

SUMMARY - PUBLIC HEARING
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
State of Hawaii
October 2, 2014 – 9:02 a.m.

ATTENDANCE

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

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

For the Applicant Howard Hughes: Douglas Ing
Emi Kaimuloa

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 9:02 p.m. on Thursday, October 2, 2014, at the Authority’s principal offices at 461 Cooke Street, Honolulu, Hawaii 96813.

DEVELOPMENT PERMIT APPLICATION KAK 14-066: The Howard Hughes Corporation

Chairperson Lee stated that the public hearing was being held under the provisions of Act 61, Session Laws of Hawaii 2014, Subchapter 3 of Hawaii Administrative Rules (“HAR”) Chapter 15-219, and vested HAR Chapter 15-22 at the HCDA office, 461 Cooke Street, Honolulu, Hawaii 96813, to allow the Applicant(s) to present its proposed Project and provide the general public with an opportunity to present oral and/or written testimony regarding.

The Applicants is Victoria Ward Limited, Howard Hughes Corporation. The request is for a Planned Development Permit for a mixed-use, residential and commercial, development project submitted by the Applicant Victoria Ward, Limited on a portion of the identified as TMK: [\(1\) 2-3-001](#): 005. The Project is located at 1050 Ala Moana Boulevard and consists of two high-rise

towers, both with approximately 236 residential units combined. The towers will rest on separate platform structures and have a combined total of approximately: 19,730 square feet of commercial space, 42,178 square feet of ground level open space, 80,242 square feet of indoor and outdoor recreation space, and 548 parking stalls.

The Applicant is also requesting the following four modifications pursuant to the vested HAR Chapter 15-22 Mauka Area Rules:

- Increase the maximum platform height to 65 feet, with an allowance of an additional 15 feet in height for fifteen percent (15%) of the roof area that will be used for accessory uses.
- Eliminate the street front element 1:1 slope setback along Auahi Street and Ala Moana Boulevard.
- Modify the uniform front yard setback from 15 feet to an average front yard setback of 15 feet.
- Increase the allowable pedestrian shade canopy projection into the front yard from 4 feet to 10 feet.

Application date was August 6, 2014. Legal notice of the public hearings was published on in the Honolulu Star-Advertiser on August 12, 2014.

PROCEDURES FOR TODAY'S HEARING

Chairperson Lee stated that the deadline for interested individuals or organizations to file Motions to Intervene was September 2, 2014. He stated that no one filed a Motion to Intervene for this matter.

A public hearing for decision making on the Application and the requested modifications is scheduled for December 3, 2014. After presentation by staff of its recommended findings of fact, conclusions of law and decision and order, the Authority will take additional public testimony before engaging into decision making. If the Authority adopts the proposed Decision & Order which is adverse to the Applicant, the Applicant can file exceptions to the Authorities Findings of Fact, Conclusions of Law, and Decision & Order. The deadline for filing exceptions is December 17, 2014. If exceptions are filed, the Authority will meet on January 7, 2015 to take its Final Action and formally adopt the Decision & Order.

STAFF REPORT

Mr. Ching explained that in order for the Authority to consider modifications of specific provisions, the Applicant must demonstrate that:

1. The modification would provide flexibility and result in the development that is practically and esthetically superior to that which could be accomplished by the rigid enforcement of the Vested Rules.
2. The modification would not adversely affect adjacent developments or uses.
3. The resulting development will be consistent with the intent of the Mauka Area Plan.

He stated that these were the criteria from the rules that allows considering modifications and the granting or not of those requests.

PRESENTATION BY THE APPLICANT

Mr. Ing introduced Exhibits M1, M2, M3 and M4. After checking for any objections from the members, Chairman Lee admitted the exhibits into the record.

(9:02 a.m. Member Seki stepped out)

(9:04 a.m. Member Seki returns)

Mr. Race Randle, Senior Director of Development with the Hughes Corporation, was first to testify. He described in detail the vision of the Mauka Area Plan, to create a vertical mixing of uses, to locate commercial at grade and create pedestrian oriented residential, commercial, social and recreational activities. He then went into detail about the requested modifications and how it would contribute to the mixed use and vision of the Mauka Area Plan. Mr. Randle stated that the Authority reviewed the modifications at the time of the Master Plan approval and determined that the modifications satisfied the standard for granting modifications under HAR 15-22-22 (Finding of Fact (FOF) 106 of the Decision and Order approving the Ward Master Plan).

(9:21 a.m. Member Seki stepped out)

(9:23 a.m. Member Seki returns)

Member Tamamoto asked Mr. Randle if the orientation of the building were to be changed, would they be able to build without the modifications.

Mr. Randle replied that changing the building orientation would not help as the modifications relate to the ability to lift up the parking and provide uses surrounding the parking and underneath the parking along Auahi Street.

Mr. Ching asked Mr. Randle if the FOF that he cited described the intention of the modification being produced.

Mr. Randle replied affirmatively.

Mr. Ching noted that Conclusion of Law 13 indicated that the permit did not bestow or approve the requested modifications but in fact, required that any proposal to modify the rules would be addressed as a part of the planned development review process and evaluated under these rules.

Mr. Randle agreed.

Mr. Ching asked Mr. Randle if this presentation is a fulfillment to the permit application requirement in regards to modifications request.

Mr. Randle replied affirmatively.

Member Funakoshi asked Mr. Randle to explain “platform height.”

Mr. Randle explained that the words “platform” and “podium” are used interchangeably. In this regard, platform refers to the element of the building that is lower to the street level as opposed to the tower, which is the more slender form that is above the platform height.

Member Funakoshi stated that essentially it’s the parking structure.

Mr. Randle clarified that the platform refers to the building element that is at the lower level. In this case, not only does it provide parking but in compliance with the intent of the Mauka Area Rules, this lower level will include retail and residential use at the platform level.

Member Funakoshi asked about the distance of this Project to the rail station.

Mr. Randle did not have the exact distance.

Member Funakoshi asked if the modifications were related to parking, would relaxed parking requirements make a difference.

Mr. Randle replied that the towers that they are building are more slender with larger units meaning less units per tower. He stated that this dramatically reduces the amount of parking that they need to provide for these towers.

Member Funakoshi commended the open space component of this Project.

Mr. Ching asked Mr. Randle in regards to Decision and Order (D & O) Condition Number 8, were the Ward Neighborhood commons and the Central Plaza a permit condition of the Master Plan.

Mr. Randle replied affirmatively.

Mr. Ching noted that this particular condition states that their design and development of commercial and residential spaces surrounding the Ward Neighborhood commons would determine the precise land area of the commons. He stated that this area of the Ward Neighborhood commons, which would be dedicated via perpetual easement for public use gathering areas, would be at least 150,000 square feet. He asked Mr. Randle to confirm this.

Mr. Randle replied affirmatively.

Mr. Ching asked if this neighborhood commons would extend up to the area of the transit station.

Mr. Randle replied that it would with the intent to extend and connect Mauka/ Makai towards the transit station.

Mr. Ching asked if the open space between the two towers was more than one quarter allotment proportionately of the Ward Neighborhood commons.

Mr. Randle replied affirmatively.

Mr. Ching asked how much more open space would be produced with requested modifications.

Mr. Ing asked Mr. Ching if he was referencing the Gateway parcel.

Mr. Ching replied affirmatively, just the Gateway parcel. He stated if they were to divide 150,000 square feet by 4, it would produce a number. And if this number was less than what the open space provision between the two towers, then they would have demonstrated numerically how much more open space would be produced by this design.

Mr. Randle stated that his colleague, Doug Johnstone, testified yesterday that the approximate area of the open space is 34,000 square feet. He stated that the Master Plan never envisioned these modifications. They were envisioned in the Master Plan approval.

Mr. Ching replied that his intent by this questioning was to set parameters in an understandable format, which is square feet.

Mr. Randle stated that he would leave that question to the next witness, Michael Palladino, a renowned architect.

Mr. Ching then asked if Mr. Randle could name a past project, theirs or another project where front yard averaging produced a particular environment as it may help the Members visualize this front yard modification.

Mr. Randle also deferred this question to Mr. Palladino.

Member Tamamoto asked Mr. Randle if the platform height modification was required because the Project has issues with being in a flooding zone as well as subsurface issues.

Mr. Randle replied affirmatively.

Member Tamamoto asked Mr. Ching if this request were granted, would every other development along Auahi Street have similar situations and require similar modifications.

Mr. Ching replied that in the course of approving the Master Plan Permit, it was noted that modifications might be appropriate throughout the Project but subject to the individual circumstance. It would be an individual circumstance that would be required to come to the Board with specific design to justify doing modifications. He stated that in this particular case, we are obliged to look at their criteria. He did not believe that it would be necessarily the same for other projects.

Member Tamamoto asked Mr. Randle what was the location of the flood zone on Auahi Street.

Mr. Randle replied that the flood zone, due to the wave run-up actually extends mauka of Auahi Street.

Member Tamamoto asked if it covered the entire length of Auahi Street.

Mr. Randle replied that it covered the entire length of their Master Plan.

Member Tamamoto asked Mr. Randle every project developed by Howard Hughes under the entire length would be requesting a platform modification.

Mr. Randle replied affirmatively.

Chairperson Lee stated that the Board needs to look at each project on a case by case basis. He asked where in their 15 foot setback averaging was there the pinch point.

Mr. Randle stated in general, it was along Auahi Street and more specifically in the area where Auahi Street turns. He continued that the setback in addition would provide wider sidewalks and also provide indoor/outdoor seating areas.

Chairperson Lee asked Mr. Randle if he could show the slide with the 1-to-1 slope exhibit. He wanted the public to view this modification as it is not so visible from the street level. He stated that this modification would balance out the elements of mitigating the parking structure facade. He then asked Mr. Randle to describe the open space area connecting to mauka of Auahi Street.

Mr. Randle stated that it was their intention to continue to comply with the Master Plan approval which called for approximately 150,000 square feet of dedicated open space.

Chairperson Lee asked if there would be more open area connecting mauka to this project.

Mr. Randle replied affirmatively.

Chairperson Lee asked Mr. Randle to describe the water feature and other similar aspects.

Mr. Randle deferred the question to Michael Palladino, the architect. He stated that his organization was very proud to have the opportunity to bring something like this into the heart of Honolulu. This will be a destination gathering place in addition to the retail and other planned uses.

Member Tamamoto asked Mr. Randle why was there a need to overbuild on the parking requirement since this project was close to the planned rail station.

Mr. Randle replied that they do not believe that they were overbuilding on the parking. He stated that they may have buyers that need two parking stalls.

Member Tamamoto asked if this was market driven.

Mr. Randle replied affirmatively.

A recess was taken at 10:0 a.m.

The hearing was reconvened at 10:12 a.m.

Mr. Michael Palladino, the architect, was next to testify.

(10:18 a.m. Member Grune returns, having left during the recess)

Mr. Ing asked Mr. Palladino if these requested modifications provided flexibility and resulted in a development that is practically and aesthetically superior to that which could be accomplished with rigid enforcement of the rules where there would be no modifications.

Mr. Palladino replied that the key word was flexibility, to allow the design team more opportunity to average a front yard setback in order to create a more layered, pedestrian friendly path to the retail, the dining and the commercial activities along the street.

Mr. Ing asked if these modifications would adversely affect adjacent developments or uses.

Mr. Palladino stated that it would not but it would create continuity with the surrounding context and is consistent with the intent of the Mauka Area Plan. He stated that the modifications will enhance the public path and make it more approachable. It would connect this space to a much larger open space to the north of Auahi and also to the beautiful harbor to the south. He described in detail the function of this envisioned open space.

Member Tamamoto asked if this Project could be as successful as described without the modifications.

Mr. Palladino replied "as successful" is the important phrase as they would not be able to achieve this open space of this quality.

Member Tamamoto asked if on the scale described by the Executive Director Ching, which was on the original adopted Master Plan, is the 150,000 square feet sufficient in order to achieve this scale.

Mr. Palladino replied that this is the right size and scale of outdoor room for this location. He stated that north of Auahi, it will be a different room with completely different requirements.

Member Tamamoto asked for clarification of the measurements of the open space, 150,000 square feet as stated in the original Master Plan or as what he thought he heard on Mr. Randle's testimony of 34,000 square feet.

Mr. Ching explained that 150,000 square feet is the total Ward Neighborhood commons requirement which extends beyond the Gateway Project and up to the Sports Authority block. They are proportionally seeking or are required in total to produce 150,000 square feet at minimum. He stated that he was trying to find out the precise dimensions of the 150,000 square

feet that would be a part of this Project and speculate into the future how it might be accomplished on the mauka side. He stated that this would not be fair not knowing what the rest of the "room" on the mauka side would look like.

Mr. Palladino explained that to design such an important public place, they cannot just focus on this property but need to see how this will link to a much larger urban landscape.

Member Tamamoto asked if it were safe to say that they can achieve building both buildings without the modification but aesthetically it wouldn't be as pleasing as if they had the modifications.

Mr. Palladino replied that without modifications, they cannot produce this design.

Member Tamamoto asked if he meant the design of the water feature or the design of the buildings.

Mr. Palladino replied both. He stated by raising the podium envelope, it allows more latitude at the ground level to design a building footprint that fits with these very important pedestrian paths.

Chairperson Lee asked Mr. Palladino if it would be fair to say that the open space provided with modifications, assuming that they are the same amount of space, would be better, and more aesthetically pleasing than without modifications.

Mr. Palladino replied affirmatively.

Member Salaveria asked if the intention really is to create a much larger open space rather than smaller parcels all over the place.

Mr. Palladino replied affirmatively.

Mr. Ching asked Mr. Palladino if it produced the active street scape along Auahi Street, would be fair to say that they envisioned street dining and other types of activities along all of Auahi Street. He asked what other types of activities might occur on the Auahi Street frontage.

Mr. Palladino explained that the advantage of the front yard averaging is that they can create indoor/outdoor dining experience. He stated it would be the same for retail whereby one could have a portion of the retail acting as a display case that pushes out slightly into the front yard and breaking up the facade. He mentioned vendors and carts that become part of the street furniture and play an important part of the texture and color of the place.

Mr. Ching asked if the overhang encroachment modification would support these indoor/outdoor types of activities along Auahi Street.

Mr. Palladino replied affirmatively.

Mr. Ching asked Mr. Palladino if the current condition on Ala Moana Boulevard was pedestrian friendly.

Mr. Palladino replied that it was not pedestrian friendly.

Mr. Ching stated that the Ala Moana frontage currently is the back of the Ward Warehouse commercial activity.

Mr. Palladino replied affirmatively.

Mr. Ching asked if the net effect of this frontage resulting from the modifications would produce a more pedestrian friendly landscaped residential light and energy environment.

Mr. Palladino replied affirmatively.

Mr. Ching asked if this commons area as being somewhat of a mid-block connection allowing people access, going all the way up to the transit station.

Mr. Palladino explain in detail the various types of paths as well as the lighting design for the outdoor spaces.

Member Tamamoto asked why was not outdoor dining included in the Q and A written statements.

Mr. Ing apologized for not including as they did not anticipate this level of interest.

Mr. Ching asked Mr. Palladino about the anticipated height of the building footprint.

Mr. Palladino stated that it would be at a minimum 9 feet.

Member Tamamoto asked for a clarification of the platform. He wanted to know if it was strictly for parking or did it include the residential building.

Mr. Palladino replied that the podium/platform was strictly for parking and retail. The towers were independent of the podium.

Mr. Race Randle was recalled for clarification on testimony regarding the Gateway Project that was not fully accurate.

Mr. Randle stated in response to Members Tamamoto and Funakoshi questions, the residential along Ala Moana Boulevard does go up to the same elevation as the parking podium. Both the parking and the residential will go up to screen the parking on the front.

Mr. Randle also wanted to clarify that the rooftop gardens being provided at the platform level for the residents are not edible garden production of food but more for the recreational gardening and landscaping space.

Mr. Randle made another clarification that although they share the vision of the Mauka/Makai connection, this pedestrian connection or otherwise was not included in this plan.

Mr. Randle also mentioned that the construction dates for 988 Halekauwila and this Gateway project are independent of each other.

Member Salaveria asked if all the reserved housing units would be part of the Halekauwila project.

Mr. Randle replied affirmatively.

Member Salaveria asked if Howard Hughes intended to move forward with the Halekauwila project.

Mr. Randle replied affirmatively.

Chairperson Lee asked if they would be building affordable housing in the timeframe that was specified.

Mr. Randle replied affirmatively.

Mr. Ing requested that the hearing record be kept open to include correspondence from the State Historic Sites Preservation Division (SHPD). He also requested that the decision-making hearing be moved from December 3rd, which is the currently scheduled date, to November 19th.

Chairperson Lee called a recess.

A recess was taken at 10:51 a.m.
The hearing was reconvened at 11:14 a.m.

Chairperson Lee asked Mr. Ing to repeat his two requests, which he did.

Chairperson Lee granted Mr. Ing's first request to leave the record open for comments and to admit SHPD responses and comments.

Chairperson Lee stated on the second request of schedule change to decision making, he asked that this request be presented in writing and that it will be under advisement.

PUBLIC TESTIMONY

Chairperson Lee noted that speakers will be called up to testify in the order which they have signed up.

The following persons provided oral testimony:

1. David Akinaka, support
2. Richard Quinn, support
3. Carol Riley, support
4. Toby Portner, support
5. Nalani Holliday, support
6. Cesar Liarenas, support
7. Rod Tengan, support
8. Sharon Moriwaki, oppose
9. Galen Fox, oppose
10. Lisa Kim, support
11. David Arakawa, support
12. Kika Bukoski, support

(11:55 a.m. Member Grune left hearing)

13. Hinaleimoana Wong-Kalu, support
14. Kaanohe Kaleikini, support

(11:59 a.m. Member Mitsunaga stepped out; 12:02 p.m. Member Mitsunaga returned)
(12:01 p.m. Member Salaveria stepped out; 12:04 p.m. Member Salaveria returned)

15. Moani Kaleikini, support
16. Jack Hamada had questions for the developers. The Chair referred his questions to developers for response after this hearing.
17. Tom McLaughlin commented on the change of hearing date request.

The following written testimony was received:

1. Audrey Lee, oppose

ADJOURNMENT

The public hearing was adjourned at 12:10 p.m.

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