulating agency for LEED projects. Projects shall achieve and document at least one (1) point in Sustainable Sites - Storm water Design (Quality Control or Quantity Control), at least one (1) point in Sustainable Sites - Heat Island Effect (Non-roof or Roof) and at least one (1) point in Water Efficiency - Water Efficient Landscaping.

Staff notes that in accordance with the provision of §15-218-55(e), the Applicant is requesting modification of provisions of §15-217-59 *Green building*.

The Project proposes a variety of energy producing and energy efficient features, including photovoltaic panels on the roof of the parking structure, one electric vehicle charging station, energy-efficient appliances and low-flow fixtures, double-pane windows, and split air-conditioning units. While these features offer important value, staff notes the Project falls short of meeting recognized standards for sustainable building, such as LEED ratings. The Project is required by §15-217-59 of the Mauka Area Rules to *qualify* for base LEED certification level, or a comparable green building rating system. There is no requirement for a Project to become LEED certified, and consequently no compulsory expense for indirect design, consulting, and commissioning.

The Applicant maintains that following a minimum base LEED standard would result in a less affordable Project. It is staff's opinion that sustainability and affordability are not mutually exclusive. There are many LEED credits that can be attained by design strategies that incur no added cost to the Project and may even offer a positive return for future residents. For example, committing to planting native species, establishing a recycling program, designating preferred parking spaces for fuel-efficient vehicles, reducing light pollution with after-hour power-overrides, selecting light colors for roofing and paving to reduce heat island effect, and many other credit-qualifying strategies are proven sustainable practices that either have nominal costs or contribute to positive net gains for a development project. Staff views the requirement for the Project to qualify for the minimum LEED standard as an opportunity for achieving greater project affordability.

Staff notes that some of the strategies the Project is proposing, such as on-site generation of renewable energy through photovoltaic, has substantial construction costs; however, installation of these systems provide long-term cost savings. Additionally, opportunities to offset these more significant costs can be realized through various available program incentives.

Staff analysis has determined that LEED-qualifying credits for Indoor Environmental Quality ("IEQ") are among the most affordable and are easily incorporated into pre-designed projects. IEQ credits can realize up to a third of the necessary credits for a base level of certification.

Staff notes that while the cost for many LEED-qualifying credits can be relatively low, the more direct cost impact may come from a contractor's bid if the proposed sustainable material or feature is viewed as particularly onerous. As a result, a level of commitment from the developer, architect, and contractor for realizing a sustainable project can affect the overall cost.



There are a number of infrastructure and utility issues (such as stormwater management, water and energy conservation, on-site wastewater treatment, energy use, etc.) that could be incrementally and optimally deployed by the Applicant to enhance the Project. Staff views the specific requirement for achieving a minimum of 3 LEED credits in Sustainable Sites as contributing to the realization of a more healthy and sustainable community in the Kakaako Mauka Area.

Staff recognizes that no one-size-fits-all solution exists for realizing sustainable design. Incorporating an established standard for a minimum level of sustainability practices requires creativity as well as careful consideration of cost and feasibility – especially for this Project that proposes affordability as a primary goal for accommodating a workforce population. It is incumbent on the Applicant to assess for the specific circumstances of the Project if in fact widely-accepted “green” building practices would prove cost prohibitive, and that affordable housing necessarily comes at the expense of sustainable development.

*Staff recommends that the Project provide documentation of its efforts to achieve at a minimum three (3) LEED credits including at least one (1) point in Sustainable Sites - Storm water Design (Quality Control or Quantity Control), at least one (1) point in Sustainable Sites - Heat Island Effect (Non-roof or Roof) and at least one (1) point in Water Efficiency - Water Efficient Landscaping, consistent with Section 15-217-59 of the Mauka Area Rules.*

*Recognizing that affordability of this project for the workforce population is the primary goal and that there is no one-size-fits-all solution, the Applicant may provide documentation to the Authority in lieu of actually qualifying for the above mentioned minimum 3 LEED credits, how implementing widely-accepted “green” building practices prove to be cost prohibitive for this Project. In this way, the Authority might better understand how to ensure that sustainable development does not jeopardize the primary goal of developing workforce housing.*

### **Encroaching Elements**

The Applicant is proposing that a portion of the parking Podium for the Project be allowed to encroach into the development lot (TMK: 2-1-047: 003) for Phase A of 801 South Street project. Parking podium is not considered floor area under the Mauka Area Rules; therefore, the portion of parking podium encroaching the development lot for Phase A of 801 South Street project does not affect the entitlement for that project and consequently the Development Permit for Phase A that was previously approved by the Authority. Development lots (TMKs: 2-1-047: 003 and 004) for both Phase A and Phase B of 801 South Street project are under the ownership of the Applicant.

*Staff recommends that the Applicant as a condition of approval document the encroachment for that portion of the proposed parking podium upon the development lot for Phase A of 801 South Street Project and that the easement run with the land and the document is appropriately recorded with the Bureau of Conveyances.*

### **Flood Zone**

Section 15-217-61, *Flood zone* of the Mauka Area Rules provides standards that apply to all new buildings within an identified Honolulu or Federal Emergency Management Agency (“FEMA”) flood zone and that are required by code to have raised ground floors. The Project is within the Zone X of FEMA’s National Flood Insurance Program Flood Insurance Rate Map (FIRM) which is an area determined to be outside the 0.2 percent annual chance of a 500-year flood. Based on this information, the provisions of §15-217-61 are not applicable.

### **Parking and Loading**

The Project proposes access to parking from an alley that connects Kapiolani Boulevard and Kawaihāo Street, which is consistent with the provisions of §15-217-63(b)(1) of the Mauka Area Rules. The Project is consistent with the provisions of §15-217-63(b)(5) of the Mauka Area Rules requiring driveway access for parking to be a minimum of fifty-five (55) feet from an intersection measured from the right-of-way.

The Project is consistent with Figure BT.10 of the Mauka Area Rules, which requires placing parking at minimum 40-foot setback and for upper floors of parking to be screened from view by a liner building or by landscaping, green screens or cladding. The parking structure exposed on the two public frontages (Kapiolani Boulevard and South Street) will be concealed by aluminum louvers.

Section 15-217-63 of the Mauka Area Rules provide for off-street parking and loading requirements. The total off-street parking requirement for the residential portion of the Project is 513 parking stalls. The Applicant is proposing the future off-street parking requirement for the commercial portion of the Project, including the existing News Building to be fulfilled within the parking podium of the Project. The off-street parking requirement for the proposed maximum commercial floor area of 35,000 square feet is 78 stalls. Therefore, the total off-street parking requirement for the Project is 590 parking stalls. The Applicant is proposing to construct a total of 788 parking stalls. At least fifty percent (50%), of the required off-street parking stalls (306 stalls) are required to be standard-sized parking stalls.

The Applicant proposes that parking will be unassigned to residents, and that the 175 surplus stalls will be made available as monthly rental public parking or for purchase by residents as a second stall.

The Project proposes to provide approximately 2,520 square feet of bicycle parking across the second through ninth floors of the parking structure in conformance with §15-217-63(m) of the Mauka Area Rules, which requires both short-term and long-term bicycle parking be provided, and that bicycle parking shall be provided within forty (40) feet of the principle entry point.

The Mauka Area Rules require that off-street loading stalls shall be provided for residential and commercial uses. Loading requirements are associated with uses and floor area. The Project proposes approximately 445,153 square feet of residential space. Pursuant to §15-217-63(l) of the Mauka Area Rules, two (2) loading stalls for floor areas up to 300,000 square feet and one (1) loading stall for each additional 200,000 over 300,000 square feet of multiple-family dwellings are required. When one or more loading spaces are required, the minimum horizontal dimensions of at least half of the required spaces shall be 12 feet x 35 feet and have a vertical clearance of at least fourteen (14) feet. The balance of the required spaces shall have a horizontal dimension of at least 19 feet x 8.5 feet and a vertical clearance of at least ten (10) feet. The proposed maximum commercial floor area for the Project requires one (1) off-street loading stall. Therefore, the total off-street loading requirement for the Project is four (4) stalls. A modification request of the loading zone requirement was originally made in the Development Permit application and the public hearing notice; however, it has since been determined that no modification request is needed.

Section 15-217-63(l)(13) provides that an adjustment of up to fifty percent (50%) of the required number of loading stalls may be allowed when such stalls are assigned to served two (2) or more uses. The Applicant is proposing to use the off-street loading stalls for residential and commercial uses and is eligible for the fifty percent (50%) reduction. Therefore, the required number of off-street stalls for the Project can be reduced to two (2) stalls.

The Applicant has requested a modification from the provisions of §15-217-63(l)(1) of the Mauka Area Rules, indicating that the Project as proposed was deficient in off-street loading requirements. Staff review of the Development Permit application indicates that based on the provisions of §15-217-63(l)(13) of the Mauka Area Rules, the number of proposed off-street loading stalls is consistent with the Rules, therefore, modification of the provisions of §15-217-63(l)(1) of the Mauka Area Rules is not necessary.

Staff notes that in accordance with the provision of §15-218-55(e), the Applicant is requesting modification of provisions of §15-217-63(c)(3) of the Mauka Area Rules to locate a curb cut on Kapiolani Boulevard at six (6) feet three (3) inches from the adjacent property line, instead of the required minimum of twenty-two (22) feet.

It is staff's understanding that although the proposed location for the curb cut does not conform with minimum distances from property lines, this location is optimal so

as to mitigate congestion at the intersection of Kapiolani Boulevard and South Street. Staff notes that the proposed curb cut location will not likely have an impact on the adjacent properties, and will avoid clustering with existing adjacent curb cuts. Additionally, staff notes that the proposed curb cut allows continuity with approved plans for the first phase, and will jointly realize a through-block alley along the Diamond Head site boundary connecting Kapiolani Boulevard and Kawaiahao Street.

Public testimony was provided that expressed concerns for pedestrian safety might be compromised should the proposed curb cut be allowed where proposed. However, maintaining a distance of at least 28 feet from the South Street and Kapiolani Boulevard intersection is an equally if not greater priority for managing traffic in the area..

*Staff recommends approval of the request for modification of provisions of §15-217-63(c)(3) of the Mauka Area Rules for locating curb cut on Kapiolani subject to the design and execution of appropriate traffic safety measures (e.g., flashing lights/signage to signal an approaching vehicle, etc.) to promote driver awareness and pedestrian safety as a condition of approval.*

### **Public Facilities Dedication**

Pursuant to §15-218-55(f) of the Kakaako Reserved Housing Rules, the Project is exempt from §15-217-65 of the Mauka Area Rules, which requires the Applicant to dedicate land for public facilities.

### **Historical and Cultural Sites**

Section 15-217-62 of the Mauka Area Rules provides for preservation, protection, reconstruction, rehabilitation, and restoration of properties in the Mauka Area that are determined to be historic and culturally significant.

The Applicant has indicated that it intends to demolish a portion of the News Building and preserve at least the portion of the building that is currently under the red tile roof. The News Building is not among the historic resources that have been identified in the Mauka Area Plan for preservation, rehabilitation, or restoration. The News Building is not listed in the National or State Registry of Historic Buildings though it is considered to be eligible to be placed on the National or State Registry.

Since the News Building is not identified as a historic resource selected for protection in the Mauka Area Plan, provisions of §15-217-62 are not applicable in considering the Development Permit application. However, HCDA staff, in a letter dated August 28, 2013, requested comments and recommendations from the DLNR, SHPD regarding the Development Permit application. Staff received two separate comments from DLNR, one on October 9, 2013 from the State Historic Preservation

Officer, Mr. William J. Aila, Jr. and another on October 23, 2013 from Ms. Angie Westfall, Architecture Branch Chief, SHPD, DLNR. The letter from State Historic Preservation Officer notifies that the Applicant is required to meet the requirements of Hawaii Administrative Rules, Chapter 13-284 for the Project. The letter from SHPD, architecture provides determination regarding architecture and archaeology.

The Applicant submitted on November 1, 2013 a copy of an Architecture Assessment for 605 Kapiolani Boulevard (TMK: 2-1-047: 003) conducted by Mason Architects in June 2005. The Applicant submitted a Mitigation Plan on November 13, 2013, which the HCDA transmitted to the SHPD on November 26, 2013 that is provided hereto as Exhibit C.

Staff is recommending that if the Authority considers approval of the Development Permit application, the Authority, as provided in §15-217-80(e) of the Mauka Area Rules, should require the Applicant to submit concurrence or approval letter from DLNR, SHPD indicating that the Applicant has met all relevant requirements of HAR, Chapter 13-284 and HRS Chapter 6E before the HCDA approval of the development permit application..

In addition, staff is recommending that the Authority impose the following conditions of approval relating to demolition of a portion and alteration/retention of another portion of the News Building:

1. A CPR shall be recorded by the Applicant that establishes 801 South St, Phase B and News Building Project areas, in substantial compliance with representations contained in the Applicant's Phase B Development Permit application and its November 12, 2013 submittal regarding – 801 South St, Building B Project and the former Honolulu Advertiser Building (News Building) TMK: (1)2-1-047: 004 (Parcel).
2. Prior to the demolition of the proposed portion of the News Building, architectural recordation in accordance with Historic American Buildings Surveys/Historic American Engineering Records (HABS/HAER) standards for Level 2 document collection shall be conducted by the Applicant. This documentation shall be compiled and provided to the Authority.
3. Require that in the course of executing the Mitigation Plan, the Applicant establish a protection plan to protect historic elements of the retained portions of the News Building and the protection plan be submitted in writing to the HCDA prior to demolition. The protection plan shall include a protected area around the News Building and restrict the intrusion of other improvements

into the building. The details of the protection plan shall be provided in the CPR document recorded with the Bureau of Conveyances and enforceable by its terms.

4. Require the Applicant to disclose to any buyer of the News Building the significance of the exterior and interior character defining features of the retained portion of the building, provide “as-built plans and specifications” of the new exterior walls, provide the prospective buyers a copy of the Mason Architects, Inc.’s, Honolulu Advertiser Building Historic Architecture Assessment dated June 2005 and the emphasize importance of retaining an architect familiar with the rehabilitation and preservation of historic buildings.
5. Require the Applicant to conduct an assessment to determine if any materials in the portion of the News Building to be demolished can be salvaged and reused in the remaining portion of the building. These materials may include, but are not limited to the wood block flooring, terra cotta, metal windows and red tile roofing on the elevator tower. The Applicant shall make reasonable effort to incorporate materials from the portion of the News Building that will be demolished into renovation of the remaining portion the building and if that is not practical, make reasonable effort to donate such material to a reuse contractor.
6. Require the Applicant to implement the Mitigation Plan in substantial compliance with its representations before the Authority as a condition of approval for the 801 South St, Phase 2 Development Permit application.

### **Modifications to the Provisions of the Mauka Area Rules**

Subchapter 4, §15-218-55(e) of the Kakaako Reserved Housing Rules provides that, *“In approving development permit for a qualified workforce housing project the authority may consider modification(s) to the provisions of Hawaii administrative rules, chapter 217, title 15, mauka area rules.”* The Project as presented by the Applicant qualifies as a workforce housing project pursuant to §15-218-55(a) of the Kakaako Reserved Housing Rules. The Applicant is requesting the following modifications from the provisions of the Mauka Area Rules:

- **Modification of Podium Height:** Figure NZ.2 (D) of the Mauka Area Rules requires that podium heights shall be between thirty (30) – sixty-five (65) feet. The podium element of the Project is eleven (11) floors with a height of 107 feet. Figure

BT.10 of the Mauka Area Rules permits a parking podium that is detached from the podium high-rise building.

- **Modification of Build-to-Line:** Section 15-217-53 and Figure NZ.2-1 of the Mauka Area Rules require build-to-lines of five (5) to ten (10) feet along Kapiolani Boulevard. The Project proposes to have build-to-lines of twenty-one (21) feet nine (9) inches along Kapiolani Boulevard. The Applicant's request for modification of frontage type along Kapiolani Boulevard is in error. Instead, it should be modification of build-to-line. If considered and approved by the Authority, approval will automatically require that the Applicant provide a terrace front frontage along Kapiolani Boulevard except along the existing Honolulu Advertiser Building.
- **Modification of Green Building Standards:** Section 15-217-59 of the Mauka Area Rules requires new buildings to follow base green building standards established by the LEED rating system or comparable green building evaluation systems. The Applicant is requesting modification from provisions of §15-217-59 of the Mauka Area Rules.
- **Modification of Parking Access Curb Cuts:** Section 15-217-63(c)(3) of the Mauka Area Rules requires that curb cuts shall be set back a minimum of twenty-two (22) feet from adjacent properties. The Project proposes location of vehicular access at Kapiolani Boulevard with curb cuts placed six (6) feet three (3) inches from the adjacent property line.
- **Modification of Frontage Type:** Modification of provisions of §15-217-39(3), and Figure FT.8 to propose alternative landscaping than what is required for a terrace front frontage type. Modification of §15-217-55(e)(1), and Figure FT.8 of the Mauka Area Rules to propose an increase in fence height to six (6) feet, from a maximum three (3) feet allowed for terrace front frontage type along Kapiolani Boulevard.

## IX. PUBLIC TESTIMONY

There was 657 public testimonies in support of the Project, 276 testimonies in opposition, and 2 comments of the Project received at the time of the first public hearing on October 2, 2013. At the submitting of this report, HCDA staff has received an additional 103 public testimonies in support of the Project, 81 testimonies

in opposition, and 4 comments of the Project. The Court Reporter's transcripts from October 2, 2013 public hearing and October 12, October 15, November 16 and November 19, 2013 Supplemental Comment Sessions, a staff summary of the hearing as well as all public testimony received since the first hearing is provided hereto as Exhibit B.

**X. FINDINGS OF FACT RELATING TO THE APPLICANT'S REQUEST FOR MODIFICATION OF PROVISIONS OF THE MAUKA AREA RULES**

Section 15-218-55(e) of the Reserved Housing Rules provides that modifications may be considered for qualified workforce housing projects.

Specific to the Project, staff is proposing the following findings related to the modification request by the Applicant:

1. *Modification of Figure NZ.2(d) in order to increase **Podium Height** from sixty-five (65) feet to 107 feet.*

The proposed building placement for the parking preserves the designated South Street view corridor that is consistent with §15-217-55(1)(6). A driveway drop-off is proposed to be located in the front yard setback along South Street. The Applicant has explained the driveway drop-off to be a "focal point" for the Project. If the parking podium is limited to a maximum height of sixty-five (65) feet, there would be no requirement for a 50-foot setback; however, staff notes that the placement of the parking podium is partly constrained along South Street by the Applicant's proposed commitment to retain a portion of the existing adjacent Honolulu Advertiser Building and to renovate and occupy during a third phase.

A 2005 report determined that the Honolulu Advertiser Building is of historical significance. Staff recognizes the sensitive context of the News Building, and finds the proposed development and placement of the parking podium:

- facilitates the development of the Phase B residential tower;
- facilitate the preservation and restoration of the historic and character defining portion of the News Building for commercial use by providing a minimum of 78 parking stalls for the tenant;
- allow for a 50' setback of the proposed parking structure from the South Street view corridor;



- will with a proposed architectural treatment on the parking façade facing South Street provide that the first level of the parking deck will not be visible from the street level;
- allow the Applicant to create a driveway drop off and project focal point to be created along South Street; while
- still producing an appropriate footprint for a parking structure to meet project parking requirements.

Staff finds that in order to meet Project and Phase C (News Building redevelopment as commercial space) minimum parking requirements the height of the proposed parking structure would have to be at least 76' 8".

Further modification to the height of the parking structure to 107' would allow for an additional 175 parking stalls for purchase by residents of a second stall or use as public stalls is not unreasonable.

In consideration of these factors, staff finds that the additional height of parking garage does not impede the goals, policies and objectives of the Mauka Area Plan. It does not adversely impact on protection, preservation, or enhancement of neighborhood characteristics. The modification request, if approved by the Authority, will not have a substantial adverse effect on surrounding land uses.

2. Modification of §15-217-53 and Figure NZ.2-1 in order to increase the **Build-to-Line** from five (5) to ten (10) feet along Kapiolani Boulevard to twenty-one (21) feet nine (9) inches.

The Applicant's original request for modification of frontage type along Kapiolani Boulevard is inapplicable and should instead be a modification request of build-to-line. If this modification is approved by the Authority, the Applicant would be required to provide a Terrace Front frontage along Kapiolani Boulevard, except along the existing Honolulu Advertiser Building.

Staff recommends approval of the request for modification of provisions of §15-217-53 and Figure NZ.2-1 of the Mauka Area Rules for Build-to-Line subject to the following conditions:

- a. The Project shall be consistent with Figure FT.8 and provisions of §15-217-55(e) of the Mauka Area Rules. Any fence along South Street and Kapiolani Boulevard shall not exceed maximum height limits of three (3) feet.
- b. All frontage type requirements for a Terrace Front frontage along Kapiolani Boulevard shall be in accordance with

Figure FT.8 and provisions of §15-217-39(e)(2) of the Mauka Area Rules.

3. *Modification of §15-217-59 in order to be exempt from **Green Building Standards** and to not follow base green building standards established by the LEED rating system or comparable green building evaluation systems.*

Staff recommends that the Project provide documentation of its efforts to achieve at a minimum three (3) LEED credits including at least one (1) point in Sustainable Sites - Storm water Design (Quality Control or Quantity Control), at least one (1) point in Sustainable Sites - Heat Island Effect (Non-roof or Roof) and at least one (1) point in Water Efficiency - Water Efficient Landscaping, consistent with Section 15-217-59 of the Mauka Area Rules.

Recognizing that affordability of this project for the workforce population is the primary goal and that there is no one-size-fits-all solution, the Applicant may provide documentation to the Authority in lieu of actually qualifying for the above mentioned minimum 3 LEED credits, how implementing widely-accepted “green” building practices prove to be cost prohibitive for this Project. In this way, the Authority might better understand how to ensure that sustainable development does not jeopardize the primary goal of developing workforce housing.

4. *Modification of §15-217-63(c)(3) in order to place **Parking Access Curb Cuts** six (6) feet three (3) inches from the adjacent property line and not the minimum of twenty-two (22) feet.*

Staff finds that although the proposed location for the curb cut does not conform to minimum distances from property lines, this location is optimal so as to mitigate congestion at the intersection of Kapiolani Boulevard and South Street. Staff also finds that the proposed curb cut location will not likely have an impact on the adjacent properties, and will avoid clustering with existing adjacent curb cuts. Additionally, staff finds that the proposed curb cut allows continuity with approved plans for the first phase and will jointly realize a through-block alley along the Diamond Head site boundary connecting Kapiolani Boulevard and Kawaiahao Street.

Staff recommends approval of the request for modification of provisions of §15-217-63(c)(3) of the Mauka Area Rules for locating curb cut on Kapiolani subject to the design and execution of appropriate traffic safety measures at this driveway (e.g., flashing lights/signage to signal an approaching vehicle, etc.) to promote driver awareness and pedestrian safety as a condition of approval.

5. Modification of §15-217-39(3), and Figure FT.8 in order to deviate from the requirements for **Frontage Type** and propose alternative landscaping than what is required for a terrace front frontage type. Modification of §15-217-55(e)(1), and Figure FT.8 in order to increase fence height to six (6) feet, from a maximum three (3) feet allowed for terrace front frontage type along Kapiolani Boulevard.

Staff finds that the Project shall be consistent with Figure FT.8 and provisions of §15-217-55(e) of the Mauka Area Rules. Any fence along South Street and Kapiolani Boulevard shall not exceed maximum height limits of three (3) feet. All frontage type requirements for a Terrace Front frontage along Kapiolani Boulevard shall be in accordance with Figure FT.8 and provisions of §15-217-39(e)(2) of the Mauka Area Rules. Therefore, staff recommends that the Authority deny this modification request.

## **XI. FINDINGS OF FACT RELATING TO DEVELOPMENT PERMIT APPLICATION**

Section 15-217-80(d) of the Mauka Area Rules requires the following Findings of Fact in approving a Development Permit application:

- A. **Consistency with the Mauka Area Plan.** That the Project complies with and advances the goals, policies and objectives of the Mauka Area Plan;
- B. **Consistency with the Mauka Area Rules.** That the Project proposal will protect, preserve, or enhance desirable neighborhood characteristics through compliance with the standards and guidelines of the Mauka Area Rules; and
- C. **Compatibility of the Mauka district.** That the Project proposal will not have a substantial adverse effect on the surrounding land uses and will be compatible with the existing and planned land use character of the surrounding area.

Regarding the Development Permit application, staff presents the following Findings of Fact:

Based on the analysis above on matters relating to land use, neighborhood zone and building type, Project density and joint development, FAR transfer, floor area purchase from the HCDA, building placement, building form, frontage type, thoroughfare plan, architectural design, landscape and recreation space, green building, flood zone, parking and loading, public facilities dedication fee, and

reserved housing, staff finds that the Project as proposed is in general consistent with the objectives of the Mauka Area Plan and Rules. With the approval of the modifications recommended by staff, the Project is consistent with and advances the goals, policies and objectives of the Mauka Area Plan. The Project protects, preserves, and enhances desirable neighborhood characteristics through compliance with standards and guidelines of the Mauka Area Rules. The Project does not have adverse effect on the surrounding land uses and is compatible with the existing and planned land use character of the surrounding area.

## **XII. RECOMMENDATION**

Staff recommends that:

1. The Authority approve Mauka Area Rule modifications #1 relating to podium height increase from sixty-five (65) feet to 107 feet, #2 relating to build-to-line along Kapiolani Boulevard, and #4 relating curb cut along Kapiolani Boulevard subject to the conditions of approval recommended by staff.
2. The Authority approve the Mauka Area Rule modifications #3 relating to Green Building Standards as further modified and recommended by staff.
3. The Authority deny Mauka Area Rule modification #5 relating to frontage type along Kapiolani Boulevard.
4. The Authority adopt the following Findings of Fact relating to the Development Permit application:
  - a. The Project as proposed is consistent with the objectives of the Mauka Area Plan and Rules.
  - b. The Project complies with and advances the goals, policies and objectives of the Mauka Area Plan.
  - c. The Project protects, preserves, and enhances desirable neighborhood characteristics through compliance with standards and guidelines of the Mauka Area Rules.
  - d. The Project does not have adverse effect on the surrounding land uses and is compatible with the

existing and planned land use character of the surrounding area.

5. The Authority, consistent with the provisions of §15-217-80(e), impose the following conditions on the Development Permit:
  - a. The Applicant shall comply with the provisions of §15-217-59 of the Mauka Area Rules;
  - b. The Applicant shall submit a concurrence or approval letter from DLNR, SHPD indicating that the Applicant has met all relevant requirements of HAR, Chapter 13-284 before HCDA approval of any demolition permit required by the City and County of Honolulu;
  - c. The Applicant shall provide a revised design for the drop-off/plaza area along South Street from review and approval by the HCDA Executive Director before HCDA approval of the initial foundation or building permit required by the City and County of Honolulu;
  - d. The Applicant shall provide Terrace Front frontage along Kapiolani Boulevard, except in front of the existing Honolulu Advertiser Building, that is consistent with Figure FT.8 and provisions of §15-217-55(e) of the Mauka Area Rules; and
  - e. Prior to HCDA approval of a foundation or building permit required by the City and County of Honolulu, the Applicant shall prepare an encroachment easement document for a portion of the proposed parking podium of the Project that encroaches on the development lot for Phase A of 801 South Street project acceptable to the HCDA Executive Director and record with the Bureau of Conveyances as covenant running with the land.
  - f. Locate short-term bicycle parking on the ground floor of the parking garage that is accessible and separated from vehicular traffic.
6. Relating to demolition of a portion and retention of another portion of the Honolulu Advertiser Building, consistent with the provisions of §15-217-55(e), staff is recommending that the Authority impose the

following conditions on approval of the Development Permit application:

- a. Prior to the demolition of the proposed portion of the Honolulu Advertiser Building, a CPR shall be recorded by the Applicant that establishes 801 South St, Phase B and Honolulu Advertiser Building Project areas in substantial compliance with representations contained in the Applicant's Phase B Development Permit application and its November 12, 2013 submittal regarding – 801 South St, Building B Project and the former Honolulu Advertiser Building (News Building) TMK: (1)2-1-047: 004 (Parcel).
- b. Prior to the demolition of the proposed portion of the Honolulu Advertiser Building, architectural recordation in accordance with Historic American Buildings Surveys/Historic American Engineering Records (HABS/HAER) standards for Level 2 document collection as proposed by the SHPD shall be conducted by the Applicant. This documentation shall be compiled and provided to the HCDA and the SHPD.
- c. Require that in the course of executing the Mitigation Plan, the Applicant establish a protection plan to protect historic elements of the retained portions of the Honolulu Advertiser Building and the protection plan be submitted in writing to the HCDA prior to demolition. The protection plan shall include a protected area around the Honolulu Advertiser Building and restrict the intrusion of other improvements into the building. The details of the protection plan shall be provided in the CPR document which shall be recorded with the Bureau of Conveyances and enforceable by its terms.
- d. Require the Applicant to disclose to any buyer of the Honolulu Advertiser Building the significance of the exterior and interior character defining features of the retained portion of the building, provide “as-built plans and specifications” of the new exterior walls, provide the prospective buyers a copy of the Mason Architects, Inc.'s, Honolulu Advertiser Building Historic Architecture Assessment dated June 2005 and emphasize the importance of retaining an architect familiar with the rehabilitation and preservation of historic buildings.
- e. Require the Applicant to conduct an assessment to determine if any materials in the portion of the Honolulu Advertiser

Building to be demolished can be salvaged and reused in the remaining portion of the building. These materials may include, but are not limited to the wood block flooring, terra cotta, metal windows and red tile roofing on the elevator tower. The Applicant shall make reasonable effort to incorporate materials from the portion of the Honolulu Advertiser Building that will be demolished into renovation of the remaining portion the building and if that is not practical, make reasonable effort to donate such material to a reuse contractor.

- f. Require the Applicant to implement the Mitigation Plan in substantial compliance with its representations before the Authority as a condition of approval for the 801 South St, Phase 2, Development Permit application.
7. Based on the Findings of Fact relating to the Development Permit application, approve the Applicant's request for a Development Permit with the corresponding conditions.
8. The Authority approve the 801 South Street Development Permit No. KAK 13-057 as presented by HCDA staff.

Attachments: Exhibit A – Comments from Government Agencies  
Exhibit B – Court Reporter's transcripts from October 2, 2013 hearing and October 12, October 15, November 16, and November 19, 2013 Supplemental Comment Sessions, Staff's Summary of the October 2, 2013 Public Hearing, and Additional Public Testimonies  
Exhibit C – Historic Architecture Assessment  
Exhibit D – Proposed Development Permit for KAK 13-057