

**DEVELOPMENT PERMIT REQUEST
Presentation Hearing Staff Report**

KAL 21-006: Department of Veterans Affairs Multi-Specialty Outpatient Clinic

July 7, 2021

I. REQUEST

VA ALOHA, LLC (Applicant) is requesting a Development Permit (Permit) to construct a new 113,500 square foot (SF) Department of Veterans Affairs Multi-Specialty Outpatient Clinic on an approximately 415,194 SF of Tax Map Key (1) 9-1-013: 002 (por) (Project). The Permit is requested in accordance with Hawaii Administrative Rules (HAR) Chapter 15-215, Kalaeloa Community Development District Rules (Kalaeloa Rules).

The approximate 9.5-acre Project site is located at the southeast corner of the Kamokila Boulevard Extension and Franklin Delano Roosevelt Avenue (FDR). The Project site is a portion of a larger 49-acre parcel owned in its entirety by Hunt Communities Hawaii, LLC (Landowner). The Applicant's Development Permit Application (Permit Application) and Project Authorization form, signed by the landowner, were submitted to the Hawaii Community Development Authority (HCDA) on June 1, 2021.

II. COMPLETENESS REVIEW, AUTOMATIC APPROVAL AND FILING FEES

In a letter dated June 4, 2021, the Applicant was informed that the Permit Application for the Project was complete. The completeness letter is attached as Exhibit A. Pursuant to §15-215-84 of the Kalaeloa Rules, the Permit Application will be deemed automatically approved if no decision is made by the HCDA granting or denying approval within 120 days from the date of the submission of a complete application. The automatic approval date for the Permit Application is Monday, October 4, 2021.

Permit Application fees were paid in accordance with the provisions of §15-215-91 of the Kalaeloa Rules and the Applicant has committed to pay its required portion of the public hearing fees when invoiced.

III. PUBLIC HEARING NOTICE AND COMMUNITY OUTREACH

Prior to submitting the Permit Application, the Applicant presented the Project to HCDA at its April 7, 2021 meeting where members of the public were afforded the opportunity to provide comments on the Project. On April 28, 2020, the Applicant presented the Project to the Makakilo/Kapolei/Honokai Hale Neighborhood Board (Neighborhood Board). On May 26, 2021, the Neighborhood Board voted unanimously to pass a resolution urging "the Hawaii Community Development Authority to accelerate and approve the development permit for the Advanced

Leeward Outpatient Healthcare Access clinic [i.e., the VA Clinic] in Kalaeloa to meet the required VA timeline...” The Neighborhood Board resolution is provided in Appendix B of the Permit Application.

In accordance with the provisions of §206E-5.6, Hawaii Revised Statutes (HRS), a notice of public hearings (Notice) for the Project was published in the Honolulu Star-Advertiser, The Garden Island, Hawaii Tribune-Herald, West Hawaii Today and Maui News on June 4, 2021. In accordance with the provisions of §206E-5.6, HRS, the President of the Senate and the Speaker of the House of Representatives were notified upon posting of the Notice. The Kapolei Chamber of Commerce, various elected officials, State and County agencies, and utility companies that service the area were also notified of the public hearings.

The Notice was provided to individuals and organizations that have shown interest in the development in Kalaeloa in the past and requested that they be kept informed of development activities in the district. A copy of the Notice, attached as Exhibit B, and the Project Application were posted on the HCDA website and the public was encouraged to provide comments on the Project.

In accordance with the provisions of HRS §206E-5.5, the Applicant confirmed that it also notified both owners and lessees of record of real property within a three-hundred-foot radius of the Project.

The deadline for filing for intervention was June 24, 2021. HCDA received no requests for intervention.

IV. GOVERNMENT AGENCY AND UTILITY COMPANY CONSULTATION

The Applicant consulted with the following government agencies and utility companies for review and comment on the Project.

Federal

- United States Navy Region Hawaii Facilities

State of Hawaii

- Department of Land and Natural Resources, State Historic Preservation Division (SHPD).

City and County of Honolulu

- Department of Planning and Permitting, and
- Honolulu Fire Department.

Utility Companies

- Kalaeloa Water Company/Hawaii Water, LLC,

- Hawaiian Electric Company, Inc.,
- Hawaii Gas,
- Hawaiian Telcom, Inc., and
- Spectrum.

The Applicant included the comments received from these agencies and utility companies as part of the Permit Application. Subsequently, after receiving the Permit Application and deeming it complete, the HCDA also provided a link to the Permit Application to the following government agencies and utility companies for review and comment.

Federal

- United States Navy Region Hawaii Facilities, and
- United States Postal Service.

State of Hawaii

- Disability and Communication Access Board,
- Department of Education,
- Department of Transportation,
- Department of Transportation, Highways Division,
- Department of Transportation, Airports Division, and
- Department of Health.

City and County of Honolulu

- Department of Transportation Services,
- Department of Planning and Permitting,
- Honolulu Board of Water Supply,
- Department of Environmental Services,
- Honolulu Authority for Rapid Transportation,
- Honolulu Police Department, and
- Honolulu Fire Department.

Utility Companies

- Kalaeloa Water Company/Hawaii Water, LLC,
- Hawaiian Electric Company, Inc.,
- Hawaii Gas,
- Hawaiian Telcom, Inc., and
- Spectrum.

Comments received as part of the Permit Application review were provided to the Authority and posted on the HCDA website prior to the July 7, 2021 Presentation hearing.

V. STATE HISTORIC PROPERTY REVIEW

Pursuant to §6E-42, HRS, the HCDA is required to advise SHPD of any project which may affect historic property, aviation artifacts, or a burial site (collectively, historic properties), and prior to HCDA's approval of a permit for the Project, allow SHPD the opportunity for review and comment on the effect of the proposed Project on historic properties. On May 20, 2021, SHPD accepted the Archaeological Monitoring Plan for the Project. SHPD's acceptance letter is provided in Appendix C of the Permit Application.

VI. PROJECT DESCRIPTION

The proposed Project consists of a forty foot high building that will provide space for doctors of different specialties, support staff, and equipment. The Project will include approximately 113,500 SF of floor area, over 83,039 SF of open space, 4,292 SF of recreation space, and 528 surface parking stalls.

The 415,194 SF vacant Project site is part of a larger 49.68 acre parcel. On the larger parcel, the Landowner, along with its development partners, are planning several developments that include the Project, the future Kamokila Boulevard Extension, a 5.9 acre lot for future commercial/retail space, and an approximately 29.8 acre area residential project to the south and east of the Project site. The Applicant and Landowner are working with the City and County of Honolulu (CCH) to subdivide the 49.68 acre parcel.

Land Use and Zoning

The Project site is identified as a Transect 3 - General Urban zone (T3) in the Kalaeloa Rules. The T3 zone is characterized as mixed use with a commercial emphasis. The medical clinic use proposed for the Project is consistent with the provisions of §15-215-23(b)(3) T3 zone and Fig. 1.7 Land Use of the Kalaeloa Rules.

Building and Frontage Types

The Project conforms to the building standards for an Urban Block building type pursuant to §15-215-38 and Figure 1.3, Development Standards Summary, of the Kalaeloa Rules. The Project proposes a Shopfront frontage type pursuant to Kalaeloa Rules §15-215-39 and complies with the requirements set forth in Figure 1.6 Frontage Types.

Building Placement

Pursuant to §15-215-41(a) and Figure 1.3 of the Kalaeloa Rules, the Project is required to have a front yard built to line setback at or between five (5) to fifteen (15) feet, with a fifty (50) percent minimum frontage occupancy at the built to line. There are no side or rear yard setback requirements in the Kalaeloa Rules that are applicable to the Project.

The Project building façades that face thoroughfares are setback twenty-five (25) feet or more from the adjacent lot line. As a result, the Project does not comply with the minimum frontage occupancy requirements in the Kalaeloa Rules. Pursuant to HCDA's Rule of Practice and Procedure §15-219-98, HAR, the Applicant is requesting a waiver from the building placement requirements in §15-215-41(a).

Building Form – Height & Density

Section 15-215-42 and Figure 1.3 of the Kalaeloa Rules restricts building heights to sixty (60) feet in the T3 zone. Section 15-215-42(b) of the Kalaeloa Rules excludes certain building elements or features from the requirement as long as the restrictions of this subsection are met. The proposed maximum height of the Project is approximately forty (40) feet.

Section 15-215-42 and Figure 1.3 of the Kalaeloa Rules restricts Project density to 20,000 SF per acre in the T3 zone. The proposed density for the Project is approximately 11,910 SF per acre (113,500 SF building area / 9.53 acres lot area).

Architectural Standards

Section 15-215-43 of the Kalaeloa Rules provides requirements for the following architectural features: balconies, galleries, and arcades; building facades and elevations; fences, walls, and hedges; lighting; roofs; service functions; signage; and windows. The Applicant proposes that the Project will comply with all applicable architectural standards except for the visual light transmission requirement of the Kalaeloa Rules, in which case the Applicant is requesting a waiver of that provision of the Kalaeloa Rules. The following outlines the Project's compliance with the applicable architectural standards in the Kalaeloa Rules.

Section 15-215-43(b) of the Kalaeloa Rules requires that a change in materials for building elevations is accompanied by a change in plane. The exterior finish masonry material selection for the Project will vary in color along the façade, with ample window areas, recessed areas at doorways to provide breaks in the exterior wall plane, and trellised areas to provide visual interest and plane changes in the building façade.

Section 15-215-43(d) of the Kalaeloa Rules provides lighting requirements applicable to the Project. In compliance with this subsection of the Kalaeloa Rules, the Project proposes illuminated lighting at all entrances and passageways. Project courtyards, passageways, and other landscaped areas will include pedestrian scaled, tamperproof lights. All exterior lighting sources for the Project will be aimed downwards and will not spill over to abutting properties.

Pursuant to §15-215-43(e) of the Kalaeloa Rules, the Project roofs will be finished with light colors for reflectivity and the roof top mechanical equipment is proposed to

be clustered away from the edge of the building, located behind mechanical screen walls, and not visible from thoroughfares or public buildings around the site.

Section 15-215-43(f) of the Kalaeloa Rules provides requirements for utilities and service elements that are visible from thoroughfares. In compliance with this subsection of the Kalaeloa Rules, the Project proposes the utilities and elements shall not be visually intrusive and shall be incorporated in the building structure. The Project is proposing underground utilities that will enter the building through an enclosed utility room. Trash elements are concealed in a trash enclosure area constructed of split-faced CMU with painted metal doors and frames. Recycling or trash enclosures shall be of a similar material and color with the principal building.

Section 15-215-43(h) of the Kalaeloa Rules provides requirements for exterior windows. In compliance with this subsection of the Kalaeloa Rules, the Project windows will not be highly reflective or a mirrored glass material. The Project windows do not meet the minimum visual light transmission levels required in the Kalaeloa Rules. Pursuant to HCDA's Rule of Practice and Procedure §15-219-98, HAR, the Applicant is requesting a waiver from the visual light transmission requirements in §15-215-43(h)(2).

Landscape

Section 15-215-44 of the Kalaeloa Rules provides landscaping requirements applicable to the Project. In compliance with the landscaping requirements of the Kalaeloa Rules, all required yards will be landscaped, new plantings will be selected from the preferred plant species list in the Kalaeloa Rules, and all required landscaping will have a compliant irrigation system.

Recreation Space

Pursuant to §15-215-45(a)(2) of the Kalaeloa Rules, the Project recreation space shall be equal to or greater than thirty-seven and a half SF per each 1,000 SF. Recreation space required for the Project is 4,257 SF (113,500 SF x 37.5 SF / 1,000 SF). The Applicant proposes to provide approximately 4,292 SF of recreation space for the Project.

Open Space

Section 15-215-46 and Figure BT.8.D.1 of the Kalaeloa Rules requires a minimum of twenty (20) per cent of each lot shall be provided as open space, which creates a 83,039 SF open space requirement for the Project (414,194 SF x 20%). The Applicant proposes to provide approximately 83,451 SF of open space at grade.

Parking and Loading

Section 15-215-47 and Figure 1.9 of the Kalaeloa Rules establish the parking and loading requirements applicable to the Project. The Kalaeloa Rules require the Project

include 253 parking stalls (1 stall per 450 SF) and the Project proposes to provide 528 stalls parking stalls. The Applicant proposes to provide the four (4) required loading spaces for the Project. Short-term and long-term bicycle parking is proposed in the Project pursuant to §15-215-47 (m) of the Kalaeloa Rules.

The Project will comply with all parking and loading requirements in the Kalaeloa Rules, except for §15-215-47 (i)(6) relating to high albedo concrete and §15-215-47 (j) relating to surface lot landscaping requirements. Pursuant to HCDA's Rule of Practice and Procedure §15-219-98, HAR, the Applicant is requesting waivers from the high albedo concrete requirements in §15-215-47 (i)(6) and the surface parking lot landscaping requirements in §15-215-47 (j) of the Kalaeloa Rules.

Street Trees

Section 15-215-24(b)(1) of the Kalaeloa Rules requires the Applicant to plant street trees along designated thoroughfares. The Applicant proposes to plant Rainbow Shower street trees along FDR consistent with Kalaeloa Rules, Figure 1.5 (Street Tree Chart). The Applicant is also required to provide street trees along Kamokila Boulevard Extension that are consistent with the Street Tree Chart.

Green Building

Section 15-215-48 of the Kalaeloa Rules provides green building requirements for projects in the Kalaeloa Community Development District (Kalaeloa CDD). The Project is proposing to comply with §15-215-48 using the Green Globes Building Certification system (a comparable and alternate rating and certification system to the Leadership in Energy and Environmental Design (LEED) rating system). The Project will be constructed to achieve a minimum of two Green Globes, including points to meet the minimum Kalaeloa Rule requirements for sustainable stormwater design, heat island reduction, and water efficient landscaping.

Large Lot Developments

Section 15-215-62 of the Kalaeloa Rules provides standards for developing large lots that are equal to or greater than 140,000 SF by dividing them into smaller pedestrian-oriented blocks and achieving an interconnected block network with walkable block lengths. According to Kalaeloa Rules, the Project site is considered a large lot. Pursuant to HCDA's Rule of Practice and Procedure §15-219-98, HAR, the Applicant is requesting a waiver from the large lot development requirements in §15-215-62.

Public Facilities Dedication

HAR §15-215-64 Dedication of public facilities. The developer shall dedicate land for public purposes. The minimum requirement is three per cent of the total commercial or industrial floor area. The Project requirement for public facilities dedication is (113,500 square feet x 3%) 3,405 square feet of land. The Project is providing 187,393 square feet of public facilities dedication land in the form of additional right-of-way along FDR and extension of Kamakila Boulevard.

VII. DEVELOPMENT PERMIT PROCEDURES

Pursuant to §15-215-78 and Figure 1.1 of the Kalaeloa Rules, developments within the Kalaeloa CDD require a Development Permit that is subject to Authority review and approval. Section 206E-5.6, HRS, 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.

Section 15-215-78(e) of the Kalaeloa Rules requires the following findings of fact in approval of a Development Permit:

- (1) **Consistency with the Kalaeloa Master Plan:** That the Project complies with and advances the goals, policies and objectives of the Kalaeloa Master Plan;
- (2) **Consistency with the Kalaeloa Rules:** That the Project complies with the Kalaeloa Rules; and
- (3) **Compatibility of the Kalaeloa CDD:** 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.

The Applicant's proposed findings in response to the requirements listed above are provided in Table 7 of the Permit Application.

VIII. PUBLIC TESTIMONIES

All Project related public testimony that was submitted by noon on the day prior to the presentation public hearing was provided to the Authority and posted on HCDA's website.

Attachments:

Exhibit A – Completeness and Automatic Approval Letter

Exhibit B – Notice of Public Hearing