

SUMMARY - PUBLIC HEARING
HAWAII COMMUNITY DEVELOPMENT AUTHORITY
State of Hawaii
November 5, 2014 – 12:52 p.m.

ATTENDANCE

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

HCDA Staff: Anthony Ching, Executive Director
Sandra Ching (Deputy Attorney General)
Lindsey Doi
Shelby Hoota
Ann Shimamura
Jean McManus (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 12:52 p.m. on Wednesday, November 5, 2014, at the Authority’s principal offices at 461 Cooke Street, Honolulu, Hawaii 96813.

DEVELOPMENT PERMIT APPLICATION KAK 14-074: Victoria Ward, Limited

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.

Chairperson Lee stated that the Applicants is Victoria Ward, Limited, a wholly owned subsidiary of the 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)2-3-002: 001. The Project is located at 330 Kamakee Street and consists a high-rise residential tower with approximately 466 residential units. The tower will rest on a platform structure and have a combined total of approximately: 78,319 square feet of commercial space, 53,375 square feet of indoor and outdoor recreation space, and 1,301 parking stalls.

Chairperson Lee stated that the Applicant is requesting the following five modifications pursuant to the vested HAR Chapter 15-22 Mauka Area Rules:

- Modify §15-22-62 to increase the maximum platform height to 75 feet, with an allowance of an additional 12 feet in height for fifteen percent (15%) of the roof area that will be utilized for accessory uses.
- Modify §15-22-63(g) to increase the allowable pedestrian shade canopy projection into the front yard from 4 feet to 10 feet.
- Modify §15-22-63.1 to change the uniform front yard setback from 15 feet to an average front yard setback of 15 feet.
- Modify §15-22-66 to adjust the street front element 1:1 slope view corridor setback along Kamakee Street and Queen Street.
- Modify §15-22-66 to adjust the tower view corridor setback along Queen Street.

Application date was September 15, 2014. Legal notice of the public hearings was published on in the Honolulu Star-Advertiser on September 19, 2014.

PROCEDURES FOR TODAY'S HEARING

Chairman Lee stated that the deadline for interested individuals or organizations to file Motions to Intervene was October 9, 2014. He stated that no one filed a Motion to Intervene for this matter.

Chairman Lee stated that tomorrow, November 6, 2014, at 9:00 a.m. in this conference room, the Authority will be holding a public hearing to allow the Applicant to present the modifications that they are requesting for the Project and provide the general public with the opportunity to present testimony regarding the proposed modifications.

A public hearing for decision making on the Application is scheduled for November 25, 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 January 21, 2014. If exceptions are filed, the Authority will meet on February 11, 2015 to take its Final Action and formally adopt the Decision & Order.

STAFF REPORT

Mr. Ching explained that the Project site is located at the Makai-Ewa corner of Queen Street and Kamakee Street. It is situated behind the Ward 16 theatre complex. The site is currently comprised of a surface parking lot and a commercial structure that formerly housed Office Depot and Nordstrom Rack.

PRESENTATION BY THE APPLICANT

Mr. Ing introduced Exhibits A through J1 which were admitted into the record by Chairman Lee. Mr. Ing stated that the following would be their expert witnesses:

Robert Miller, Architect
Glenn Kuwaye, Civil Engineer
Pete Pascua, Traffic Engineer
Matt McDermott, Archaeologist
Paul Brewbaker, Economist

Chairman Lee accepted this list of expert witnesses into the record.

WITNESS TESTIMONY

Mr. David Striph, Senior Vice President Hawaii, Howard Hughes Corporation (HHC), stated that HHC is the parent company of Victoria Ward, Limited, which is the owner and developer of the lands comprising the project and the entire 60-acre Ward Neighborhood Master Plan (WNMP) area approved by the Authority. He explained that the WNMP is part of the larger goal of revitalizing Kakaako and transforming the district into a cohesive community. The WNMP will transform 60 acres in Kakaako into a vibrant neighborhood offering something for everyone; unique local and national retailers, complete streets, a four acre park, residences and a revitalized Kewalo Basin harbor. He continued that the WNMP is designed to deliver quality of life for residents and the general public in the core of Honolulu. Mr. Striph described in detail major community benefits and conditions of the WNMP that have been proposed to be fulfilled.

Mr. Ching asked Mr. Striph if current tenants have been notified. He also inquired about parking for the Ward Entertainment center as part of their parking is tied into this property.

Mr. Striph answered that most of the tenants have been notified. He stated in regards to parking, the existing agreement with Consolidated Theatres contemplates parking.

Member Kamimura asked Mr. Striph if they intend to use local union labor for this Project.

Mr. Striph replied affirmatively.

Chairperson Lee asked Mr. Striph for updates on their 988 Halekauwila Street affordable housing Project.

Mr. Striph said that they have applied for HUD financing and anticipate completing the financial process in about a year and begin construction shortly thereafter.

Mr. Nicholas Vanderboom, Senior Vice President, Development for the Howard Hughes Corporation, stated that the Project is bound by Queen Street and Kamakee Street and adjacent to the Ward Entertainment Center. The Project includes a retail structure designed for the Whole Foods flagship store, a mixed-use residential building containing approximately 466 residential units, structured parking and additional retail space. He explained in detail the overall goals, policies and objectives of the Project. He stated that the Ward Master Plan area is still relatively underdeveloped. The Ward MP area is comprised of 60 acres in the heart of Honolulu but currently does not have any residents. He described the overall components of the Project and how they would enhance desirable neighborhood characteristics. The project will bring a significant and much needed grocery store to the Ward Village community. The selection of Whole Foods as an anchor tenant will be a major community benefit to the neighborhood residents who will benefit from a full-service grocery chain, which will support the local farmers.

Member Tamamoto asked why are there excess parking when this Project is so close to rail system.

Mr. Vanderboom explained that the parking is excess for the block but it is not excess for the district. From a retail perspective, their customers request more parking. He stated in addition, any consumer living on the east side of Honolulu will not have rail access and would need parking to come to the area.

Member Young asked what kind of benefits would result with this Project being close to rail and if there would be other proposed projects with close proximity to rail. He also inquired about residential and retail parking.

Mr. Vanderboom stated the improvements to Halekauwila Street would ultimately allow people to be more connected with the rail system. He replied that they are more projects planned for development near the rail system but details are not available. HHC is coordinating with HART on a regular basis to make sure they understand the design of the station. He also explained in detail their residential and retail parking strategy.

Mr. Young asked if HHC, in regards to the Department of Education, could estimate how many families would be moving into this facility and future projects.

Mr. Vanderboom replied that they have some information from their initial phase but not enough to know exactly what the number of school age children. He stated that they do know from consulting with DOE, there is capacity at all of their schools currently in the complex area. He did note that the DOE area facilities have capacity concerns in the elementary school level.

Member Tamamoto asked Mr. Vanderboom if the podium height modification was not increased, HHC would not be able to build the additional 400 parking stalls.

Mr. Vanderboom replied affirmatively and explained in detail the rationale of this modification.

Mr. Ching asked if the DOE would have to establish an educational impact District in order to receive the educational contribution from a developer and if such a district has been established.

Mr. Vanderboom replied in the negative.

Member Young leaves the meeting (1:48 pm)

Mr. Ching asked if HHC could quantify how many multiple bedrooms are planned for this project.

Mr. Vanderboom stated that they anticipate 50% of the units would be two and more bedrooms.

Mr. Ching asked if having the podium parking, would this project interface with the raised guide ways that HART plans to run along Queen Street. He also inquired about HHC's parking strategy would be part of a regional and centralized parking solution.

Mr. Vanderboom replied affirmatively.

The meeting was recessed at 1:57 p.m.

The meeting was reconvened at 2:12 p.m.

Chairperson Lee stated that this four-acre park is a great public amenity. He asked what HHC is giving up as far as possible developable lands in providing this public amenity. He also inquired about who would maintain this park.

Mr. Vanderboom replied that the great thing about the Master Plan is that HHC is able to take the open space requirements for all the projects and satisfy them and exceed these requirements in their Central Plaza area. Howard Hughes will maintain the park which will be open to the public.

Robert Miller, Architect and Vice President of Bohlin Cywinski Jackson, described in detail his firm's architectural history. He stated his firm is most known for the Apple Cube on New York's Fifth Avenue. His firm designs for people, understanding how people use the space and making it an active and vibrant environment. They will be partnering with Architects Hawaii on this project. Mr. Miller described in detail their designs for this project.

Mr. Ching asked Mr. Miller to describe how the project would meet the open space requirement associated with this project. He also asked for a demolition schedule and the

timing of a wind analysis.

Mr. Miller deferred Mr. Ching's questions to Mr. Vanderboom.

Mr. Vanderboom explained that the open space requirement will be part of the Central Plaza of Ward Village. In regards to a demolition plan, he stated that they are still developing this process and understand that they will need to receive a conditional use of vacant land permit.

Glenn Kuwaye is a licensed Civil Professional Engineer with Wilson Okamoto Corporation. He stated that his firm was retained by Howard Hughes Corporation to provide the civil design for the project. He stated that there is adequate water capacity, sanitary sewer service and infrastructure for this project.

Chairperson Lee asked Mr. Kuwaye if it was part of the building permit process to receive sign-offs from the City before a project proceeds.

Mr. Kuwaye replied affirmatively.

Pete Pascua, VP and Director of Traffic Engineering at Wilson Okamoto Corporation, was next to testify. He stated that Wilson Okamoto Corporation was retained by Howard Hughes Corporation to assess the traffic impacts or potential traffic impacts associated with the project and to identify any mitigating measures to address those impacts. He described in detail the Traffic Impact Report (TIR) in detail.

(2:30 p.m. Rodney Funakoshi left this public hearing).

Member Tamamoto referenced a City and County letter dated August 21, 2014. He stated that this letter encouraged pedestrian walkways and bicycles over vehicular traffic. He expressed that this Project providing 456 parking stalls in excess seemed inconsistent with this directive.

Mr. Pascua stated that parking stalls do not generate traffic. He stated that the benefit of parking stalls is that you minimize or even eliminate vehicle circulation.

(2:42 p.m. Rodney Funakoshi left the room).

(2:46 p.m. Rodney Funakoshi returned).

Mr. Ching stated that Mr. Pascua has indicated a need for east/west traffic link. He asked his thoughts about a mauka-makai connector.

Mr. Pascua felt that a mauka-makai connection between Auahi and Queen Streets would be beneficial. He explained in detail his Traffic Demand Management Program.

The meeting was recessed at 3:15 p.m.

The meeting was reconvened at 3:22 p.m.

Matt McDermott, a principal investigator of Cultural Surveys Hawaii, testified next. He

stood on his direct written testimony. He stated that a draft EIS survey is under SHPD review.

Paul Brewbaker, an economist and a principal of TZ Economics, testified next. He described in detail Hawaii's population growth and the housing situation. He stated that if the demand continues to grow without being satisfied, prices will continue to escalate.

Claire Sullivan, Whole Foods' Hawaii Coordinator of Purchasing and Public Affairs, was next to testified. She stated that Whole Foods is delighted by the opportunity to build a store that will serve as the primary grocery shop and gathering space for the growing Ward and Kakaako community. They look forward to expanding their existing partnerships with local farmers and producers.

PUBLIC TESTIMONY

1. Cindy McMillan – support
2. Chuck Larson – support
3. Kika Bukoski – support
4. Christina Cox - support
5. Tyler Dos Santos-Tam – support
6. Pete Schubert – support
7. Davin Nakasato – support
8. Bryan Andaya - support

ADJOURNMENT

The public hearing was adjourned at 4:13 p.m.

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