SUMMARY - PUBLIC HEARING

HAWAII COMMUNITY DEVELOPMENT AUTHORITY
State of Hawaii
April 30, 2014 – 12:00 p.m.

ATTENDANCE

Members Present: Rodney Funakoshi (DBEDT)
Randy Grune (DOT)
Miles Kamimura
Brian Lee
Lois Mitsunaga
Brian Tamamoto
Luis Salaveria (DBF)
Dean Seki (DAGS)

Members Absent: None

HCDA Staff: Anthony Ching, Executive Director
Lori Tanigawa (Deputy Attorney General)
Lindsey Doi
Deepak Neupane
Shelby Hoota
Holly Hackett (Court Reporter)

For the Applicant Castle & Cooke Homes Hawaii, Inc.
Curtis Tabata
Wyeth Matsubara

For the Applicant Kamehameha Schools
William Meheula

A public hearing of the Kakaako members of the Hawaii Community Development Authority (“Authority” or “HCDA”), a body corporate and public instrumentality of the State of Hawaii, was called to order by Mr. Brian Lee, Chairperson of the Authority at 12:56 p.m. on Wednesday, April 30, 2014, at the Authority’s principal offices at 461 Cooke Street, Honolulu, Hawaii 96813.

DEVELOPMENT PERMIT APPLICATION KAK 14-012: Castle & Cooke Homes Hawaii, Inc. and Kamehameha Schools

Chairperson Lee stated that the public hearing was being held under the provisions of §206E-5.6, Hawaii Revised Statutes, Hawaii Administrative Rules (“HAR”) Chapter 219 of
Title 15, and vested HAR Chapter 22 of Title 15, to review the development permit application KAK 14-012 ("Application") dated February 20, 2014. The project falls under the Kamehameha Schools Kaiaulu 'O Kakaako Master Plan Permit No. PL MASP 13.2.8, which was approved by the HCDA on September 2, 2009.

The Applicants are Castle & Cooke Homes Hawaii, Inc. ("CCHHI") and Kamehameha Schools ("KS"). The Tax Map Key is (1)2-1-054: 025, 027, 028, and 032, and the project location is 400 and 440 Keawu Street. The request is for a joint development permit for two separate mixed-use, residential, commercial/retail development projects simultaneously developed on a development lot.

Notice of the public hearings was published on March 22, 2014, in the Honolulu Star Advertiser. The notice was made available for public review at the office of the HCDA and on the HCDA website. The landowners, lessees and other stakeholders in the Kakaako District and surrounding communities, state and county agencies, state legislators, Honolulu City Councilmembers, and approximately 327 community groups and individuals and organizations were notified of the hearing. Pursuant to HRS 206E-5.6, notice was provided to the President of the Senate and Speaker of the House.

The nature of the public hearing is to allow the 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 June 10, 2014, during which the Authority will render a decision on the Application. In addition, the Authority’s hearing officer will conduct supplemental public comment sessions on Saturday, May 17, 2014 at 10:00 am and Tuesday, May 20, 2014 at 5:30 pm. All testimony given at these supplemental public comment sessions will be recorded by a Court Reporter and forwarded to the Authority for their review and placed into the record.

Chairperson Lee also noted the following changes to the Authority’s review of development permit applications.

1. To clarify opportunities for the public to participate in our proceedings and in accordance with our Rules of Practice and Procedure, the notice of hearing that was published in the Honolulu Star Advertiser stated that parties wishing to intervene in this proceeding had until April 4, 2014 to file motions to intervene.

2. At an earlier meeting on April 30, 2014, the Kakaako Authority met and considered the motion to intervene that was timely filed with the Authority. At the meeting, it was noted that the single motion to intervene was withdrawn.

3. To further clarify that development permit application proceedings pursuant to Section 206E-5.6 HRS are in fact contested case proceedings, where separate public hearings are required to be conducted to “determine the rights, duties, or privileges of specific parties”, the Authority, after establishing the parties and the standing of any interveners, will provide “due process” in the manner in which the development permit application is reviewed by the Authority.
4. Accordingly, a record will be compiled, witnesses will be sworn in and examined by the parties, and the applicant will have the burden of proof in presenting its case for the development permit application.

5. Given the specification contained in Section 206E-5.6, public testimony will continue to be solicited and will be included in the record of this proceeding.

6. At the conclusion of its deliberations, the Authority will issue its findings of fact, conclusions of law and decision and order, approving the development permit application, approving with conditions or denying the application.

At the public hearing for decision making on the Application on June 10, 2014, public testimony will also be accepted. After a presentation by HCDA staff on its recommended findings of fact, conclusions of law and decision and order, the Authority will consider whether to adopt the proposed findings of fact, conclusions of law, and decision and order as its own; deliberate and provide additional findings of fact, conclusions of law and conditions of approval; or set the matter for further hearings.

If the Findings of fact, Conclusions of Law and Decision and Order are adverse to the Applicant, the parties can file exceptions to the Authority’s findings of fact, conclusions of law, and decision and order. The deadline for filing exceptions is June 23, 2014. If exceptions are filed, the Authority will meet on July 9, 2014 to take its final action and formally adopt the decision and order.

Chairperson Lee explained that Ms. Sharon Moriwaki on behalf of Residents of One Waterfront Towers Members of Kakaako United had submitted a motion to intervene, which was later withdrawn. At the earlier Special Authority Meeting on April 30, 2014 on Petitions for Intervention, the Authority noted the withdrawal of that motion to intervene.

STAFF REPORT

Executive Director Anthony Ching provided a geographic orientation for the project. He explained that the project site was nearly half a block and was bounded by Auahi, Pohukaina and Keawe Streets. The project is located in the Mauka area of the Kakaako Community Development District.

There were no questions from Members on the staff report.

INTRODUCTION OF THE PARTIES AND RECEIPT OF EXHIBITS TO THE RECORD

Mr. Tabata and Mr. Matsubara were present as counsel for the Applicant CCHHI. Mr. Tabata presented Exhibits #1-36 to be entered into the record.

Mr. Meheula was present as counsel for KS. He joined in the request for the exhibits to be entered into the record.
As there were no objections, Chairperson Lee stated that Exhibits #1-36 were entered into the record.

WITNESSES AND DIRECT AND CROSS EXAMINATIONS

For CCHHI, Mr. Tabata offered the following persons as expert witnesses: Michael Goshi, qualified as an expert in architecture and planning; Mr. Keith Uemura, qualified as an expert in civil engineering, infrastructure, planning, design and management; Mr. Pete Pascua, qualified as an expert in traffic engineering; and Mr. Hallett Hammatt, qualified as an expert in archaeology and cultural assessment. His other 2 witnesses would be lay witnesses.

Mr. Meheula joined in the request for the witnesses to be qualified as experts.

As there were no objections, Chairperson Lee stated that the list of experts offered by the Applicant was accepted.

Mr. Meheula confirmed that he was incorporating by reference CCHHI’s Exhibit list into the record and stated he had no other exhibits or witnesses.

WITNESS TESTIMONY:

Mr. Tabata called the following witnesses to testify:

1. **Lee Cranmer, senior development manager, KS/Bishop Estate**

   Mr. Cranmer provided a general overview of the project (see Exhibit A). He explained that the project would be a mixed-use project with rental and for sale residential units combined with ground floor community serving retail and food service businesses in low-rise buildings. KS would retain and manage all the commercial space on the block, both the existing 2-story 458 Keawė building and the ground floor of 400 Keawė being developed by CCHHI.

   There was no cross examination or questions for the witness.

2. **Andrew Furuta, project manager, CCHHI**

   Mr. Furuta described CCHHI’s proposed site plan for the left half of the project. KS would retain the right half (see Exhibit B). Both projects will be developed together under a joint development agreement. The components of Block B include the CCHHI for sale project and the KS rental, the existing Alu Like building and the courtyard parking area.

   Mr. Ching asked for the exhibit for the joint development agreement.

   Mr. Matsubara explained that it was in the Application as Exhibit 1.
3. Michael Goshi, senior principal, Design Partners Inc.

Mr. Tabata noted that Mr. Goshi had been admitted as an expert in the field of architecture and planning.

Mr. Goshi stated he was the architect for the project. He summarized the highlights of the design of the project and explained the existing site conditions, community goals and aspirations, view of the project, and public benefits of the modification (see Exhibit C). He noted that HAR 15-22-120 stated the Authority may approve a platform height that exceeds 45 feet if 3 out of 4 conditions are present. The proposed modification will provide flexibility and result in the development that is practically and aesthetically superior. He explained how the modification would not adversely affect adjacent developmental uses and would be beneficial to the neighborhood using Block B as a strong connector piece and also reduce some of the congestion from the high-rise on the site.

Member Tamamoto asked if one of the objectives was to make the building LEED certified.

Mr. Goshi replied that a lot of LEED points are based on the site of the building in relation to the sun. They would not get those points because they are restricted to the city block. They would make it very sustainable and try to get as many points as they can.

Mr. Ching asked the witness if he was part of the design team for The Collection.

Mr. Goshi replied that he was part of the local support, but not the lead designer.

Mr. Ching asked the witness to describe the relationship of the project to One Waterfront Towers ("OWT") with respect to privacy, and whether the parking structure would overlook the OWT recreation deck.

Mr. Goshi replied that they had no parking structure on the CCHHI workforce housing site and would be significantly lower than the top of the OWT project.

Mr. Ching asked what the distance would be from the residential floors to the recreation deck.

Mr. Goshi replied that it would about 37 feet to the property line on the reserved housing. The midportion of the workforce housing would be 120 feet. The small wing fronting Auahi Street is a narrow strip about 15 feet.

Mr. Ching asked if the proposed height impact of the project at 65 feet would have any shadowing impact on OWT.

Mr. Goshi replied there would be no significant impacts.
Mr. Ching asked if there would be a loss of privacy between the interface of the project with OWT and their recreation deck.

Mr. Goshi responded that he did not think there would be because there were many screening elements on the OWT recreation deck.

Mr. Ching asked if there would be an impact on neighboring property values around the project.

Mr. Goshi replied that values normally go up when there is active neighborhood retail on the street surrounding any project because people want to be able to walk and shop in the neighborhood. The activated street planned for Block B would actually increase values for everybody in the surrounding area.

Mr. Ching asked about the noise generated by the residents of the project.

Mr. Goshi replied they would generate as much noise as every other project. OWT has their loading dock on the property line so they generate an equal amount of noise.

Mr. Ching asked where the OWT loading was located.

Mr. Goshi responded that there were 2 loading areas, one on Pohukaina and the other on Auahi Street.

Mr. Ching asked if the project would offer more than the minimum requirement for public open space.

Mr. Goshi explained that the Block B open space requirement is 6,202 square feet. They would be providing 8,832 square feet. Adding the recreational space would bring the number closer to 18,000 square feet.

Mr. Ching asked about the plans for the Alu Like Building.

Mr. Goshi replied that KS envisioned turning it into a feature restaurant at the lower floors and office use above.

Mr. Ching asked what sustainable features would contribute to the affordability for the renters of the workforce portion.

Mr. Goshi replied that they would look at energy consumption, efficient appliances, building insulation, and use of sustainable materials.

Mr. Ching asked if the project would advance the goals for creating a walkable, bikeable, pedestrian friendly neighborhood.
Mr. Goshi replied in the affirmative.

Mr. Ching asked if the design was purposeful in that it seeks to provide relief and was not proposing a tower.

Mr. Goshi replied in the affirmative.

Mr. Ching asked what other open space amenities were being proposed.

Mr. Goshi replied that they were looking at some paved areas and an urban park with chairs, seating, a water feature and grass areas.

The meeting was recessed at 2:00 p.m.

The meeting was reconvened at 2:10 p.m.

4. Mr. Keith Uemura, president, ParEn Inc.

Mr. Tabata noted that Mr. Uemura was qualified and admitted as an expert in the fields of civil engineering, infrastructure, planning and management.

Mr. Uemura stated that he had submitted the sewer connection application to the City Department of Planning and Permitting Wastewater Branch and received approval for both the B1 and B2 projects. They also submitted water availability letter to the Board of Water Supply. They concluded that there is available water for the project.

There was no cross examination or questions for the witness.

5. Pete Pascua, vice president and director of traffic engineering, Wilson Okamoto Corporation

Mr. Matsubara noted that Mr. Pascua was qualified and admitted as an expert in traffic engineering.

Mr. Pascua stated he had analyzed traffic conditions surrounding the block. Under existing Levels of Service, which is a measure of impact for a project, the intersection surrounding the block will operate at Level of Service A, with the exception of one location which operates at Level of Service B. The project is expected to general minimal traffic and no impact as a result of the proposed project. He made 4 recommendations in the traffic study: (1) enhance access to the project site and improve safety and sign distance for other users of the roadway, which includes pedestrians as well as bicyclists; (2) provide adequate onsite loading and services areas to minimize or eliminate service vehicles reversing into the public roadway; (3) provide adequate storage space on the driveway so cars do not queue up into the public roads; and (4) provide enhanced pedestrian facilities to promote pedestrian activity throughout the site.
Mr. Ching asked if the Level of Service A would exist with or without the project.

Mr. Pascua replied in the affirmative and stated that Level of Service A is the best you could get in terms of traffic operations.

6. *Hallett Hammatt, Ph.D., archaeologist and president, Cultural Surveys Hawaii*

Mr. Matsubara noted that Dr. Hammatt was designated as the archaeology and cultural assessment expert.

Dr. Hammatt confirmed that he had completed archaeological reports for the joint development of KS and CCHHI Block B project. The report had been accepted by the State Historic Preservation Division, and included the archaeological inventory plan, archaeological inventory survey and report and various correspondence for the project.

Mr. Matsubara asked the witness to confirm that 2 sites had been found on the study: one site involved a trash site and the other was a concrete slab. No iwi and no other significant findings were found.

Dr. Hammatt replied in the affirmative.

Mr. Ching asked if a cultural impact assessment had been conducted for the area.

Dr. Hammatt replied in the affirmative.

Mr. Ching requested that the Applicant provide the cultural impact assessment.

Mr. Matsubara responded that it would be submitted to their amended Exhibit list.

For KS, Mr. Meheula stated he did not intend to call any witnesses or supplement the CCHHI presentation.

**PUBLIC TESTIMONY**

Chairperson Lee noted that written testimony had been from 26 persons in support and 11 in opposition. All 11 testimonies in opposition were received from residents of One Waterfront Towers.

The following persons provided oral testimony:

1. Damien Tua, support
2. Frank Leslie, support
3. Bill Spencer, oppose
4. Peter Lee, Laborers, Employers, Cooperation and Education Trust, support
5. Karen Nakamura, Building Industry Association of Hawaii, support
6. Monica Toguchi, Highway Inn, support
7. Paulette Moore, support

ADJOURNMENT

Chairperson Lee declared that with the exception of the Applicant submitting a copy of the cultural impact assessment no later than May 14, 2014, the evidentiary portion of the proceeding was completed. He directed the parties to draft their individual Findings of Fact, Conclusions of Law, and Decision and Order based upon the record of the proceeding and file by May 21, 2014. Any findings are to be tied to the exhibits in the record or to the page and line numbers of transcripts.

Chairperson Lee asked if Mr. Tabata and Mr. Matsubara intended to pursue the compilation of either a partial or fully stipulated order in the matter.

Mr. Matsubara responded in the affirmative.

Chairperson Lee asked Mr. Meheula if he supported CCHHI’s effort to pursue either a partial or fully stipulated order in the matter.

Mr. Meheula responded in the affirmative.

Given that the Applicants would be submitting a joint FOF, COL and D&O, Chairperson Lee advised that the deadline to file the proposed order is May 28, 2014.

The public hearing was adjourned at 2:45 p.m.

Attachments:  Exhibit A - 400 & 440 Keawe Street (Lee Cranmer)  
Exhibit B - 400 & 440 Keawe Street (Andrew Furuta)  
Exhibit C - Kakaako Block B

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

Nov. 26, 2013  Neighborhood Board
Dec. 4, 2013    Cultural Stakeholders
Dec. 10, 2013  Imperial Plaza Residents
Dec. 11, 2013  One Waterfront Tower Residents
Jan. 8, 2014   Kakaako Improvement Association
Feb. 26, 2014  Press Conference / Public Q&A
Apr. 5, 2014   Building Industry Association General Membership
Apr. 23, 2014  One Waterfront Tower Residents

“BLOCK B” – 400 & 440 Keawe
Requested Modification - 65-ft building height

Ground Floor Commercial

440 KEAWE STREET
88 Rental Apartments by KS
400 & 440 KEAWE STREET
Castles & Cooke Homes & Kamohioa Schools

And Providing Homes
- Crown at Wailuna (158 Units)
- Kahi Kani (306 Units)
- Kaimala Marina (91 Units)
- Kumu Nii at Kapolei (519 Units)
- Lelakea I & II (201 Units)
- Lalawai Hale (96 Units)
- Lilaea at Hawaii Kai (290 Units)
- Paiai Kail (307 Units)
- Pearl 1 & 2 of Pearl Ridge (637 Units)
- Puu Iku - Farrington (8 Units)
- Queen Emma Gardens (587 Units)
- Renaissance at Waialae (230 Units)
- Sunset Pointe at Waikoloa (250 Units)
- The Esplanade at Hawaii Kai (208 Units)
- Whiteroom Village Homes (35 Units)
- Waimou (70 Units)
- Maiki Ridge at North Kohala - Big Island
- Manoel Bay
- The Lodge at Keaau
- Kawaihae at Waimea Bay
- Waikoloa at Waikoloa (275)
- Villages of Kapolei (550)
- Waiola Point - Waipahu (85)
- Waianae - Waikele (900)

Over 20,000 Homes Built
Over 45 years
for Hawaii Families

“BLOCK B” – 400 & 440 Keawe
Overall Block Site Plan

“BLOCK B” – 400 & 440 Keawe
Overhead View – from corner of Keawe and Auahi Streets

For Sale Building by CCHHI
Keawe Street View

EXHIBIT B
"Block B" - 400 & 440 KEAWE
Unit Count

- Lot B-1  400 Keawe
  95 for sale units included 20 Reserve Housing Units

- Lot B-2  440 Keawe
  88 rental units. All units will be Reserve Housing Units targeting 100% AMI renters

- Combined, 108 of the 183 units (59%) will be designated as Reserve Housing Units.

"BLOCK B" – 400 & 440 Keawe
Community Outreach

- Nov 26, 2013  Neighborhood Board
- Dec 4, 2013  Cultural Stakeholders
- Dec 10, 2013  Imperial Plaza Residents
- Dec 11, 2013  One Waterfront Tower Residents
- Jan 8, 2014  Kakaako Improvement Assoc.
- Feb 26, 2014  Press Conference
- Apr 9, 2014  BIA General Membership
- Apr 23, 2014  One Waterfront Tower Residents
Exhibit C
Community Goals and Aspirations

Vision for Outdoor Spaces in the Kalaulu 'O Kaka'ako Master Plan

Community Goals and Aspirations
Block B Connectivity

Community Goals and Aspirations
Platform Building Matching Podiums of Surrounding Buildings

Community Goals and Aspirations
Retain Existing Alu Like Building

Project Description
Development Summary

- Project B-1 (400 Kekaha Street, Developed by CC114)
  - B-1 Land Area = 62,410 sf
  - 200 Residences and 75 Workforce Units = 95 Total Residential Units
  - Total Gross Floor Area = 242,625 sf
  - Ground Floor Retail/Commercial Space = 9,986 sf

- Project B-2 (400 Kekaha Street, Developed by Kamehameha Schools)
  - B-2 Land Area = 40,010 sf
  - Retain Rental Units
  - Total Gross Floor Area = 65,630 sf

- Project B-3 (Existing Alu Like Building to retain)
  - B-3 Land Area = 16,054 sf
  - Existing Alu Like Building to be retained
  - Approximately Gross Floor Area = 67,800 sf

- Total Block B (pods combined)
  - Initial Land Area = 122,767 sf
  - Total Floor Area = 222,841 sf
  - Total FAR = 1.82

Project Description
Open Space and Recreation Space Diagram

- Total Block E Open Space
  - Required: 6,202 sf
  - Provided: 6,202 sf

- Total Block E Recreation Space
  - Required: 10,056 sf
  - Provided: 10,056 sf

- Approximately 25% of 20,300 sf of land area dedicated to green space and open space
  - 8,000 sf open space
  - 11,400 sf enhanced front yard setbacks
  - 7,908 sf ground level recreation space
  - 2,172 sf H-2 roof recreation space
Project Description
Sustainability Strategies

- Energy Efficiency/Alternative Transportation
- Proximity to Light Rail (H-ART, rail station)
- Treatment Water Reuse & Reclaimed Water Features
- Water Conservation
- Waste Energy/Effective Heating System
- Indoor Air Quality

Community Goals and Aspirations
Vision of mid-rise in the Kalakaua & Kaka'ako Master Plan

Public Benefits of Requested Modifications
Significant Public Facilities and Pedestrian Features

Kaka'ako Block B
Bird's Eye View – from corner of Kukui Street and Auahi Street

Kaka'ako Block B
Bird's Eye View – from corner of Keawe Street and Pohukaina Street
Project Description

Open Space and Recreation Space Diagram

- Total Block B Open Space
  - Required: 62,000 sf
  - Provided: 63,293 sf
- Total Block B Recreation Space
  - Required: 10,000 sf
  - Provided: 10,039 sf

- Approximately 20% or 30,000 sf of roof and dedicated open space accessible to the public
- 32,000 sf open space
- 11,000 sf enhanced hard yard space
- 7,000 sf ground level recreation space
- 2,176 sf 1-2 roof top recreation space

Kaka'ako Block B
Bird's Eye View – from corner of Keawe Street and Auahi Street

Kaka'ako Block B
Eye Level View – from corner of Keawe Street and Pohukaina Street

Community Goals and Aspirations
Block Relationships

Public Benefits of Requested Modifications
Relationship to One Waterfront Towers
Community Goals and Aspirations
Locations of Proposed Towers

- Proposed visual relief
debate a neighborhood at high points.
- Elevations include
comparison between high points.

Public Benefits of Requested Modifications
Proposed High Rise Towers in the Kalaula 'O Kaka'ako Master Plan

- Elevating views of the city.
- Kalaula 'O Kaka'ako Master Plan.

Public Benefits of Requested Modifications
Significant Public Facilities and Pedestrian Features

- Proposed visual relief
deri a neighborhood at high points.
- Elevations include
comparison between high points.

Kaka'ako Block B

1. Existing Site Conditions
2. Community Goals and Aspirations
3. Project Description
4. Public Benefits of Requested Modifications

Existing Site Conditions
Project Location

- Existing site conditions
- Community Goals and Aspirations
- Project Description
- Public Benefits of Requested Modifications

Kaka'ako Block B
**Community Goals and Aspirations**

1. Block B as an important pedestrian connection.
   - extend current pedestrian pathways and extend street sidewalks to connect all major blocks to the transit station.
2. Commit to a high-rise building in lieu of a high-rise building.
3. Retain the historic Aukike Building as an important historical feature of Kaka'ako.

**Kaka'ako Block B**

1. Existing Site Conditions
2. Community Goals and Aspirations
3. Project Description
4. Public Benefits of Requested Modifications

**Project Description**

**Project Site Area**

**Kaka'ako Block B**

1. Existing Site Conditions
2. Community Goals and Aspirations
3. Project Description
4. Public Benefits of Requested Modifications

**Public Benefits of Requested Modifications**

**Proposed High Rise Towers in the Kaka'ako Master Plan**