SUMMARY - PUBLIC HEARING

HAWAII COMMUNITY DEVELOPMENT AUTHORITY State of Hawaii June 19, 2013 – 9:00 a.m.

ATTENDANCE

Members Present:

Randy Grune (DOT)

Miles Kamimura

Brian Lee

Lois Mitsunaga

Luis Salaveria (DBF) (9:01 a.m.)

Dean Seki (DAGS)

Members Absent:

Richard Lim (DBEDT)

Others Present:

Anthony Ching

Lori Tanigawa (Deputy Attorney General)

Shelby Hoota Patricia Yoshino

Holly Hackett (Court Reporter)

A public hearing of the Kakaako members of the Hawaii Community Development Authority ("Authority"), a body corporate and public instrumentality of the State of Hawaii, was called to order by Mr. Brian Lee, Chairperson of the Authority at 9:00 a.m. on Wednesday, June 19, 2013, at the Authority's principal offices at 461 Cooke Street, Honolulu, Hawaii 96813.

Development Permit Application KAK 13-038: Victoria Ward Limited, Phase I, Land Block 5

Chairperson Lee stated that the public hearing was being held under the provisions of §206E-5.6, Hawaii Revised Statutes to review the development permit application KAK 13-038 ("Application") dated April 18, 2013 and amended on June 5, 2013. The Master Plan Permit number is PL MASP 13.1.3. The nature of the public hearing was to allow the Application to be presented to the Authority and to provide the public with the opportunity to present oral and/or written testimony. A second public hearing was scheduled for July 17, 2013, during which the Authority will render a decision on the Application.

Chairperson Lee stated that the applicant is Victoria Ward Limited ("Applicant"), and the project address is 404 Ward Avenue. The TMKs for the property are: 2-1-050:001, 061 and 062. The project description is a residential housing building with a commercial floor on the ground level. This is the first project proposed for Land Block 5 of the Ward Neighborhood Master Plan.

Notice of the public hearings was published on May 19, 2013, in the Honolulu Star Advertiser. The notice was made available for public review at the office of the Hawaii Community Development Authority ("HCDA") and on the HCDA website. The landowners, lessees and other stakeholders in the Kakaako District and surrounding communities, state and county agencies, state legislators, Honolulu City Councilmembers, Association of Apartment Owners of residential buildings adjacent to the Project, surrounding landowners and businesses, and various interested community groups and individuals were notified of the hearing by fax and e-mail. In addition, public hearing notice was provided to approximately 260 individuals and organizations that have shown interest in development in Kakaako in the past and requested that they be kept informed of development activities in the district. Pursuant to HRS 206E-5.6, notice was provided to the President of the Senate and Speaker of the House.

Executive Director Anthony Ching presented staff's report on the Application. He explained that the Application would be reviewed under the vested rules of the Ward Neighborhood Master Plan ("Ward MP") Permit number PL MASP 13.1.3, which was approved by the Authority on January 14, 2009. The Applicant fulfilled the following conditions stipulated under the Ward MP Decision and Order ("D&O") necessary to apply for a development permit under the Ward MP.

- 1. As required by Condition #5 of the D&O, the Applicant submitted a historic building inventory, a cultural impact assessment, and an archaeological inventory survey.
- 2. As required by Condition #10 of the D&O, the Applicant submitted a regional traffic study for the Master Plan area and also prepared a traffic impact assessment report specific to the Project.
- 3. As required by Condition #12 of the D&O, the Applicant submitted sustainability guidelines for developments covered under the Ward MP.

Mr. Ching also summarized the project description of the Application, including the land use; density and height; tower footprint; front, side and rear yard setback; open space; recreation space; off-street loading; off-street parking; view corridors; building orientation, tower spacing and circulation; public facilities dedication; and reserved housing.

The Applicant is requesting modifications of the Mauka Area Rules in four areas: (1) increase of podium height from 45 feet to 75 feet; (2) modification of the front and side yard requirement; (3) modification of view corridor street setback along Ward Avenue; and (4) modification of provisions of section 15-22-33(g) of the Vested Rules to allow for architectural embellishment to the project.

As per the Ward MP, the Applicant is required to offer business relocation to other spaces within the Ward MP area.

Chairperson Lee asked whether Members had any questions for Mr. Ching. There were none.

Mr. David Striph, senior vice president for Hawaii, Mr. Nick Vanderboom, senior vice president of development, and Mr. Race Randle, director of development for the Howard Hughes Corporation were present for the Applicant. They provided a brief history of the company, vision and overview of the Ward MP, and details of the project via a PowerPoint presentation (see Exhibit A).

Member Salaveria asked whether the Applicant at looked at whether the existing infrastructure within the Kakaako area would be able to sustain this project and every subsequent project.

Mr. Vanderboom replied that they would be taking advantage of the State's investment in infrastructure in Kakaako. There was excess capacity with the infrastructure in place that can serve their projects. In other cases where the move incrementally, there will be improvements to sewer lines, traffic signalization and other improvements.

Chairperson Lee asked whether the Applicant felt the overall capacity was already in place.

Mr. Vanderboom replied that regionally the capacity is there. Within their 60 acres, there would be some improvements that would be made as they go.

Mr. Ching asked Mr. Vanderboom to explain the 6 panels that were shown in the rendering of the project's tower.

Mr. Vanderboom explained that it was an architectural feature of the building meant to create visual interest instead of having a monotonous project. Those areas might also be developed common spaces for residents of the building.

Mr. Ching asked whether there had been any discussions with the Honolulu Authority for Rapid Transit ("HART"), given the proximity of the rail alignment to the project.

Mr. Randle responded that they were in frequent coordination with HART as to the location of the columns that will be located on the property and adjacent to the property for sight distance. Based on the current design of the rail guideway by HART, the project would have both center column locations on Halekauwila Street and straddle column designs.

Mr. Ching asked whether HART would be seeking to acquire through condemnation the property site where the straddle column falls within the property.

Mr. Randle replied that HART has expressed that they will, but there have been no further discussions on acquiring the land.

Mr. Ching asked whether presentation have been made to the Neighborhood Board.

Mr. Vanderboom stated that they had made multiple presentations on the Ward MP and an informational update about a month ago.

Mr. Ching asked whether there had been any finding of note during the Archaeological Inventory Survey and other preliminary studies.

Mr. Vanderboom stated that there have not been any findings to date. They have had consultation with the recognized cultural descendants and with the Oahu Island Burial Council. The preference of the descendants has been to handle things on a case by case basis. If something is discovered, a meeting will be called to address how to handle it.

PUBLIC TESTIMONY

Chairperson Lee noted that written testimony on the project had been received as follows:

- 1. Linda Wong, oppose
- 2. Wendy Arbeit, oppose
- 3. Benton Pang, oppose
- 4. Tanna Dang, support
- 5. Dana Bergeman, support
- 6. Tyler Dos Santos-Tam, Hawaii Construction Alliance, support
- 7. Hawaii Building and Construction Trades Council, AFL-CIO, support

Chairperson Lee explained that any testimony received after 5:00 p.m. on June 18, 2013 was not included in the lists read. However, such testimony would be compiled and made available to the Members and included in the analysis of the Application.

The following persons provided oral testimony:

- 1. Glenn Miura, support
- 2. Tyler Dos Santos-Tam, support
- 3. Kaonohi Kaleikini, support
- 4. JR Keoneakupu Williams, support
- 5. Kekaimalino Kaopio, support
- 6. Tanna Dang, support
- 7. Dana Bergeman, support
- 8. Jack Hamada, questions only
- 9. Brent Nakano, support
- 10. Ron Iwami, Friends of Kewalos, comments
- 11. Paula Stuart, oppose

Questions/Discussion by Authority Members during the Testimony Period

Chairperson Lee asked Mr. Miura whether he lived in town and missed doing yard work.

Mr. Miura replied that moving into town has changed his life. He is now just 15 minutes from every place where he can take his grandchildren.

Chairperson Lee asked Ms. Dang if she owned a store,

Ms. Dang replied that she owns Eden in Love and the Wedding Café at the Ward Warehouse.

Member Salaveria noted that a lot has been about creating the urban core. He asked Mr. Bergeman what it meant to her as a small business owner about the kind of population it would generate.

Mr. Bergeman responded that it would increase economic opportunities for small businesses in the heart of Honolulu. In Kakaako right now, there are a lot of old buildings that are not well utilized. By re-purposing what we already have rather than sprawling out some place else, you are going to see people return and shop even more in this area.

Chairperson Lee asked Mr. Bergeman what type of business he ran and whether he did market and density studies when he located his business.

Mr. Bergeman replied that his store in Ward Center is Island Olive Oil Company and also has another business in project management consulting. He did research located his business in Ward Center because it was affordable and reflective of the landlord's efforts to try to involve small businesses. He also believed that in the future there would be more people coming to Kakaako as Kakaako is reinvented for the next generation.

Chairperson Lee noted that Ms. Stuart had stated that she lived in Kauhale Kakaako, an affordable housing project. He asked if she would support other affordable housing projects or further building in the Kakaako area.

Ms. Stuart responded she would support them only if they were lower and had more space in between. The building at 404 Ward Avenue would be crowding up against her building too much and too tall.

ADJOURNMENT

The public hearing was closed at 10:30 a.m.

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

Attachment: Exhibit A - Victoria Ward Limited, Land Block 5 PowerPoint Presentation

LOOKING FORWARD

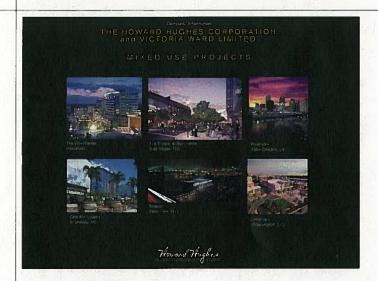
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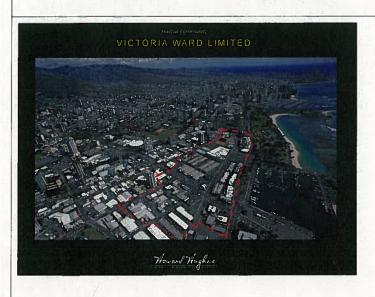
VICTORIA WARD LIMITED

- The Howard Hughes Corporation and Victoria Ward Limited
- Ward Village, An Urban Master Planned Community
- Ward Village: Land Block 5, Project 1

Howard Hughes

THE HOWARD HUGHES CORPORATION and VICTORIA WARD LIMITED MASTER PLANNED COMMUNITIES Disputed Advisors 73 Disputed Advisors 75 The state and the state 75



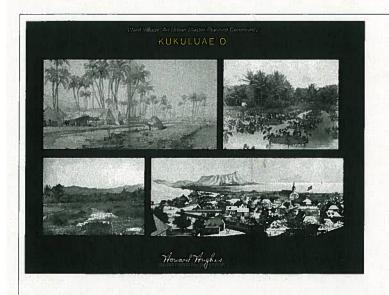


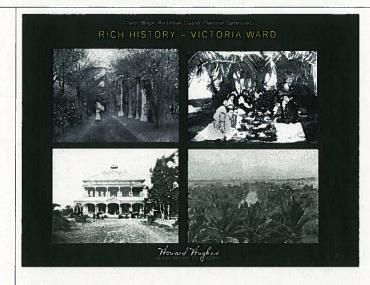
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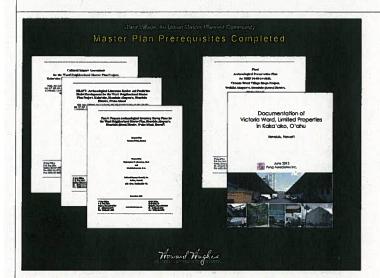
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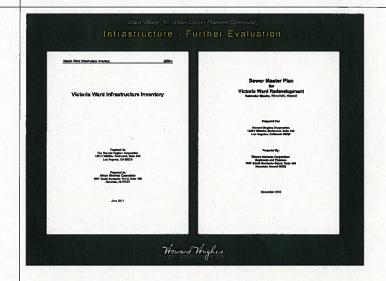
Ward Village: An Urban Master Planned Community

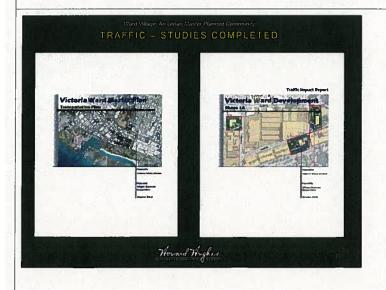
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VICTORIA WARD LIMITED

The Howard Hughes Corporation and Victoria Ward Ltd

Ward Village: An Urban Master Planned Community

Ward Village: Land Block 5, Project 1

