

SUMMARY - PUBLIC HEARING

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

State of Hawaii

August 7, 2013 – 9:00 a.m.

ATTENDANCE

Members Present: Mary Alice Evans (DBEDT)
Randy Grune (DOT)
Scott Kami (DBF)
Miles Kamimura
Brian Lee
Lois Mitsunaga

Members Absent: Dean Seki (DAGS)

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 9:01 a.m. on Wednesday, August 7, 2013, at the Authority’s principal offices at 461 Cooke Street, Honolulu, Hawaii 96813.

Development Permit Application KAK 13-033: The Collection LLC

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 13-033 (“Application”) dated April 19, 2013. The Kamehameha Master Plan Permit Number is PL MASP 13.2.8 (“KS Master Plan”). A public hearing was held on June 19, 2013 to allow the development permit application to be presented to the Authority and provide the general public the opportunity to present oral and written testimony.

Chairperson Lee stated that the applicant is The Collection LLC (“Applicant”), and the project address is 604 Ala Moana Boulevard. The TMKs for the property are: 2-1-055: 004, 009, and 017. The project description is to demolish the existing AutoMart USA building and develop Land Block E to include a 400-foot high mixed-use residential tower with dwelling units and retail space, a 22-foot high retail building, a 47-foot high mixed-use mid-rise with dwelling units and retail space; a row of townhouses, and a parking garage.

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 summarizing its findings of fact and recommendation (see Exhibit A). He discussed the proposed density, mixed-used commercial zoning, distance between towers, wastewater facilities, and public school facilities. He explained that the Application was reviewed under the KS Master Plan which was approved by the Authority on September 2, 2009 and vested under the Hawaii Administrative Rules ("HAR") Chapter 15-22, Mauka Area Rules that were in effect on that date.

Mr. Ching explained the criteria that was used to review the 2 requests for modifications. The modifications requested are: (1) increase the podium height from 45 feet to 65 feet, and (2) allow the platform to encroach in the view corridor setback. Staff found that increasing the podium height would not adversely affect the adjacent Ala Moana Boulevard and would create a practical and aesthetically superior condition than would be created by strict application of the vested rules. Staff found that the setback modification would not affect adjacent developments and would result in an active streetscape as well as open space continuity with the park space at Restaurant Row.

Mr. Ching explained the 18 Findings of Fact relating to the Application. He then recommended that the Authority adopt the proposed Findings of Fact as its own with the following conditions: (1) prior to approval of a foundation permit, the application will have the joint development agreement approved by the executive director and recorded with the Bureau of Conveyances; (2) prior to approval of a demolition permit, the Applicant shall submit a report outlining tenant relocation process and state their compliance with the KS Master Plan; and (3) the Applicant shall ensure proper protection and preservation of cultural and historic resources and consider appropriate mitigation recommendations submitted as part of the archaeological assessment and monitoring plans.

Chairperson Lee asked whether Members had any questions.

Member Evans asked the Applicant what would happen to the project if the modification to the Ala Moana Boulevard view plane if the modification request were not granted.

Mr. Rick Stack, from A&B Properties, replied that they would not be able to build the 4-story building and would lose a level of residential units in that building. Those units were the lower priced studio units in the project which would provide a mixed range of housing opportunities, especially in the lower side of the price range.

Member Evans asked if the modification being requested for the height of the parking podium were not approved, what impact would it have on the total project.

Mr. Stack replied that the 2 modifications go together and make it a better project. If not, they would not be able to build the midrise building or the townhomes, which are the liner buildings that would screen the parking structure from the street front. The liner buildings would create a pedestrian friendly street front with commercial space and residential units, instead of a parking structure. The modifications would better comply with the overall intent of the KS Master Plan which envisions a vibrant community.

Member Mitsunaga asked for the projected common area maintenance rates of the midrise units.

Mr. Stack replied that it would be about \$350 per month for the mid-rise units.

Member Mitsunaga asked what infrastructure permits had been received to date for wastewater and drinking water.

Mr. Stack responded that they received a sewer connection permit for wastewater, and the Board of Water Supply had indicated that water supply is available for the project currently, but was not guaranteed it would be available when the project is completed.

Member Mitsunaga asked what types of commercial uses were envisioned for the Ala Moana Boulevard portion of the project.

Mr. Stack replied that there was 13,000 square feet for commercial uses in the project and would most likely be neighborhood commercial types, such as a restaurant, convenience store, coffee shop or laundromat that would service the project and surrounding community.

Member Evans asked what the price points would be for the mid-rise structure and how it compared with reserved housing pricing requirements.

Mr. Stack replied that the studios would start in the low \$300,000 range priced for the 140% area median income. Even though they were not providing reserved housing with the restrictions that would go along with the project, the units would be offered within that price range.

PUBLIC TESTIMONY

Chairperson Lee noted that since the first public hearing was held on June 19, 2013, additional written testimony had been received as follows:

- 59 written comments in support
- 8 written comments in opposition
- 161 written petition in support
- 1 email comment in opposition
- 4 comments from HCDA web site in support
- 11 comments from HCDA website in opposition
- 236 petitions from Change.org in support
- 177 petitions from Change.org in opposition

Any testimony that was received after 4:30 p.m. August 6, 2013, was not included in the lists just read. However, testimony received after that time was compiled and made available to the Authority members.

The following persons provided oral testimony:

1. Sharla Nakashima, support
2. Tracy Yamato, support
3. Alfred Hao Len Cheng, support
4. Trevor Yee, support
5. Walter Yamane, support
6. Richard Dukich, oppose
7. Winnie Wong, support
8. William Oh, support
9. Keane Omaye-Balkman, support
10. A. Lono Lyman and Nancy Lyman Peacock, oppose
11. Nick Soliven, support
12. Vernon Chock, support

A recess was taken at 10:01 a.m.

The hearing was reconvened at 10:14 a.m.

(Public Testimony - continued)

13. Bobby Lambrix, support
14. Tom Wheeler, oppose
15. John Horvath, oppose
16. Matthew Morey, oppose
17. Juan Tuckman, oppose
18. Julie Au, oppose

19. Sharon Moriwaki, oppose
20. Hinaleimoana Wong-Kalu, support
21. Deborah Whisnand, oppose
22. Carol Stark, oppose
23. Norman DuPont, oppose
24. Galen Fox, oppose
25. Ranceford Ako, support
26. Kathi Kreinik, oppose
27. Matthew Choy, support
28. Jim Tollefson, support
29. Lehua Vermeesch, support
30. Poni Askew, support
31. Crystal McGee, oppose
32. Dan Purcell, comments
33. Gregory Gaydos, oppose

Questions/Discussion by Authority Members during the Testimony Period

Ms. Moriwaki asked to read testimony provided by Mr. Ray Yeh, Professor of Architecture.

Chairperson Lee noted that Ms. Moriwaki had been given time to provide her own testimony. He also confirmed that Mr. Yeh's written testimony had already been distributed and read by Authority members.

DECISION MAKING

Chairperson Lee polled individual members on whether they had reviewed the record and were prepared to deliberate on the Application. All Members responded in the affirmative.

Chairperson Lee entertained a motion to adopt the staff's finding of facts and recommendation and approve the development permit application KAK 13-038 for the Applicant The Collection LLC, located at 604 Ala Moana Boulevard, Tax Map Keys 2-1-055: 004, 009, and 017.

A motion was made by Member Evans and seconded by Member Kamimura.

A roll call vote was conducted.

Ayes: Members Evans, Grune, Kami, Kamimura, Lee, and Mitsunaga.

Nays: None

The motion passed 6 to 0 with 3 excused (Member Seki and 2 vacant positions).

ADJOURNMENT

The public hearing was adjourned at 11:15 a.m.

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

Attachment: Exhibit A - KAK 13-033 The Collection LLC Staff Report and Recommendations

KAK 13-033

The Collection LLC
Staff Report and Recommendations

Development Lot Area	144,598 sf
Proposed Development Floor Area	592,662 sf
Total Number of Units	467 units
Open Space	16,802 sf
Recreation Space	25,919 sf
Tower Floor Plate	12,025 sf
Total # of Parking Stalls	914 stalls
Loading Zone	6 stalls

Project Summary



SITE PLAN

- Density is Typically Capped at 3.5 FAR
- FAR = Floor Area Ratio
- Parcel is Included in the KS Master Plan
- Master Plan Allows Density to be Transferred According to Plan
- Density is Set At 4.25 FAR for Subject Parcel
- Proposed Development = 4.09 FAR

Notes – Proposed Density

- Parcel is Designated MUZ Commercial
- Allows that “No More Than 60% of the Total Allowable Floor Area Shall Be Placed in Commercial Use”
- 60% is a Cap and Not a Minimum!
- Note Commercial Development Along Ala Moana Boulevard Face & at the Corner of Auahi & Kamakee

Note – MUZ Commercial

- HAR 15-222-143(b) Requires To the Extent Practicable, Tower Spacing Shall Be
 - At Least 300 Feet Between the Long Parallel Sides of Neighboring Towers
 - At Least 200 Feet Between the Short Sides of Towers
- Only the Distance Between Short Sides is Pertinent
 - At Its Closest Point the A&B Tower is 249 Feet From the OWT Makai Tower
 - Note that the Distance Between OWTs is 230 Feet

Note – Distance Between Towers

- The Project is Expected to Connect to South Street Wastewater Facilities
- The Project has Applied For & Received Connection
- South Street Wastewater Facilities Were Improved in 1988 (Improvement District 1) to City Specifications & Are Deemed Adequate for Projected Growth
- 2009 HCDA EIS Estimates More System Improvements to Be Necessary to Meet Plan's 2030 Horizon (\$49.5 M)
- System Improvements Will Be Subject to Developer's Fair Share Contributions

Note – Wastewater Facilities

- DOE Comment that Public Elementary Facilities Cannot Serve Expected School Age Population
- Coordination Ongoing w/DOE Regarding A School Impact District & Impact Fees
- Voluntary Mitigation Projects Being Explored
- Will Implement Any Statutory Requirements Established by DOE

Note – Public School Facilities

- The Project Area was included under the Kamehameha Schools Master Plan Permit approved by the Authority on September 2, 2009
- The Project is vested under the HAR in effect on that date and not the current 2011 rules in effect

Project Vested Under 2005 Rules

PROJECT SUMMARY

- 3.3 acre Site
- Land Owner – Kamehameha Schools
- Block E of KS Master Plan approved in 2008



HCDA Administrative Rules (HAR)

	1982 Plan & 2005 Rule	2011 Plan & Rule	Proposed 2013 Plan & Rule
Type	Use Based	Form Based	Form Based
Urban Form	Tower/Platform Superblock Prkng podium at street level View Corridors, tower spacing	10 typologies Compact/Walkable Neighborhood Active Streets Lined Prkng Podium View Corridors, tower spacing, align, length, orientation	11 typologies Compact/Walkable Neighborhood Active Streets Lined Prkng Podium View Corridors, tower spacing, align, length, orientation
Density F.A.R.	1.5 Base Zone 3.5 w/Dev. Permit	3.5 *Sheridan-Trust **C Kak w/impr	3.5 to 12 Site specific
Height	400' 80k sf lot minimum	400' Based on neighborhood	400-550' Parcel specific 700' 3 specific bldg

Modification Program

1982 Plan/2005 Rules	2011 Plan & Rules
Base Zone Development (≤1.5 FAR) May modify Plan/Rule Requirement for lot >20k sf View corridors, yards, loading spaces, parking, heights and open space	No Modifications allowed for Mauka Area Rules
Planned Development (≤3.5 FAR) May modify Plan/Rule Requirement View corridor setbacks, yards, loading spaces, parking, min/max ratio rec&comm space, tower footprint & # of towers, platform heights, open space and schedule of reserved housing units	For Workforce Housing "The Authority may consider any modification to its Reserved Housing Rules (Chapter 218)"

- The Modification will Provide Flexibility and Result in a Development that is Practically and Aesthetically Superior to that which could be Accomplished with Rigid Enforcement
- The Modification would not Adversely Affect Adjacent Developments or Uses
- The Resulting Development will be Consistent with the Intent of the Mauka Area Plan

Criteria for Reviewing Request for Modification

- Modification of §15-22-62 of the Vested Rules
 - To Increase Podium Height from 45 feet to 65 feet to Accommodate parking and mid-rise residential
- Modification of §15-22-66 of the Vested Rules
 - To Adjust the View Corridor Setback Along Ala Moana Boulevard for the Mid-Rise Residential Building

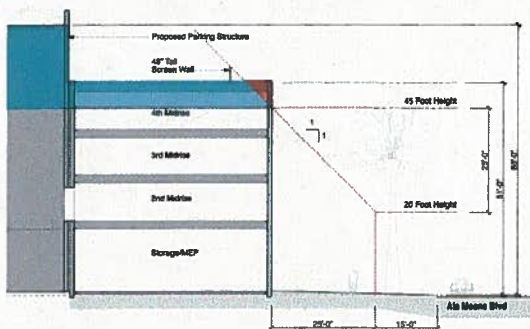
Modifications Requested

- Subsurface Construction Will Encounter the Water Table at \approx 6.7 feet
- Subsurface Construction Could Encounter Archaeological Material and is Potentially Damaging to the Environment
- Increasing the Podium Height Allows for Commercial Space at the Street Level & Above Ground Residential Units to Surround the Parking Structure
- The Increase in Podium Height Will Not Adversely Impact the Adjacent Ala Moana Boulevard
- Providing Commercial Space at the Street Level is a Practically & Aesthetically Superior Condition

Modification #1 Increase of Podium Height

- A Setback of 1:1 Slope for Platforms Above 20' to 45' in Height
 - 6' of the Residential Mid-Rise Intrude into the Ala Moana View Corridor
- The Modification will not Affect Adjacent Developments
- The Modification will Result in an Active Streetscape
- The Proposed Setback of the Mid-Rise Structure Along Ala Moana Boulevard Creates an Open Space Continuity with the Park Space at Restaurant Row

Modification #2 Encroachment into the View Corridor



MODIFICATION DIAGRAM

- Project is Consistent w/Land Use & Zoning Provisions of the Vested Rules
- Project is Proposing a Modification to Allow a Building Platform that is 65' in Height. Approval of the Modification & Resulting Development will be Consistent w/the Intent of the Mauka Area Plan and the KS Master Plan
- The Project Consists of a total Floor Area of 592,662 sf Resulting in a floor area ratio of 4.1 which is w/in the Allowable FAR of 4.25
- The Proposed Height of the Residential Tower = 400 feet plus 18 feet for Rooftop Mechanical which permitted under the vested rules

Findings of Fact

- With a Proposed Tower Footprint of 12,025 sf, the Project is Under the 16,000 sf that is Allowed
- With Front Yards of 15 feet, the Project is Consistent w/Yard Setback Requirements
- The Project is consistent w/Open Space Provisions w/the Proposed Total of 16,802 sf of Open Space
- The Project is Consistent w/Rec Space Requirements of the Vested Rules wthe Proposed 25,919 sf
- The Required Off-Street Parking is 637 stalls. The Project's 914 standard stalls is consistent w/Vested Rules

Findings of Fact

- The Project's Proposed 6 Loading Stalls Are Adequate & Consistent w/the Requirements of the Vested Rules
- The Modification Allowing Modification of the View Corridor Setback Along Ala Moana Boulevard Will Provide Flexibility & a Development that is Practically and Aesthetically Superior to that Which Could be Accomplished Under the Existing Rule
- The Project Tower is 249 feet from the Nearest Tower & is Consistent w/the Vested Rules
- 23,601 sf of Public Facility Space is Required of the Project. That Amount will be Taken of the KS's 105,514 sf Credit Bank

Findings of Fact

- The Project Needs to Provide 117 Reserved Housing Units. That Requirement is to Transferred to a Nearby KS Parcel and Allowed by the KS Master Plan & Supplement 1 to the Master Plan Development Agreement
- The Applicant Proposes to Enter Into a Joint Development Agreement. Therefore all the Parcels w/in the Agreement will be Treated as One.
- Applicant has Submitted Details for a Sustainability Study as Required by the Master Plan Permit

Findings of Fact

- The Applicant has Established Intentions to Give 120 Days Notice & to Evaluate Relocation Alternatives for the Current Tenants on the Project Site.
- Applicant has Submitted an Archeological & Monitoring Plan that has been Accepted by the State Historic Preservation Division

Findings of Fact

- The Authority Adopt the Staff Findings of Fact as its Own Subject to the Following Conditions
 - Prior to Approval of a Foundation Permit Have the Joint Development Agreement Approved by the ED & Recorded w/the Bureau of Conveyances
 - Prior to Approval of a Demolition Permit Applicant Shall Submit a Report Outlining Tenant Relocation Process & State Compliance w/the KKMP
 - Applicant Shall Ensure Proper Protection/Preservation of Cultural & Historic Resources & Considers Appropriate Mitigation Recommendations Submitted as Part of the Archaeological Assessment & Monitoring Plans

Staff Recommendations

- The Authority Adopt Staff's Proposed Findings of Fact Relating to Applicant's Requests for Modification and Development Permit Application
- Based on the Findings of Fact Relating to the Modification of the Provisions of the Vested Rules, Approve the Applicant's Request for Modifications
- Based on the Findings of Fact Relating to the Development Permit Application, Approve the Applicant's Request for Development Permit
- The Authority Approve the Development Permit No. KAK-13-033 as presented by H@DA Staff

Summary of Findings