

SUMMARY - PUBLIC HEARING  
HAWAII COMMUNITY DEVELOPMENT AUTHORITY  
State of Hawaii  
November 12, 2014 – 9:30 a.m.

ATTENDANCE

Members Present: Mary Alice Evans (DBEDT) (arrived 9:43 a.m.)  
Audrey Hidano (DOT)  
Brian Lee  
Lois Mitsunaga  
Tracy Ban (B&F)  
Ralph Morita (DAGS)  
Brian Tamamoto

Absent: Miles Kamimura

HCDA Staff: Anthony Ching, Executive Director  
Sandra Ching (Deputy Attorney General)  
Lindsey Doi  
Shelby Hoota  
Ann Shimamura  
Jean Mc Manus (Court Reporter)

For the Applicant MK Vida LLC

Christian Chambers  
Melody Robbins

For the Intervenor

Calvert Chipchase  
Lisa Ayabe

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 9:30 a.m. on Wednesday, November 12, 2014, at the Authority’s principal offices at 461 Cooke Street, Honolulu, Hawaii 96813.

DEVELOPMENT PERMIT APPLICATION KAK 14-061: MK Vida LLC

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 project application.

The Applicant is MK Vida LLC. The request is for a Development Permit for a mixed-use, residential, retail/office project developed by the Applicant as a joint development on a lot identified as TMKs: (1)2-1-056: 002, 007, and 008. The project is located at 800 and 830 Ala Moana Boulevard, 825 Auahi Street. The project consists of a mix of 265 residential units which will include two- and three-bedroom units in a 400-foot high, 39-story high-rise structure; 20,000 square feet of commercial space, 685 vehicle stalls in a 42-foot high, 4-story parking podium; approximately 25,015 square feet of open space, and 66,755 square feet of recreation space.

The Applicant is not requesting modification from the applicable, vested HAR Chapter 15-22.

Application date was August 29, 2014. Legal notice of the public hearings was published on in the Honolulu Star-Advertiser on September 27, 2014.

#### PROCEDURES FOR TODAY'S HEARING

Chairman Lee stated that the deadline for interested individuals or organizations to file Motions to Intervene was October 17, 2014. He stated a motion to intervene was filed on October 17, 2014 by Calvert G. Chipchase, Esq. and Christopher T. Goodin, Esq., Cades Schutte LLP on behalf of the Trustees of the Estate of Bernice Pauahi Bishop, also known as Kamehameha Schools regarding Development Permit Application Number KAK 14-061 (Master Plan Permit No. PL MASP 13.2.8) for a Project located at 800 and 830 Ala Moana Boulevard and 825 Auahi Street, Tax Map Keys: (1)2-1-056: 002, 007, and 008, submitted by Applicant MK Vida LLC (formerly MK H&I Holdings LLC).

Chairperson Lee first introduced counsel for the possible Intervenor, Mr. Cal Chipchase. Chairperson Lee stated that the Authority was in receipt of the Motion to Intervene, the memorandum in support of the Motion to Intervene and the Declaration of Christopher T. Goodin, along with Exhibit 1.

Mr. Chipchase stated that Kamehameha Schools has moved to intervene in this matter and supports the application. He stated however their interests are not identical to the applicant. Kamehameha Schools (KS) is the owner of the site where the project is being developed, Block I. He stated that the Applicant has an option to purchase this block but has not exercised the option as of this hearing. Block I is within the Master Plan area and KS is the permit holder of the Master Plan Permit. He stated that KS has an interest to ensure that this development is consistent with KS' rights and obligations under the Master Plan and the Vested Rules. He stated that in addition, KS has certain obligations to ensure that all archaeological studies be completed as required by Title 13 and Chapter 284 of the Hawaii Administrative Rules. Also, KS is responsible for satisfying the reserved housing and the public facility dedication obligation for this project. He stated the only manner by which KS can protect these interests is by participation in this proceeding as a party. He continued that the Applicant has filed a

Statement of "no objection" to KS' intervention and participation in this proceeding. He asked that the Authority grant the Motion to Intervene.

Chairperson Lee asked Mr. Chambers if the Applicant had any objection to the Motion to Intervene.

Mr. Chambers stated that the Applicant has entered a statement of no opposition.

Chairperson Lee stated that since there were no objection from the Authority members, the Motion to Intervene was granted.

### STAFF REPORT

Mr. Ching gave a geographic orientation of the project which he stated will occupy an area with frontage on the Ala Moana Boulevard as well as Auahi Street on the backside. He continued that it is currently characterized by the Mazda automobile showroom and the former site of the New City Nissan operations..

### PRESENTATION BY THE APPLICANT

Mr. Chambers stated that the Applicant would like to submit Exhibits 1 -21 into the records.

Chairperson Lee asked Mr. Chipchase and the Members if they had any objections to the exhibits offered by the Applicant.

There were no objections and the exhibits were received into evidence.

Mr. Chambers stated that the Applicant would like to stand by the content of their affidavits of their expert witnesses.

The Intervenor and Authority members had no objections. The individuals offered by the Applicant were accepted as qualified witnesses.

Robert Oda, Senior Property Manager of KS commercial real estate division, was first to testify. He stated that the Kakaako Master Plan developed by KS has the intent of creating a new and vibrant community in the urban core of Honolulu, using the best practices of good urban development including pedestrian-oriented and people-friendly atmospheres. He also stated that the EIS has been completed and is currently under SHPD's review. He explained in detail how KS would handle the reserved housing requirements.

Kathryn Inouye, Chief Operating Officer and Partner of Kobayashi Group, LLC, was next to testify. She stated that this VIDA project is a joint venture for the Kobayashi and the MacNaughton Groups. She explained in detail their plans for this project.

Chairperson Lee asked Ms. Inouye about the tax revenue this project would generate in real property taxes and if this project would employ local trade workers.

Ms. Inouye deferred to another witness who would go over the specifics of tax contribution but said that the real property taxes is about \$2 million. She also stated that this project would employ the local union trades.

Matthew Pennaz, Senior Project Manager for the Kobayashi Group, LLC, testified next. He stated that his primary responsibility was to manage and oversee the development of this VIDA project which he detailed. Also, part of his responsibilities, was community outreach which includes State agencies, Oahu Island Burial Council, cultural descendants and the Ala Moana-Kakaako Neighborhood Board to name a few.

Recess was taken at 10:34 a.m.

Reconvened at 10:43 a.m.

Member Hidano asked if the KIA had any issues with this project.

Mr. Pennaz replied in the negative.

Mr. Ching asked about the construction time frame, Cutter relocation and also inquired about a large rectangular open space Diamond Head side of the parcel.

Mr. Pennaz stated that construction will begin first quarter 2015. The open space is partially due to the burial and the iwi found on the site. He stated that it will also allow them to create a large open space along Ala Moana Boulevard. He deferred the Cutter relocation issue to Mr. Oda.

Chairperson Lee asked Mr. Pennaz if this project was under the city jurisdiction, would it be required to go through the public hearing process.

Mr. Pennaz replied in the negative.

Chairperson Lee asked if the Director of Planning and Permitting signed off on the project, would the permit be completed.

Mr. Pennaz replied affirmatively that the City and County of Honolulu review program would have been an easier process.

Mr. Chambers referenced in respect to the question about tenant relocation, paragraph 49 of Mr. Oda's affidavit which was currently a part of the record..

Wayne Goo, licensed architect with Benjamin Woo Architects, was next to testify. He stated that his role in this project is project manager, similar to Matt's, to ensure that the design team moves forward in a coordinated fashion to meet the developer's needs. He explained in detail the conceptual design of the project, a building that draws inspiration

from cultural patterns and is thought to be visually appealing from the street level and adjacent projects.

Mr. Chipchase requested a 30 minute recess as he had a conflicting court appearance. If he did not return in time, his co- counsel Lisa Ayabe, would represent KS.

Recess was taken at 11:03 a.m.  
Reconvened at 11:38 a.m.

Chairperson Lee noted that Lisa Ayabe was representing the Intervenor.

Mr. Goo described the sustainability and energy efficiency goals of the project, planned parking stalls, sun and wind studies, and landscaping in detail.

Members and counsel had no questions for this witness.

John Chung, Vice President and Chief Engineer of Belt, Collins Hawaii, testified next. He provided a detailed insight to the utility, infrastructure and site improvements for this project. He stated that based on their studies, they believed that the infrastructure was adequate for this project.

Pete Pascua, Vice President and Director of Traffic Engineering at Wilson Okamoto Corp., was next to testify. He summarized his Traffic Impact Assessment report for this project. He stated that if all of the recommendations were implemented, the traffic impacts associated with this project is not expected to be significant to the roadways.

Michael Motoda, President of Walter, Kimura, Motoda and a landscape architect, was next to testify. He briefly described the landscape plan for this project.

Mr. Ching asked if the rectangular area on this project was a no access area or was it an open space for the residents.

Mr. Motoda replied that within this area was a burial site but the residents can use the open space around it.

Member Evans asked if the coconut rhinoceros beetle is not contained on Oahu, did they have alternatives for the palms in their plans.

Mr. Motoda replied that he is hope that the beetle would be contained.

Hallett Hammatt, President of Cultural Surveys Hawaii, was next to testify. He explained how an archaeological inventory survey (AIS) is the standard protocol for the first phase of archaeological investigation. He stated the purpose of an AIS is to identify all historic properties in the project area and document them and make recommendations for treatment and assess their state and national significance. He explained the process and various plans.

Mr. Ching asked if the various plans would satisfy the requirements of §13-284 HARS. Mr. Hammatt replied affirmatively.

Recess was taken at 12:14 p.m.  
Reconvened at 12:27 p.m.  
(Mr. Chipchase returns. Ms. Ayabe leaves).

Dawn Chang, Principal of Ku'iwalu, testified next. She stated that her consulting firm had been retained by the MacNaughton-Kobayashi Group to assist them in developing a proactive cultural outreach program for the project, which included meeting with Native Hawaiian community organizations, Office of Hawaiian Affairs, Hui Malama Na Kupuna O'iwi, Oahu Hawaiian Burial Council and families who have a lineal cultural connection to the area.

Members and Intervenor had no questions for this witness. Counsel had no more witnesses.

#### PUBLIC TESTIMONY

1. Tom McLaughlin – support
2. Sarah Sarkis – support
3. Cindy McMillan – support
4. Henry Yuen – support
5. Tyler Dos Santos-Tam – support
6. Isaac Smyth – oppose
7. Michael Taylor – support
8. Kika Bukoski – support

Mr. Chambers requested that the record be kept open to allow for the final documents from SHPD and the Sewer Connection permit.

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 December 2, 2014. If exceptions are filed, the Authority will meet on December 31, 2014 to take its Final Action and formally adopt the Decision & Order.

#### ADJOURNMENT

The public hearing was adjourned at 12:57 p.m.

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