

TOM SCHNELL DIRECT TESTIMONY

PRESENTATION HEARING

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

Q Please state your name, place of employment, and position.

A Tom Schnell, PBR HAWAII & Associates, Inc., Principal.

Q How long have you been in this position?

A I have been a Principal of PBR HAWAII for 8 years. Before becoming a principal, I was an Associate for 12 years, and a Planner for 2 years. In total, I have over 21 years of experience as a professional planner with PBR HAWAII.

Q Please describe your educational background and experience.

A Please see my resume, which is marked as an exhibit in this proceeding. Among other professional affiliations, I am accredited by the American Institute of Certified Planners, and I am a member of the American Planning Association, Hawai'i Chapter, Lambda Alpha International, Aloha Chapter, and the Urban Land Institute.

Q Please describe your firm's experience.

A PBR HAWAII & Associates, Inc., based in Hawai'i for over 50 years, is active in all aspects of land planning, environmental studies, landscape architecture, and graphic design. PBR engages in a variety of projects ranging from specific site designs to regional and community plans, urban design studies, environmental assessments and impact statements, and large-scale resource inventory and land management projects. Our multi-disciplined expertise and overall experience allows us to provide clients and end users with successful plans that are functional, sustainable, cost effective, and at the same time, culturally and aesthetically relevant.

Q What has your firm been retained to do for this Project?

A Hunt Communities Hawaii, LLC ("Hunt") retained PBR to prepare and process a development permit application for the Department of Veterans Affairs Multi-Specialty Outpatient Clinic in the Kalaeloa Community Development District (the "VA Clinic"). Hunt Communities Hawaii, LLC is the sole corporate member of VA Aloha, LLC ("VA Aloha"), which is the applicant and developer of the VA Clinic.

Q Please provide a summary of the Project.

A VA Aloha proposes to construct a state-of-the-art VA Clinic on land currently owned by Hunt (portion of Tax Map Key (TMK) 9-1-013: 002 (Hunt Parcel 1)), at the corner of the

Kamokila Boulevard extension and Franklin D. Roosevelt Avenue. The VA Clinic will be a landmark building at a major gateway entry into Kalaeloa that will both honor and continue the KCDD's historic military and service legacy. Upon obtaining final subdivision approval, Hunt will transfer ownership of the VA Clinic lot to VA Aloha.

As lessor to the VA, VA Aloha will develop, build, finance, operate, and maintain this long-planned facility, which will consolidate into one facility: 1) an existing Veterans Health Administration-operated clinic; 2) the Veterans Benefits Administration's Honolulu Regional Office; 3) the West O'ahu VA Center; and 4) the Hawai'i Office of Veterans Services.

The clinic, which will nearly double the VA Pacific Island Health Care System's capacity, will address, under one roof, the need to provide ongoing primary care, mental health and specialty care services to veterans residing in the region, particularly in Kalaeloa and west O'ahu.

In addition, Hunt recently broke ground on a major infrastructure project that, in conjunction with the VA Clinic, will bring new, critical and reliable infrastructure to Kalaeloa for the first time in decades, and will provide a catalyst for development supporting the vision of creating a thriving community and center of excellence in the district.

Q Please describe the location and site of the project.

A The VA clinic will be in the most northwestern portion of the Kalaeloa Community Development District ("KCDD"), on a portion of TMK 9-1-013: 002 (Hunt Parcel 1), which is surrounded by:

- North: Franklin D. Roosevelt Avenue;
- East: Copahee Avenue;
- South: Realigned Boxer Road; and
- West: West Perimeter Road.

Surrounding uses include:

- North: Kapolei Juvenile Detention Facility across Franklin D. Roosevelt Avenue;
- Northwest: Costco and the Honolulu Star Advertiser across Franklin D. Roosevelt Avenue;
- Northeast: the Pohakala at Mehana residential subdivision;

- East: vacant property (proposed for residential development) and Barbers Point Elementary past the vacant property;
- South: a photovoltaic (PV) solar farm; and
- West: Kapolei Business Park Phase 1 across West Perimeter Road.

The VA Clinic lot is vacant with no existing tenants, residents, businesses, or structures that require relocation. Hunt owns the parcel and is currently in the process of completing a subdivision to create:

- The VA Clinic lot (Lot 13047-B, 415,194 sf);
- The future Kamokila Boulevard extension right of way (Lot 13047-F, 171,842 sf);
- An approximately 5.9-acre triangular lot proposed for future commercial/retail use (Lot 13047-A, 263,037 sf); and
- An approximately 29.8-acre area (consisting of three lots) proposed for a future residential community (Lot 13047-C, 452,798 sf; Lot 13047-D, 372,695 sf; and Lot 13047-E, 472,915 sf).

Q Please summarize the building and site parameters.

A The single-floor VA Clinic will generally have the following approximate building and site parameters:

- Floor area: 113,500 sf;
- Open space: 83,451 sf;
- Recreation space: 4,292 sf; and
- Projected height: 40 feet.

Patient access to the VA Clinic will be from an access road connected to the extended Kamokila Boulevard. Emergency, service, and staff access will be from Franklin D. Roosevelt Avenue. Pedestrian paths provide access from the extended Kamokila Boulevard and throughout the parking lot and building entrances.

Due to VA requirements, the parking lot will have 528 parking spaces (exceeding the parking requirement under the KCDD Rules by 275 spaces). Four loading spaces will be provided as required.

Using Revised Ordinances of Honolulu (“ROH”) § 21-6.150 as a general recommendation, the clinic will include short-term public bicycle parking in two areas (near the main entrance and the staff entry), and long-term secured employee bicycle parking near the emergency ambulance parking area.

Q Please describe the public facilities dedications that will be provided in connection with the VA Clinic.

A HAR § 15-215-64 requires that a minimum of three percent of the total commercial or industrial floor area of a project shall be dedicated for public purposes. The required public facilities dedication for the VA Clinic is therefore 3,405 sf (113,500 sf * 3 percent). As part of the subdivision of Hunt Parcel 1, and the related roadway infrastructure project recently initiated in and around the VA Clinic Parcel, VA Aloha (through Hunt) will provide 187,393 sf of public facilities as follows:

- Kamokila Boulevard extension, and road widening of Copahee Avenue and Boxer Road: 171,842 sf; and
- Road widening of Franklin D. Roosevelt Avenue: 15,551 sf.

This exceeds the public facilities dedication requirement by 183,988 sf, which will serve as a credit for future projects.

Q Please describe how the Project will fulfill the provisions of Hawai’i Revised Statutes (“HRS”) 206E-5.6(j) and HAR § 15-215-78(e).

A In considering a proposed development, HRS § 206E-5.6 requires HCDA to determine that the proposed project is reasonable, is consistent with the development rules and policies of the relevant development district, and complies with the criteria listed in HRS § 206E-5.6(j).

Table 5 of the Application describes the VA Clinic’s conformance with the KCDD Rules. In addition, the following exhibits in the Application show detailed plans for the clinic:

- Exhibit 1: Location and TMK map;
- Exhibit 2: Subdivision map;
- Exhibit 3: Compiled drawing set; and
- Exhibit 4 – Public facilities dedication.

Similarly, in considering a proposed development, HAR § 15-215-78(e) requires HCDA to determine that the proposed project is consistent with the Kalaeloa Master Plan; complies with the KCDD rules; and will not have a substantial adverse effect on surrounding land uses and will be compatible with the existing and planned land use character of the surrounding area.

As noted in Tables 6 and 7 of the Application, the VA Clinic fulfills the specific criteria of HRS § 206E-5.6(j) and HAR § 15-215-78(e), which are summarized as follows:

HRS § 206E-5.6(j)(1)(A) and HAR § 15-215-78(e)(1): Advances and complies with the goals, policies, and objectives of the applicable district plan:

The applicable district plan is the Kalaeloa Master Plan, approved by HCDA in 2006. The VA Clinic advances and complies with the goals, policies, and objectives of the applicable district plan in several important ways. The VA Clinic will be a significant milestone in the continuing revitalization of the KCDD. In addition to directly improving the health, safety and welfare of veterans, the construction and ongoing operation of the clinic will provide important public benefits to the community in the form of public dedications, economic benefits, and increased activity within Kalaeloa, which will contribute to the vision of Kalaeloa as a center of excellence within the 'Ewa region.

HRS § 206E-5.6(j)(1)(B) and HAR § 15-215-78(e)(2): Protects, preserves, or enhances desirable neighborhood characteristics through compliance with the standards and guidelines of the applicable district rules:

The applicable district rules are the KCDD Rules. Table 6 of the Application describes the VA Clinic's compliance with the rules. VA Aloha is seeking waivers of five provisions of the KCDD Rules, which will promote the health, safety and welfare of the KCDD and are in the best interest of the district. The requests for waivers are fully described in the Petition for Waivers of Certain Provisions of the Kalaeloa Community Development District Rules Pursuant to HAR § 15-219-98.

HRS 206E-5.6(j)(1)(C) and HAR § 15-215-78(e)(3): Avoids a substantially adverse effect on surrounding land uses through compatibility with the existing and planned land use character of the surrounding area:

The planned surrounding uses were taken into careful consideration during the planning of the VA Clinic. The parcel location and the adjacent parcels are designated transect zone T3 - General Urban Zone. Civic support uses, such as medical and dental clinics are permitted by right in the T3 General Urban Zone as it is characterized by mixed use projects, with a commercial emphasis. Therefore, the VA Clinic will not have an adverse effect on planned, surrounding land uses.

HRS 206E-5.6(j)(1)(D): Provides housing opportunities for all income groups, particularly low, moderate, and other qualified:

This provision is not applicable to consideration of the VA Clinic.

HRS 206E-5.6(j)(2)(A): Positively impacts pedestrian oriented development, including complete streets design:

The VA Clinic will include pedestrian oriented development, including complete streets design, along the public streets surrounding the site. Per the Memorandum of Understanding (“MOU”) dated July 25, 2016, by and among the City and County of Honolulu (the “City”), the State Department of Transportation (“DOT”), and the HCDA, the public streets surrounding the site will be based on the City’s Subdivision Standards, which require complete streets design as per ROH Chapter 14, Article 33.

While a waiver of the strict application of HAR § 15-215-62(d)(4) regarding mid-block pedestrian passageways is sought because of the VA’s requirement that the clinic space must be “adjoining,” and to accommodate the shape, dimensions and conceptual floor plans for the VA Clinic, the spirit and intent of HAR §15-215-62(d)(4) is fulfilled because the design includes pedestrian pathways throughout the site and the extensive landscaping and open space along the Franklin D. Roosevelt Avenue and the Kamokila Boulevard extension sides of the clinic, which will facilitate pedestrian activation and access.

HRS 206E-5.6(j)(2)(B): Positively impacts transit-oriented development, including rail, bus, and other modes of rapid transit:

The VA Clinic is in close proximity to bus routes and approximately 3.3 miles from the start of the Honolulu Area Rapid Transit (HART) system. The City and the HCDA encourage implementation of the complete streets development model, and the complete streets design will facilitate access to the VA Clinic by bus, rail, and modes of transportation other than the automobile. The VA Clinic will include short-term public bicycle parking in two areas and long-term secured employee bicycle parking as noted above.

HRS 206E-5.6(j)(2)(C): Positively impacts community amenities such as gathering places, community centers, culture and arts facilities, and the full array of public facilities normally provided by the public sector:

VA Clinic will be a major civic support facility in the KCDD. There are more than 87,000 veterans on O’ahu, and all veterans, especially those living and working in Kalaeloa and West O’ahu, will directly benefit from this long-awaited, multi-specialty medical center.

The construction and completion of the VA Clinic will be a significant milestone in the continuing revitalization of the KCDD. In addition to directly improving the health, safety

and welfare of veterans, the construction and ongoing operation of the clinic will also provide important public benefits to the community in the form of significant public dedications, economic benefits, and increased activity within Kalaeloa.

HRS 206E-5.6(j)(3)(A): Positively impacts preservation of important natural systems or habitats:

The VA requires that the clinic be certified and rated under the Green Globes Building Certification system, a green building rating system that has been used in the United States since 2004, and is comparable to and an alternative to the LEED system. HAR § 15-215-48(c)(3) contemplates that “an alternative rating system” other than LEED may be used as a green building standard within the KCDD.

Green Globes NC is specifically designed for new construction, major renovations, and additions. Green Globes NC ensures that environmental impacts and key sustainability issues are comprehensively assessed using a 1,000-point scale among seven categories: Project Management, Site, Energy, Water, Materials & Resources, Emissions, and Indoor Environment. The VA requires that the VA Clinic attain two Green Globes. To achieve this goal, the project must achieve 55-69% of total applicable points. Under the Green Global NC system, the VA Clinic will attain points to meet the requirements of HAR §15-215-48 (c)(3)(A), (B), and (C) (stormwater design, heat island effect, and water efficiency, respectively) and several other sustainability criteria.

HRS 206E-5.6(j)(3)(B): Positively impacts maintenance of valued cultural, historical, or natural resources:

The VA Clinic will avoid a substantially adverse effect on the area’s archeological and cultural resources. Appendix C to the Application contains SHPD’s letter dated May 20, 2021, accepting the archaeological monitoring plan for the project, and VA Aloha will comply with all applicable laws regarding historic and cultural resources, including the provisions of HRS Chapter 6E, thus maintaining valued cultural, historical and natural resources.

HRS 206E-5.6(j)(3)(C): Positively impacts maintenance of other resources relevant to the State's economy:

The VA Clinic is a multi-million-dollar investment in the State and the KCDD by the federal government and VA Aloha. The VA Clinic will spur further revitalization of the KCDD by attracting people, jobs, and interest to the area. While the VA Clinic is one of the first new developments in the KCDD, it is expected that the VA Clinic will be key to attracting and encouraging other uses in the area to realize the vision of the KCDD as a thriving community.

HRS 206E-5.6(j)(3)(D): Positively impacts commitment of state funds and resources:

The VA Clinic does not require State funds. VA Aloha and Hunt will fund the clinic, with the VA being the lessor of the facility. In addition, Hunt will: 1) provide all roadway improvements related to the subdivision of TMK 9-1-13:002 to create the VA Clinic site; and 2) dedicate the newly constructed roadways to the City. The VA Clinic's public facilities dedication will exceed the KCDD Rule requirement by 183,988 sf. In addition, as summarized in Table 8 of the Application, existing and planned infrastructure is adequate to support the Project, and the VA Clinic will not consume additional State resources.

HRS 206E-5.6(j)(3)(E): Positively impacts employment opportunities and economic development:

Beyond enhancing the lives of veterans who live and work in Kalaeloa and the greater west O'ahu area, the VA Clinic will create employment and economic development within the State and the KCDD. The VA Clinic will create jobs and generate economic benefits in the short-term during the development and construction phase and in the long-term during operation.

HRS 206E-5.6(j)(3)(F): Positively impacts maintenance and improvement of the quality of educational programs and services provided by schools:

As a medical clinic, the VA Clinic is not subject to HRS §§ 302A-1601 to 302A-1612, regarding School Impact Fees.

Q In accordance with HRS §206E-5.6, did VA Aloha send notice of this hearing by mail to owners and lessees of record within a 300-foot radius?

A Yes. VA Aloha complied with the notification requirements for all owners and lessees of record within a 300-foot radius of the clinic. The notice is marked as an exhibit in this proceeding.

#