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HAWAII COMMUNITY DEVELOPMENT AUTHORITY
STATE OF HAWAII

In re:)
)
The Application of)
)
VICTORIA WARD, LIMITED,)
a wholly owned subsidiary)
of HOWARD HUGHES)
CORPORATION,)
)
Applicant,)
)
To request a development)
permit, Permit Number)
KAK 19-069, to develop)
a mixed-use project, aka)
"Victoria Place," at 1100)
Ala Moana Boulevard,)
TMK No. (1)2-3-001: 130)
(portion) and 131.)
_____)

PRESENTATION HEARING
TRANSCRIPT OF PROCEEDINGS

Wednesday, September 4, 2019

Taken at 547 Queen Street, Second Floor
Honolulu, Hawaii 96813
commencing at 1:00 p.m.

Reported by: LAURA SAVO, CSR No. 347

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John Whalen, Chairperson

Aedward Los Banos, Executive Director

Garett Kamemoto, Interim Director of Planning and
Development

Max Levins, Deputy Attorney General

BOARD MEMBERS:

Chason Ishii

Jason Okuhama

David Rodriguez

Kevin Sakoda

ALSO PRESENT:

For the Applicant:

J. DOUGLAS ING, ESQ.
BRIAN A. KANG, ESQ.
Watanabe Ing LLP
999 Bishop Street, 23rd Floor
Honolulu, Hawaii 96813

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1 Wednesday, September 4, 2019, 1:00 p.m.

2 -o0o-

3 CHAIR WHALEN: Okay. I'd like to call to
4 order the September 4th, 2019, public hearing of the
5 Hawaii Community Development Authority. The time is
6 now 1:00 p.m. Thank you for your attendance. My
7 name is John Whalen, chair of the Authority.

8 Let the record reflect that the following
9 Kaka'ako members are present: Robert -- rather,
10 David Rodriguez, Jason Okuhama, Kevin Sakoda, Chason
11 Ishii and John Whalen.

12 So will counsel appear before -- make
13 your appearance?

14 MR. KANG: Good afternoon, Mr. Chairman,
15 members of the Authority, Brian Kang and Douglas Ing
16 appearing on behalf of Applicant Victoria Ward,
17 Limited.

18 CHAIR WHALEN: So today's hearing on
19 Development Permit No. KAK 19-069 is being held in
20 accordance with Hawaii Revised Statutes, Section
21 206E-5.6, Hawaii Administrative Rules 15-219, and the
22 vested Hawaii Administrative Rules, Chapter 15-22.

23 The nature of today's public hearing is
24 to allow the applicant to present the proposed
25 project and to provide the general public with the

1 opportunity to present oral and/or written testimony.
2 The applicant is Victoria Ward, Limited, a wholly
3 owned subsidiary of Howard Hughes Corporation. Tax
4 map key is (1)2-3-001, parcel 131 and portion of 130.
5 The project location is 1100 Ala Moana Boulevard, and
6 the request is for a development permit application
7 for a mixed-use project consisting of residential and
8 commercial components at 1100 Ala Moana Boulevard
9 at tax map key 2-3-002, parcel 131 and portion of
10 130.

11 EXECUTIVE DIRECTOR: Chair, I think
12 there's an error in there. I think the tax map key
13 should be (1)2-3-001, not 2.

14 CHAIR WHALEN: Okay. Yes, yes. If I had
15 looked up above, I would have read a different thing.
16 Okay. Yes. And we are still talking about
17 commercial components? I'll just let that stand.

18 MR. KAMEMOTO: This is -- this is
19 residential only.

20 CHAIR WHALEN: Residential only. Right.
21 That's what the plans read. Yeah, so it consists of
22 residential components.

23 The proposed project consists of a
24 400-foot tower and 45-foot-high podium and will house
25 a mix of approximately 350 residential units and

1 required parking spaces. The project will provide
2 approximately 15,590 square feet of open space and
3 84,104 (sic) square feet of recreational space. The
4 applicant is proposing to provide at least 44
5 reserved housing units to be located off-site on Land
6 Block F --

7 Is that correct?

8 -- Land Block F to satisfy the reserved
9 housing requirements.

10 There were no modifications requested,
11 and the application date was July 15th, 2019.

12 A public hearing was published in the
13 Honolulu Star-Advertiser, Maui News, The Garden Isle,
14 Hawaii Tribune-Herald on Tuesday, July 23rd, 2019.
15 An amended public hearing notice was published in
16 Honolulu Star-Advertiser, Maui News, The Garden Isle,
17 Hawaii Herald-Tribune -- Tribune-Herald, sorry, and
18 West Hawaii Today on Tuesday, July 30th, 2019.

19 So let me briefly explain our procedures
20 for today's public hearing. First, the HCDA staff
21 will present its report summarizing the development
22 permit application, and following that presentation,
23 we will receive the presentation of the applicant,
24 then testimony from the public. Only members of the
25 Authority and the executive director will be

1 permitted to ask questions of the staff, applicant,
2 intervenor or individuals providing testimony. I
3 will be acting as the presiding officer of the
4 hearing.

5 Are there any questions about these
6 procedures?

7 So we'll proceed with the --

8 Executive Director or staff, describe
9 your exhibits that you wish to have admitted to the
10 record.

11 MR. KAMEMOTO: So, Chair, the exhibits
12 are listed at the end of the staff report. So we
13 have Exhibits A through L. A being our completeness
14 and automatic approval letter. B is notice of the
15 public hearing. C is the amended notice of public
16 hearing. D is the decision and order on the master
17 plan. E is the master plan development agreement. F
18 is declaratory order relating to Condition No. 4 of
19 the D&O. G is letters that satisfy Condition 5 of
20 the D&O. H is our letters or letter satisfying
21 Condition 10 of the D&O. J (sic) is documents and
22 satisfaction of Condition 12. J is the comments on
23 the specific project from government agencies that we
24 have received. And K is written confirmation from
25 SHPD, and L is the joint development agreement

1 approved by HCDA executive director and filed with
2 the Bureau of Conveyances.

3 CHAIR WHALEN: Okay.

4 MR. KAMEMOTO: And for clarity, most of
5 these letters are things that have been submitted
6 every time the project comes up on this.

7 CHAIR WHALEN: Right. So, members, do
8 you have any objection to the exhibits being offered
9 by the executive director?

10 Okay. Does the applicant have any
11 objections to the exhibits being offered?

12 MR. KANG: No objection, Mr. Chairman.
13 We'd just like to note for the record on the staff
14 report, and I'm not sure if you can have the staff
15 summarize the report, but it does appear that on
16 pages 5 and 6 of the report on the State Historic
17 Property Review, it refers to Block I which is --
18 which is another project. And for purposes of the
19 record, this is for Land Block 2, Project 3. So we
20 just wanted to note that for the record. Thank you.

21 CHAIR WHALEN: Okay. This is the burial
22 thing. Okay. Hearing no objections, but with that
23 one correction to the staff report on the burial
24 plan, the HCDA's Exhibits A through L are admitted to
25 the record.

1 (HCDA Staff Exhibits A through L are
2 marked for identification and admitted
3 into evidence.)

4 CHAIR WHALEN: So the Interim Director of
5 Planning of Development Garrett Kamemoto will now do
6 the staff report.

7 MR. KAMEMOTO: So on a very high level,
8 this project is in the same space that the Gateway
9 project that the board previously approved is
10 located. And so the intent -- if you look at the
11 application, the intent is once this project -- if
12 this project is approved by the board, that the
13 applicant will withdraw their Gateway project.

14 So as you'll see throughout the staff
15 report, there's stuff where it subtracts -- because
16 you can't actually have two projects on the same
17 site, so it subtracts out things that were given
18 through Gateway and then, you know, adds back in the
19 Victoria Place. So one of the big differences is
20 this is a single tower, not two towers. So as a
21 result, there is also an increase in open space that
22 wasn't there before, but there are more units than
23 have previously been contemplated.

24 So the net result of the reserved
25 housing, which is the 20 percent, is that between

1 this and Ko'ula project which the board has
2 previously approved, they would need to provide 108,
3 in total, reserved housing units at an off-site site
4 which they've identified on a future block, which I
5 believe they said is Block -- is it F?

6 EXECUTIVE DIRECTOR: Yes.

7 CHAIR WHALEN: Yeah.

8 MR. KAMEMOTO: You know, as far as public
9 facilities dedication, they've already -- they're
10 using credits on this. So there's no public
11 facilities specifically attached to this one.

12 And then they do have two front yards,
13 one on Auahi Street and the other one is on Ala Moana
14 Boulevard. So there's setbacks through that.

15 As you heard previously as far as the
16 industrial bonus is concerned, they -- they do
17 contemplate using it, but it's not specifically used
18 in this project. And so where that industrial bonus
19 comes into play is on the next project on this block.

20 Other than that, I'll take any questions
21 that the board may have.

22 MEMBER ISHII: So just for clarification,
23 Garrett, you're saying that the reserved housing
24 provided is going to be zero for this particular
25 project?

1 MR. KAMEMOTO: Not in this specific
2 building.

3 MEMBER ISHII: Right.

4 MR. KAMEMOTO: But they will have to --
5 and we will suggest in the Decision & Order
6 conditions where they must provide the reserved
7 housing --

8 MEMBER ISHII: For the Block F?

9 MR. KAMEMOTO: -- for the Block F.

10 MEMBER ISHII: Thank you.

11 CHAIR WHALEN: So the Decision & Order
12 for Ko'ula, that question came up in terms of the
13 time of delivery of reserved housing units and where,
14 and we still don't really --

15 MR. KAMEMOTO: Well, in this
16 application --

17 CHAIR WHALEN: -- have the time of
18 delivery?

19 MR. KAMEMOTO: In this application, they
20 do state that they're contemplating doing it together
21 with this project on Block F so that the Ko'ula would
22 be satisfied on Block F as well.

23 CHAIR WHALEN: Okay. So it's concurrent
24 and construction would be at the same time or --

25 MR. KAMEMOTO: They'd have to come in for

1 a separate permit on that.

2 CHAIR WHALEN: Okay.

3 MR. KAMEMOTO: But I think we can
4 certainly ask the applicant as far as what their
5 contemplated timing is.

6 CHAIR WHALEN: Oh, we will. Okay.

7 MEMBER RODRIGUEZ: Chair, I have a
8 question. If you clarify that one, the industrial
9 uses.

10 MR. KAMEMOTO: Okay. So they have an FAR
11 of up to 3.5. If they go to 3.8, then they would
12 have to use their industrial bonus, but by providing
13 some industrial, they would be able to go to a higher
14 density. But because the density on this block is
15 not up to 3.5 yet, it's not applicable for this
16 project. But if they come in with the next project,
17 which would presumably be where the Ward Warehouse
18 parking structure is, that they could not go as dense
19 unless they were able to provide us with the
20 industrial space.

21 CHAIR WHALEN: Okay. I think maybe
22 before we get too much into Q and A over the
23 executive director's report, I ask the applicant to
24 describe the exhibits that you wish to have admitted
25 to the record.

1 MR. KANG: Thank you, Mr. Chairman. Just
2 for purposes of the record, we noticed that the staff
3 report letters -- the exhibits with alpha letters,
4 and just for clarification, the applicant also used
5 letters for its exhibits. So in terms of the
6 applicant's reference to the letters, it would be to
7 the applicant's exhibits unless otherwise noted.

8 One housekeeping matter, we did submit a
9 first amended exhibit list yesterday that added four
10 additional exhibits to our original exhibit list, and
11 those added exhibits were X, Y, Z and AA, and I
12 believe we requested the staff, if they could,
13 provide you with those exhibits. And with that, the
14 applicant moves to admit all of its exhibits in its
15 first amended exhibit list into evidence. That will
16 be Exhibits A through AA.

17 CHAIR WHALEN: Okay. That's quite a
18 volume.

19 Okay. Members, do you have any
20 objections to the exhibits being offered by the
21 applicant? Hearing no objections.

22 Does staff have any objection to the
23 exhibits being offered by the applicant?

24 EXECUTIVE DIRECTOR: No.

25 CHAIR WHALEN: So hearing no objections,

1 the applicant, Howard Hughes Corporation --

2 Exhibits A through AA?

3 MR. KANG: Yes, that is correct.

4 CHAIR WHALEN: -- A through AA are
5 admitted to the record.

6 (Applicant's Exhibits A through AA are
7 marked for identification and admitted
8 into evidence.)

9 Will you be calling witnesses as experts
10 in subject areas?

11 MR. KANG: Yes, Mr. Chairman. We will be
12 calling a number of witnesses and would like to
13 qualify them as expert witnesses in their respective
14 subject areas.

15 CHAIR WHALEN: Okay. I think you have a
16 list of them here in one of the attachments.

17 Members, it's under a tab called "Witness
18 List." That's complete?

19 MR. KANG: Yes, that's correct,
20 Mr. Chairman.

21 CHAIR WHALEN: So there are 10
22 witnesses --

23 MR. KANG: I'm sorry to interrupt. So a
24 number of these witnesses will be qualified or we
25 request that they be qualified in their areas of

1 expertise. That would be Kimi Yuen in urban
2 planning, David Akinaka in architecture, Kevin Goto
3 in civil engineering, Cathy Leong in traffic
4 engineering, Matt McDermott in archaeology, Chad
5 Takesue in real estate marketing, supply and demand,
6 and Paul Brewbaker in economics.

7 CHAIR WHALEN: Okay. Members, do you
8 have any objections for the qualification of expert
9 witnesses offered by the applicant?

10 Does staff have any objections to these
11 witnesses?

12 Okay. So hearing no objections, the list
13 of experts offered by the applicant is hereby
14 accepted and qualified in their respective subject
15 areas.

16 So with receipt of all the exhibits and
17 list of experts, let's proceed with the hearing. So
18 applicant's representatives, you can call your first
19 witness.

20 MR. KANG: Mr. Chairman, before we call
21 our first witness, we do have a suggestion. You
22 know, our understanding is that there are some
23 members of the public here today that may be
24 testifying on the application possibly, and our
25 suggestion is so that the members of the public don't

1 have to wait through everything. Subject to the
2 board's thoughts, if those members of the public
3 could testify first, Howard Hughes would have, you
4 know, no objection to that as well.

5 CHAIR WHALEN: So they're testifying
6 before they hear your application?

7 MR. KANG: Again, subject to the board's
8 thoughts on that. We're just thinking about timing
9 on that.

10 CHAIR WHALEN: Okay. Members, do you
11 have any objections to that order, calling witnesses
12 or, rather, testifiers?

13 That wouldn't include the witnesses.
14 That's just the people that are submitting testimony
15 voluntarily on their own?

16 MR. KANG: That's correct, Mr. Chairman.
17 Just members of the public at this point.

18 CHAIR WHALEN: Okay. All right. So are
19 there folks wanting to testify on the application at
20 this point?

21 I think you're named as a witness.
22 There's a hand back there. I couldn't quite see.
23 Okay.

24 Sure. You can go to maybe that
25 microphone so you get recorded or at least it gets

1 recorded for the record. And since you're not a
2 witness --

3 We don't have to swear him in?

4 DEPUTY AG LEVINS: No.

5 CHAIR WHALEN: Just state your name for
6 the record.

7 DR. DUDLEY: Mr. Chairman, my name is
8 Dr. Kioni Dudley, D-U-D-L-E-Y, and I'm here just on
9 behalf of myself.

10 I'm very concerned about what's happening
11 in Kaka'ako. We are -- you know, we've just
12 experienced Hurricane Dorian ruining the Bahama
13 islands. We expect that we're going to have a
14 hurricane like that here too, and Kaka'ako is lying
15 in the lowlands. This building will be in the
16 lowlands. And so, you know, the city, we used to
17 have an idea that we should move up to higher ground.
18 Now we're saying, "No, we're going to raise the
19 streets like they did in Miami, and we're going to
20 bring in pumps and pump out the water," and all kinds
21 of crazy things like that when, you know, common
22 sense would tell us we should move up to the freeway
23 with these buildings.

24 And so I'm here just to say who's going
25 to pay for raising the streets? Who's going to pay

1 for the pumps? If people are crazy enough to move
2 into this area and build high-rises, then they should
3 be the ones, not your children, my children. You
4 know, put the money and put some money now into a
5 fund, and let it gain interest as time goes on so
6 that when the time comes that we have to raise the
7 streets, when the time comes that we have to pump out
8 water, we'll have the money to do that, and we, the
9 people of these islands, this island, will not have
10 to pay for it.

11 So I ask you, you know, think very
12 seriously now before you approve this building. Who
13 is going to pay for these things? We need a fund,
14 and the HCDA is the group to do it. Everybody who's
15 built since the last nine years, it's been common
16 knowledge that we're living in a flood zone. We know
17 what's happening with hurricanes. I mean, all of
18 this, rising sea level, this is something that we've
19 known now for nine years. Anybody that's built here
20 should be forced to pay into that fund. So I just
21 ask you please have mercy on us, the people who live
22 on this island. Don't make us pay for the
23 foolishness of the people who are moving into this
24 area. Thank you very much.

25 CHAIR WHALEN: Does anyone else wish to

1 testify?

2 MR. FORMBY: Good afternoon, Chair Whalen
3 and board members. My name is Mike Formby, and I'm
4 the executive director of Pacific Resource
5 Partnership, PRP. We are a market recovery trust
6 fund for about 7,000 carpenters and 240 small, medium
7 and large contractors. So I come today to testify in
8 strong support of the applicant's request.

9 We've reviewed the public findings.
10 We're familiar with the Ward Master Plan. We've
11 looked at the applicant's developments to date as
12 well as the transformations that they've made to this
13 community, pedestrian-friendly streets, Complete
14 Streets, smart growth, open space, reserved housing,
15 the economic benefits that they've brought to this
16 state, including jobs, and we think that it would be
17 good for this board to view this application
18 favorably. So we strongly support. If you have any
19 questions, I'm here to answer. Thank you.

20 CHAIR WHALEN: Okay. Do board members
21 have any questions?

22 Anyone else wish to testify? Yes?

23 MS. WILSON: Hi, my name is Courtney
24 Wilson, and I work as a business professional in the
25 area of Ward Village. I support this project. I

1 believe that the introduction of this building, it's
2 going to create more business in the area, and it's a
3 strong support of local businesses. It's going to
4 generate more, like, revenue. It's good for the
5 economy of Hawaii. I feel that also the development
6 of the area has brought in a safer area for families
7 and kids. If you go to Ward Village, you see that
8 it's a community area. It's a gathering area for
9 people, and I feel that by bringing in more
10 residents, it is going to generate more business for
11 the shopping area in there and also is supporting
12 local businesses. I stand in full support of the
13 building of Victoria Place. Thank you.

14 CHAIR WHALEN: Okay. Thank you.

15 Anyone else wish to speak? Oh, who are
16 you?

17 Mary Pat Waterhouse.

18 MS. WATERHOUSE: Thank you, Chair and
19 members of the committee, staff. I'm Mary Pat
20 Waterhouse, and I'm testifying as a member of the
21 community.

22 There's three major areas where I believe
23 the developer's proposal deviates from HCDA's vision
24 to ensure the district provides an economically and
25 socially viable community that can provide a range of

1 public benefits. First is reserved housing.

2 Reserved housing is not scheduled for
3 building at the same time as the permitted project.
4 The application does not propose a scheduled build
5 date. They propose to build reserved housing at a
6 later unknown date. It's difficult to understand how
7 a large and successful, publicly traded company can
8 submit this incomplete programmatic plan. To
9 reinforce why it's important that the reserved
10 housing be built simultaneously with the other
11 project units, we are well aware that there has been
12 a problem -- significant problem in Honolulu's
13 housing shortage, more specifically, the acute
14 shortage of affordable housing. Therefore, it is
15 imperative that all reserved housing be built and
16 made available to the community simultaneously when
17 the project is built.

18 Secondly, based on the review of the
19 permit application and the master plan, it is unclear
20 if the provisions of the nunc pro tunc order, the D&O
21 for the master plan, that identified a dedicated, via
22 a perpetual easement for public use, gathering area
23 of 150,000 square feet to be built in the initial
24 phases is being complied with. I believe that the
25 developer should provide a programmatic schedule that

1 outlines their compliance with the provisions of the
2 master plan.

3 Also, it would be good if the developer
4 explained how Victoria Ward Park, mauka and makai,
5 complies with the requirement to build a gathering
6 area of 150,000 square feet.

7 Lastly, the Auahi Street promenade. The
8 developer needs to explain why this promenade was not
9 built in the initial phases of the development. The
10 construction of this has not begun; although, it
11 should have been built in the initial phases per the
12 master plan.

13 Thank you. I'd be happy to answer any
14 questions you may have.

15 CHAIR WHALEN: Members, any questions?

16 Thank you, Mary Pat.

17 Anyone else wish to testify? I think the
18 applicants can proceed then. Call your first
19 witness.

20 MR. KANG: Thank you, Mr. Chairman. We
21 call Paul Brewbaker.

22 CHAIR WHALEN: Paul, if you could raise
23 your hand --

24 THE WITNESS: Hi.

25 CHAIR WHALEN: -- and affirm to tell the

1 truth in your testimony.

2 THE WITNESS: Yes, I do.

3 CHAIR WHALEN: Thank you.

4

5

PAUL BREWBAKER,

6

having been called as a witness

7

by the Applicant, affirmed to tell the truth

8

and was examined as follows:

9

DIRECT EXAMINATION

10

BY MR. KANG:

11

Q Mr. Brewbaker, can you please state your

12

name and place of employment, please?

13

A Paul Brewbaker, economist and principal,

14

TZ Economics.

15

Q Please describe your educational

16

background and experience.

17

A TZ Economics is a consultancy doing

18

corporate work, development impact analysis and

19

whatnot. My background is contained in a resume,

20

which has been provided and my back- -- and research

21

on the Hawaii economy from an affiliation with Bank

22

of Hawaii and as a consultant for about 10 years now.

23

Q And how have you been involved in this

24

project?

25

A I've been involved off and on for about

1 five years now on various aspects of the master plan
2 and then individual building proposals doing the
3 economic impact analysis.

4 Q Please describe your analysis and
5 conclusions with respect to this project, Victoria
6 Place.

7 A So using the state's input-output model
8 and a more detailed timeline and breakdown of
9 development outlays, I estimate that the total
10 development impact over a five- or six-year period
11 accumulates to have \$772 million in present value,
12 2018 dollars, inflation-adjusted dollars. Among the
13 components of the impacts are 254 million in workers'
14 earnings, 49 million in state tax revenue, and 4,300
15 job years, one job per year, including 1,600 jobs in
16 the first year of actual construction and 1,500 jobs
17 in the second year.

18 So the profile looks something like this:
19 We'd be heading into ramping up towards construction
20 over the next year, if I understand the timetable
21 correctly, and the economic impacts play out along a
22 similar impulse response pattern.

23 Just a note that the employment impacts
24 take into account labor-saving productivity growth.
25 This is embedded in the DBEDT model, and I extend

1 their assumptions through the forecast arising for
2 the project as a whole -- actually, for Ward Village
3 and master plan as a whole.

4 There are the job impacts. So they'll
5 have the same profile.

6 In addition to the construction and
7 development impacts, I've calculated longer-term
8 impacts over decades -- two or three decades arising
9 on the left side of this slide from maintenance and
10 operations of the building itself, 296 million in
11 present value of future real gross domestic product,
12 90 million in earnings, 18 million in tax revenue,
13 and an average of 29 jobs per year taking into
14 account productivity growth over the three decades.
15 And then on the right side, a calculation which is
16 not pertinent to the state per se, but about 70
17 million in present value of property tax revenues
18 associated with the building.

19 I also point out that the timing of this
20 particular phase of the Ward Village Master Plan
21 development does provide potential countercyclical
22 support for the Hawaii economy as we move into a
23 period of relative uncertainty regarding the
24 macroeconomic outlook.

25 MR. KANG: All right. Thank you.

1 Mr. Chairman, that's all the questions we
2 have. Mr. Brewbaker is available for questions.

3 CROSS-EXAMINATION

4 BY MEMBER SAKODA:

5 Q The last chart that you showed, is it
6 just for Victoria Place?

7 A Just for Victoria Place.

8 Q Okay. And you're showing it from 2024
9 when it's scheduled to be completed?

10 A Correct -- 2054.

11 Q And you're using some type of assumption
12 about resident versus nonresident?

13 A Yeah. I used the state's -- it should be
14 in the footnote, which I have to switch glasses to
15 read, which I haven't referenced here. So, you know,
16 DBEDT has a study -- a recently posted study breaking
17 down the proportion of resident and nonresident tax
18 revenues. And so I used their assumption. If I
19 recall correctly, I assume that home prices rise at
20 the inflation-adjusted real rate of increase of the
21 Federal Housing Finance Administration's housing
22 value -- you know, broad housing valuation index
23 which includes sales transactions as well as
24 appraised values.

25 Q You're using too the new nonresident

1 taxes; correct?

2 A So the calculation includes the Resident
3 A. Is that the one you're talking about, the
4 surcharge?

5 Q It just increased quite a bit.

6 A Pardon me?

7 Q It just increased quite a bit; is that
8 correct?

9 A I was not aware of that. So I used
10 whatever the state has published in their report.
11 So just out of curiosity, did they change the
12 threshold --

13 Q I believe --

14 A -- or just the rate?

15 Q -- over the last two years or so.

16 A I'm sorry. Did they change the threshold
17 or the rate?

18 Q The rate.

19 A Just the rate. So as more and more homes
20 pile into the above-million category, a larger
21 proportion of homes. Oh, interesting. So this is an
22 underestimate.

23 CROSS-EXAMINATION

24 BY CHAIR WHALEN:

25 Q Dr. Brewbaker, have you ever looked at

1 the total of property tax revenue on an annual basis
2 that originates from Kaka'ako redevelopment? I'm
3 just curious.

4 A No, I haven't. In fact, so I have done
5 some work for the -- for the developer on the master
6 plan, as a whole, five years in. We did -- I did the
7 first cut five years ago and then revisited it. I
8 don't have those results with me. So I've done their
9 whole project.

10 At the first round, I used Hoku as sort
11 of the benchmark for valuations. This time I've used
12 the developer's own assumptions regarding sales
13 revenues as the starting point, and then I
14 appreciated the same rate of increase that we've seen
15 on Oahu for the last four years, adjusted for
16 inflation, and then I discounted 3 percent.

17 CHAIR WHALEN: All right. Thank you.

18 Any other questions of the witness?

19 CROSS-EXAMINATION

20 BY MEMBER SAKODA:

21 Q I've also seen some of your previous
22 reports, and I think -- I didn't read it actually,
23 but I remember being kind of attracted to the flood
24 or the rising sea level analysis that you've done. I
25 think for the Board of Realtors, there was some other

1 report. I wasn't there. So I don't know.

2 A Yeah. They get around. I did one at the
3 request of the Coastal Zone Management unit of DBEDT
4 and about a year and a half ago --

5 Q My question is, first, do you have any
6 comments as far as that impact to this project?

7 A You know, I have actually raised it with
8 the developer and have been assured that they've
9 taken those things into account in their engineering
10 and whatnot. So it's not really my kuleana. I'm
11 done -- I'm actually -- I'm actually -- I have to
12 leave. I have to catch a plane. I'm going to Maui
13 to talk about this on Maui. But I've done this once
14 for the coastal zone people, and then a year ago, I
15 did some more work for the Climate Change Commission
16 at Makena Coffman and Chip Fletcher's request. So
17 I'm familiar with the issue.

18 It seems to me that Dr. Dudley, for
19 example, you know, raised some questions about
20 resilience investment and whatnot, and part of why
21 I've been attracted to thinking about what these
22 properties are worth in present values to think
23 about, if we've got to bank a big infrastructure
24 investment over the next generation, then, you know,
25 kind of like your question, Director Whalen, you

1 know, we line up what the asset pool looks like,
2 think about the present value and do that asset
3 allocation rather than just -- you know, right now we
4 do it kind of year to year, and we're starting to
5 think about, okay, Kioni's raised a point. We need
6 to deal with that. Where is that revenue going to
7 come from?

8 He makes another good point. If you live
9 beachfront, that risk is on you. That's not on -- I
10 live mauka because I'm a peasant, but I ain't paying
11 for you -- you know what I mean -- when you do
12 building. So there are a bunch of these issues that
13 come up, and I think thinking in terms of these
14 valuations is a good starting point.

15 CHAIR WHALEN: Any other questions?

16 Thank you.

17 THE WITNESS: Thanks, you guys.

18 CHAIR WHALEN: Have a good trip.

19 THE WITNESS: Thanks.

20 MR. KANG: Mr. Chairman, our next witness
21 is Todd Apo.

22 CHAIR WHALEN: Say something. You
23 affirm --

24 THE WITNESS: I affirm to tell the truth.

25 CHAIR WHALEN: -- to tell the truth?

1 THE WITNESS: I do.

2

3

TODD APO,

4

having been called as a witness

5

by the Applicant, affirmed to tell the truth

6

and was examined as follows:

7

DIRECT EXAMINATION

8

BY MR. KANG:

9

Q Mr. Apo, can you please restate your

10

name, place of employment and position, please?

11

A Thank you. Todd Apo, senior vice

12

president of community development for Ward Village,

13

the Howard Hughes Corporation.

14

Q Can you please summarize the background

15

of this project, Victoria Place, and how it fits into

16

the Ward Village Master Plan?

17

A Certainly. And I'll keep this brief

18

because a lot of this is gone over in the staff

19

report and in the application. But as you're aware,

20

this existing site was approved by HCDA for what was

21

called the Gateway project. We announced last year

22

in May that we were not going to go forward with

23

that, and we spent the last about 12 months

24

replanning that area.

25

What you've heard us talk about and I

1 think why we're really excited to bring the
2 application forward is the fact that it takes two
3 towers, converts -- consolidates it into one but is
4 able to not only keep the same number of homes, but
5 actually increase that. So as we talk about
6 sustainability, the shortage of housing supply
7 throughout the spectrum of housing levels, this is
8 able to provide more homes with fewer land take-up,
9 which has allowed us to expand the park.

10 So as you're aware, the Gateway project
11 was two towers with a relatively small open space in
12 between them. You'll hear discussed in more detail
13 as we go through the project, that space has opened
14 up with the removal of the tower. We've also been
15 able to realign that so it matches up with the mauka
16 section of the park. If you look back at some of the
17 old plans, those two sections didn't really match up.
18 They sort of zigzag through there. So this has
19 really improved the open space within the area.

20 It's with that that we see the importance
21 of what this project is, Victoria Place. The
22 chance -- the right time to use the name Victoria
23 Ward as part of the naming of a building. It's
24 something that we've talked with not only the
25 cultural descendants, but her descendants, her family

1 over the years. And so they decided this is really a
2 good project right along the park, right up on the
3 front row somewhat center of the overall project to
4 honor Victoria Ward alongside Victoria Ward Park. So
5 that's really how this project fits in with the
6 overall master plan and how we're moving forward.

7 Q Can you just briefly summarize or just
8 give a brief update on the Ward Village community and
9 how the evolution of Ward Village has influenced
10 Victoria Place?

11 A Certainly. And, hopefully, you all had a
12 chance to go through the community. I really talk
13 about the fact that these last two years has really
14 been the evolution of the community of Ward Village.
15 Before two years ago, a lot of the construction --
16 new things weren't really up yet, but over these past
17 two years, it's a really significant change. It's
18 been changed not because we have residents now living
19 in Ward Village and the broader Kaka'ako, but all
20 those, whether they're kama'aina living on the island
21 or visitors from Waikiki, coming to Ward Village have
22 a very different experience than what existed two
23 years ago. It's been the effort of us, of Kamehameha
24 and their master plan and, obviously, working
25 together with HCDA. So that community development

1 has been very important.

2 I think you've heard us since our new
3 president, Simon Treacy, came in almost two years ago
4 now talking much more about that ground-level
5 community, and I think you're seeing that truly play
6 out. We continue to be involved in the community not
7 just in that development, but things like with the
8 opening of the park, we've moved Kona Nui Nights,
9 what used to be courtyard cinema but now outdoor
10 cinema, and yoga classes from a hardscape sort of
11 back area of the IBM building into that park. And
12 we've increased attendance in all of those community
13 events. They're free community events that we put
14 on, and we've seen that increase in attendance and
15 some enjoyment by the public because it's now out in
16 this open space.

17 Our Ward Village Foundation, we're up
18 past \$2 million in grants to nonprofits within the
19 community. We continue to volunteer with various
20 nonprofit communities, but that's all part of that
21 community activity, that community growth that's
22 happening. One that we love to talk about and
23 highlight is we've been able to partner with Kupu,
24 and we know they've been in front of this board for
25 their project. But being able to be both an initial

1 donor as well as a close-out donor for their capital
2 improvements, and what they're doing within this
3 community right within our area on the makai end of
4 the harbor and helping youth in their efforts is
5 really what has been able to grow not just our Ward
6 Village 60 acres, but the entire community within the
7 area. So it's something that we're committed to, and
8 as we move forward with each project, and today we
9 move forward with Victoria Place, making sure that
10 fits, making sure that it's not just a building,
11 making sure that it's part of the community that
12 we're a part of developing and take that
13 responsibility to make sure those changes and that
14 development happen correctly.

15 Q All right. Thank you, Mr. Apo. Thank
16 you, Mr. Chairman. That's all the questions we have.

17 CROSS-EXAMINATION

18 BY CHAIR WHALEN:

19 Q Todd, I'm glad to hear you mention the
20 importance of having ground-level pedestrian activity
21 and how the designs are trying to promote that. And
22 looking back on the master plan that was approved,
23 there are many references, particularly to the Auahi
24 Street Promenade as an active space. It was kind of
25 like the spine -- principal spine that Ala Moana

1 Boulevard was kind of diminished in terms of
2 pedestrian value because it's not going to be like a
3 retail street. But it seems like the plan envisioned
4 Auahi Street as a retail street or at least have some
5 commercial activity. And there are many references
6 throughout the master plan or at least the Decision &
7 Order, the master plan. I won't read all of them
8 out, but they talked about having that kind of
9 interaction between the pedestrian and the building.
10 And the plan as submitted on that facade, it's a
11 blank facade. There is no activity coming either in
12 or out of the building for pedestrians. So it kind
13 of turns its back on what was supposed to be a
14 principal street.

15 So part of the application in the
16 appendix actually does show an earlier version not
17 that long ago, about six months ago, that had
18 commercial space. I think it was a cafe on a portion
19 of that facade and also an outdoor cafe, actually,
20 that was fronting adjacent to the sidewalk, which
21 actually does seem to fill that idea of having an
22 active pedestrian corridor along Auahi Street. And I
23 know that the plan is to invest quite a bit in
24 landscaping the street, but it also needs activity
25 along the street.

1 Can you explain or maybe someone else
2 could maybe explain why that change was made to
3 eliminate commercial use and activity along that
4 facade of Auahi Street?

5 A Certainly. I'll touch on it, and I know
6 that Race will expound on the details around that as
7 he gets into the building design. I'll start by
8 saying I don't believe it turns its back on that idea
9 of Auahi Street being a promenade. We continue to be
10 committed to that. What we have seen is we've gone
11 through the development and seen this evolution of
12 use and how retail works is that it needs to be
13 properly focused. And so there's -- that's one
14 thing. The other part that plays into that is just
15 some of the community feedback being that we continue
16 to take as we've opened up the park and the activity.

17 So one thing you'll see, and this is a
18 comparison for when we were here for the Ko'ula
19 project, we talked about the importance of the
20 building being right up against the park, and the
21 building dropping down in that commercial activity
22 that exists between the mauka park and the building.
23 What we've realized is we've talked to not only the
24 community, but in talking with retailers and seeing
25 what makes successful retail is that we couldn't

1 spread out that retail all over the place. And there
2 was a community desire to not have the kind of really
3 active park that exists on the mauka side with the
4 community events I mentioned and that connection to
5 retail that will exist with Ko'ula and Block H on the
6 other side. To find a different experience that will
7 still be a major promenade on the makai side, while
8 it's not commercial based, we've taken that makai
9 portion of the park and made it a very tranquil, a
10 relaxing, almost this well-being element. So you
11 have really two different elements of a park, two
12 different experiences within the same area, a very
13 active retail-guided makai side and a tranquil, calm
14 mauka -- sorry -- mauka side and a tranquil makai
15 side. And that's where the design element of
16 Victoria Place goes right along into that. That as
17 opposed to activating that makai section, it is an
18 area where people will want to go as a pedestrian
19 promenade and just relax. Just have green space.

20 You'll see it in the exhibits and in the
21 application that as you drive along Ala Moana
22 Boulevard, that makai section of the park is going to
23 provide a green space, a banked-up green space. And
24 I thought about that. You know, if you drive Ala
25 Moana Boulevard, I don't think there's anywhere that

1 you have green space on the mauka side of Ala Moana
2 Boulevard from the airport viaduct through till you
3 get to Waikiki. And so all of this is an important
4 part of that pedestrian experience, that ground-level
5 experience.

6 So I don't believe that the master plan
7 ever said that that promenade was going to be purely
8 commercial based. So we found a way to create or
9 provide different ways for pedestrians to enjoy Auahi
10 Street while one of the factors, making sure that
11 retail could be successful. And, again, spreading
12 out retail to both sides of Auahi Street probably
13 didn't make a lot of sense. Concentrating it within
14 the active part of the park is where that headed.

15 So that's my initial response to the
16 question. I think we stay fully in line with what
17 the activation in the master plan contemplated of
18 Auahi Street being a pedestrian promenade. It's just
19 a different experience and not commercial all the way
20 through.

21 Q Okay. I'll ask somebody else. You don't
22 have to carry the whole burden here.

23 A Thank you.

24 CHAIR WHALEN: Anybody else?

25 ///

1 CROSS-EXAMINATION

2 BY MEMBER SAKODA:

3 Q I have a question. You know, just living
4 in the area and kind of looking forward based upon
5 your plans, Howard Hughes's plans in the Ward
6 community that you bring up, I always feel like we
7 need a school or we need something like that down
8 there to bring the younger kids in. Are there any
9 plans to work around that area so that, you know,
10 younger families with younger kids kind of have a
11 viable school platform to work on?

12 A So right now there's no plans for
13 building a school, but know that we are in close
14 touch and continue to talk with DOE about what the
15 needs and demands are, and one of the discussions
16 we've been going through with them is how many
17 children, how many families come out of condominium
18 living. And I think taking that sort of big
19 high-level step back, urban living is still something
20 that we all, as Hawaii residents, are learning
21 through; right? So it's going to take some time for
22 that to develop, but that planning needs to be there.

23 There is a school planned within the
24 Kaka'ako area. I think it's at 690 Pohukaina. So
25 tracking all that from a long-term standpoint is

1 something that's being looked at. We also talked to
2 our residents and those in the area about what are
3 those needs. Are people feeling like schools are too
4 far away or not accessible? So we'll continue to
5 track those and make sure that that type of
6 infrastructure from a social, educational standpoint
7 exists.

8 I'll just add in the last point. We've
9 also gone as far as talking with potential charter
10 schools and Hawaiian immersion charter schools. This
11 opportunity to honor Victoria Ward and that fact that
12 she only allowed Hawaiian to be spoken in her house
13 at the time of the overthrow is really a unique
14 potential connection to bring in and partner with a
15 Hawaiian immersion school to bring that element of
16 education in this well. So know that we continue to
17 look at it. It's just there isn't any specific plans
18 on it yet.

19 CHAIR WHALEN: Any questions?

20 MEMBER RODRIGUEZ: Chair.

21 CROSS-EXAMINATION

22 BY MEMBER RODRIGUEZ:

23 Q I know the development calls for reserved
24 housing in another building. My question is more
25 geared to gentrification and, as an equity issue, how

1 would you articulate that? Because you guys -- I
2 know you do areas ultra luxury, luxury and then all
3 of a sudden we've got reserved in another building.
4 How do you integrate the equity because it's all
5 gentrified that way?

6 A Two initial things come to mind. One,
7 we've mixed it. So we did build Ke Kilohana which
8 opened with 375 reserved homes. But as you know from
9 'A'ali'i, those 150 will be actually in that building
10 as well and combined. And I've said here I think in
11 front of the board before, we're looking at which
12 model looks best. There are pros and cons of it.
13 What we are seeing in the Ke Kilohana model is that
14 it's working very well in that if you put --

15 It's gotta be the right building where
16 you integrate the reserved housing into the building.
17 The reason for that is maintenance fees are still a
18 reality of being able to afford to live somewhere.
19 While someone may be able to afford the initial
20 purchase, being able to afford the continued
21 maintenance fees become an issue. So we don't want
22 to build a development and come up -- put a plan in
23 front of you for reserved housing that brings
24 potential failure to those that are going to live
25 there.

1 I think, hopefully, you've also seen and
2 we're glad to tour you if you'd like, but if you see
3 how Ke Kilohana is built, again, it's been described
4 to me as one of the best, nicest amenitized reserved
5 housing buildings that exist. So know that all of
6 our buildings, whether they're a luxury building, a
7 market building or reserved housing building, is
8 always going to be built to a standard of Ward
9 Village. And so while the word "gentrification"
10 comes up, it's very much a part of the Ward Village
11 experience, and we're going to make sure that there's
12 a standard level that will always exist through those
13 buildings.

14 CHAIR WHALEN: Any questions? You're
15 free.

16 THE WITNESS: Thank you very much.

17 MR. KANG: Our next witness,
18 Mr. Chairman, is Race Randle.

19 THE WITNESS: Excuse me just a moment
20 while I get connected. Thank you.

21 CHAIR WHALEN: Do you affirm?

22 THE WITNESS: I affirm.

23 CHAIR WHALEN: You affirm to tell the
24 truth. Thank you.

25 THE WITNESS: I do. Thank you.

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RACE RANDLE,
having been called as a witness
by the Applicant, affirmed to tell the truth
and was examined as follows:

DIRECT EXAMINATION

BY MR. KANG:

Q All right. Mr. Randle, for the record,
can you please restate your name, place of employment
and position, please?

A Sure. My name is Race Randle. I'm
senior vice president of development for the Howard
Hughes Corporation, Victoria Ward, Limited.

Q Mr. Randle, if you can just please
summarize your written testimony that's been
submitted for this proceeding.

A You know, in summary, and I'll walk
through the presentation that outlines the project in
detail. I thought I'd do that floor by floor to
answer some of the questions that come up in the
application itself. But in general, the project
continues our compliance with the master plan
approvals and all the prerequisites that were
required when we started in 2010 following its
approval.

This project, as Todd Apo mentioned, is

1 very unique for us because it's actually a change of
2 a previously approved project, and I'll walk through
3 some images to help understand that difference. And
4 in summary, we think it's going to be very additive
5 to the neighborhood. I look forward to its approval
6 and bringing it to market soon so that we can follow
7 on with the development of the infrastructure and
8 community areas of the ground plane that support it.

9 I thought I'd just walk through a few
10 slides, as I mentioned, that help articulate the
11 elements of the building in detail. I'll start, most
12 importantly, with the name. As Todd mentioned, very
13 important for us to use Victoria Ward's name in a
14 perfect location. We thought adjacent to Victoria
15 Ward Park is very fitting.

16 You know, and this came up before: Who
17 is Victoria Ward, Limited? You know, often in the
18 press, it's a Texas-based company. But now with over
19 100 local employees, some of which have been here for
20 decades, you know, we have the pleasure of working
21 with a very local team who's here committed to
22 developing the entire neighborhood.

23 The transformation has been significant,
24 and included in your packet are some of these images
25 that walk through what the neighborhood both looked

1 like and, as this image shows, what it looks like
2 today. We're now with over the large proportion of
3 our projects that are either construction --
4 constructed or in construction. Over 1,300 homes
5 already delivered. Over 1,300 under construction
6 today. And this project follows along with bringing
7 more homes to the market at a variety of price points
8 in the urban core.

9 Victoria Place is shown here in red
10 located along Ala Moana Boulevard between Auahi and
11 Ala Moana. And I'll show this image as well because
12 one thing that we do is we plan not only the
13 buildings, but the neighborhood to keep in context
14 everything that's happening around it. It was
15 mentioned just recently of an elementary school.
16 Just a few weeks ago, we met with the developer of
17 that school to understand where they are. And the
18 great news is that they have funding. The state
19 legislature's approved initial funding for the design
20 and construction of that. I have elementary
21 school-aged kids, and I live in the neighborhood
22 myself. So I'm here to see how that progresses and
23 hopefully gets done in time for my family to partake
24 in it.

25 But really at the end of the day, this

1 project, as I mentioned, is important because it's a
2 big change. What this image shows is a high-level
3 massing of what existed under the approved Gateway
4 project. And we spent about six months really
5 looking at the planning of this area to find out a
6 way where we could still develop the floor area that
7 supports the economics and supports the build-out of
8 the neighborhood, but do it in a way that provides
9 more open space. We kept hearing over and over in
10 all of our community outreach, especially from those
11 that are active in the communities, they wanted to
12 see more green space. Not just plazas and hardscape,
13 but green areas. So this change that we've
14 implemented to consolidate the two footprints of the
15 Gateway project dramatically changes the ground
16 plane.

17 Those images are actually from our master
18 plan approval that focused on view corridors
19 mauka-makai. Now, not only are these somewhat, in
20 some cases, narrow corridors, but extremely wide now,
21 wide and open to the ocean that you can see deeper
22 into the neighborhood and into the community because
23 we've separated the distance between the towers and
24 created a wider open space. That, in effect, allows
25 us to make this big transition to a wide, green space

1 at the ground level.

2 I want to -- I want to focus on this. It
3 was provided in our exhibits. This is actually a
4 watercolor rendering done by General Growth
5 Properties as they were doing the master plan
6 originally. This is of the view looking down that
7 central plaza; right? And if you look closely, what
8 you see is, predominantly, it was made up of roads.
9 Their desire -- at the time, the thought was to get
10 as many vehicles throughout the neighborhood as
11 possible so they could drive by retail and support
12 retail. But it was very much a hardscape
13 environment. It was roads. It was concrete, and it
14 was asphalt.

15 The feedback we got as we got into
16 planning the center areas, we already have a lot of
17 asphalt; we already have a lot of concrete. We need
18 to change that. And this is actually an image taken
19 from that same angle. So the first iteration of our
20 central plaza or Victoria Ward Park is exactly that,
21 to start that transformation, peeling back the
22 asphalt and concrete and turning it into a green
23 space.

24 As we talked about earlier today, with
25 the Ko'ula project under construction, starting to

1 widen that park space up to the building and create a
2 more open green space that's very programmable on
3 this mauka portion so it can be home to events and
4 activities that support the retail adjacent to it.

5 Victoria Place from a price standpoint,
6 since that was mentioned, is really in line with our
7 opportunity to bring a diversity of price points to
8 market simultaneously. The four projects on the left
9 that have already been completed cover that various
10 strata of price points from the luxury category to
11 workforce. All of those have been completed and are
12 now in residence. Under construction, we have a
13 market and upper market project, as we refer to it,
14 and 'A'ali'i includes 150 reserved housing units
15 within it as well.

16 Victoria Place is a relatively
17 straightforward design, beautiful and elegant. It
18 doesn't require any modifications. The podium for
19 this is under the 45-foot height limit. It's 350
20 homes. It's very well integrated with the open space
21 next to it. As you see, it actually terraces down to
22 the park. It also exceeds the amount of open space
23 required, the recreation space required, and based on
24 the tables that were in there and in the staff
25 report, we're currently exceeding what's required

1 from a public facility standpoint as well.

2 The 375 units already completed at
3 Ke Kilohana are important to mention because when
4 this project was the Gateway project, Ke Kilohana
5 actually was built to satisfy the requirement of the
6 Gateway project. So a portion of the reserved
7 housing for Victoria Place has already been built and
8 is occupied. Because the unit count increased from
9 the Gateway project, which was 236 units, to Victoria
10 Place at 350, that additional unit count does require
11 additional reserved housing to be built in compliance
12 with the rules. And as noted in the staff report,
13 we've identified at least one area that we feel will
14 be perfect for a large-scale reserved housing
15 project. In addition, we're also looking at other
16 sites that could be possible for smaller reserved
17 housing developments throughout our neighborhood. We
18 own parcels mauka of Queen Street that are small and
19 very convenient for smaller housing projects. So we
20 continue to look at the best opportunity, but we have
21 identified Block F as our priority location for a
22 large-scale development.

23 I talked about the comparison a lot
24 between Gateway and Victoria Place. There is a table
25 in the application that compares side by side some of

1 the key metrics of the two projects and some of the
2 visuals. But, you know, as Todd pointed out, what we
3 flagged as we looked at our master plan was when we
4 tried to fit three towers along our front row shown
5 here, the two Gateway projects and the one to the
6 west of it, it created a relatively small open space
7 at the ground level, and there really wasn't much to
8 do about that because you need a podium to support
9 parking for each building. The solution we found was
10 to consolidate the floor area and the footprints of
11 those three projects into two, eliminating one entire
12 footprint and creating a more efficient -- two more
13 efficient projects. In this case, creating more open
14 space. Going from the previous design -- this is
15 actually a subdivision plan with an overlay of the
16 Gateway project. And shown in green is that public
17 facilities area that has already been dedicated as
18 part of the Gateway project of approximately 35,000
19 square feet.

20 As we look at the new design, which is
21 two towers, and the ability to create that wider open
22 space, we need to finalize the exact dimensions on
23 the western boundary because we haven't yet designed
24 the Block B project, but we anticipate that site will
25 now be about 60,000 square feet. So almost twice as

1 large of public facilities area between the two
2 buildings.

3 And that's why, as you look at the cover
4 of this application, the big story about this project
5 for us is that it now provides more public open
6 space, dramatically more, than we could previously.

7 And as you walk up through the
8 building -- I'll go through this floor by floor to
9 understand in detail, but we've tried to carry that
10 connection to nature and connection to open space up
11 through the amenity deck. This is a bird's-eye view
12 looking down the tower. So the tower is located in
13 the center of the podium, which is green spaces on
14 both the Ewa and Diamond Head side. And as you
15 terrace down to the Victoria Ward Park on the
16 left-hand side of the image, on the west side,
17 actually, the podium steps down to a lower-level
18 lobby and open space garden area before you get to
19 the park.

20 That's it articulated in the landscape
21 plans in the packet on the ground level that follows
22 that passive landscape area on the Ewa side of the
23 project. It also shows the planting plans for both
24 the mauka side and the makai side along Ala Moana
25 Boulevard.

1 The site plan in the packet also shows
2 the setbacks being met. So we have setback
3 requirements on Auahi and Ala Moana because those are
4 considered front yards. As shown in purple here are
5 the two front yard setbacks being met. We worked
6 with HCDA staff to confirm what can and cannot be in
7 those spaces in order to confirm compliance. And
8 then this blue line across is that tower setback.
9 There is a requirement along Ala Moana Boulevard that
10 all towers are set back 75 feet, which we were able
11 to meet on this project.

12 As you continue up starting at the ground
13 floor, a very efficient parking layout for the
14 residents on levels 1, 2 and 3 with level 3 starting
15 to terrace back from Ala Moana Boulevard in
16 compliance with our setbacks. And then again
17 finishing on level 4 followed by the amenity space on
18 the fifth floor.

19 The tower is designed as 10 units, 10
20 homes per floor, with a mix of one-, two- and
21 three-bedroom units, and it's within the footprint
22 requirements of 16,000 square feet, and it's oriented
23 in the mauka-makai direction. It meets the setbacks
24 from the adjacent tower. It's over 300 feet from
25 Waiea. And also meets the orientation requirements

1 set forth in the Mauka Rules.

2 This image also in your packet is a
3 section through the building. That's just to
4 articulate it's in compliance with the setback
5 requirement. And because it's come up previously,
6 this question about how the buildings meet the
7 ground, especially as Todd mentioned, we want to
8 create a passive, relaxing, open space environment.
9 So what this image shows is if you're standing kind
10 of at Kewalo Basin looking mauka at the building
11 across Ala Moana Boulevard, you see how the building
12 actually steps back down in height as it meets
13 Victoria Ward Park going from a four story of a
14 parking facility and amenity deck down to a one-story
15 lobby and then the park space.

16 We did create a rendering to give you an
17 idea of what that looked like along Ala Moana as we
18 build out the project and Victoria Ward Park, and you
19 can see here that green space transformation from
20 what exists today to the project. You know, one of
21 the key ideas that came up in working with our
22 planners and our landscape architects is this idea of
23 creating a small berm along Ala Moana Boulevard
24 within the park so that the public, as they're in the
25 park space, they don't have the cars zooming right by

1 at the same level and there's some separation from
2 that, especially with families playing with small
3 children. So that's what's shown in this design.

4 I'll end on this image and then open to
5 all the questions that you may have. But, again, a
6 very -- I think a very exciting project for us
7 focused on the open space that gets much larger,
8 creating a very efficient building, and meeting the
9 market with additional product for sale based on the
10 success most recently with our Ko'ula and 'A'ali'i
11 projects. And the fact that we're basically sold out
12 on everything else, we need to continue to bring
13 projects to market so that we can meet that demand
14 and meet our requirements to build out the master
15 plan within the deadline that's set for us.

16 MR. KANG: All right. Thank you,
17 Mr. Randle.

18 For purposes of the record, Mr. Chairman,
19 the slides that Mr. Randle was referring to are
20 substantially on Exhibit V, as in Victor, as well as
21 the application, Exhibit A.

22 CHAIR WHALEN: All right. Thank you.

23 CROSS-EXAMINATION

24 BY CHAIR WHALEN:

25 Q I'd like to have -- continue my question

1 that I presented to Todd Apo, which is --

2 I don't want to seem like the design
3 strategies that you outlined are unappreciated. I
4 mean, I think there are many good aspects to it. But
5 I get back to the Auahi Street frontage because it's
6 such a key part of the plan. It's one of the four
7 pillars, basically, of the plan is to create an
8 active -- not just a landscape promenade, but an
9 active landscape promenade along Auahi Street. And
10 some of the frontage along Auahi Street will be park.
11 I mean, there's a future Diamond Head park planned
12 that would essentially vacate what is now retail use
13 at that end, you know, where Ward Center is located.
14 But it -- the discontinuity, I think, between the
15 active retail or commercial use along that promenade,
16 I think, is actually going to go counter to the idea
17 of creating an active environment, pedestrian
18 environment all along Auahi Street.

19 Looking at the -- on the Diamond Head
20 side of that building, of course, it's the Waiea
21 project, and it is in effect a blank wall right now.
22 I mean, it's elevated. It's -- there's landscaping
23 in front of it, but there's no activity there.
24 There's a restaurant above. I think it -- is it
25 still open, Nobu's restaurant? But as far as the

1 street itself, the sidewalk itself, there's really
2 very little activity there. No reason for people to
3 go there. And this would just -- by creating another
4 essentially solid wall along the frontage to the west
5 on the Ewa side, I think would just create a long
6 stretch of the street that is not really an active
7 streetscape. And it wouldn't have been as big a deal
8 if the idea of Auahi Street hadn't been such a
9 central part of the urban design strategy that was
10 outlined in the plan. And especially since, when I
11 mentioned earlier, there was a plan about -- a
12 conceptual plan about six to eight months ago that
13 was presented. It was in Appendix D. It was 100
14 percent concept design. It was an attachment to a
15 letter from Ron Ho Associates, and it showed a
16 restaurant reuse along part of that frontage and, in
17 addition, an outdoor eating area along the sidewalk,
18 which seems quite consistent with --

19 I mean, it wasn't the entire frontage
20 that was covered with retail use, but it was a place
21 that had at least some commercial activity and
22 exposure to the street because there was a blazing
23 or, you know, it was a window along the front.

24 So I guess my question, again, I think is
25 why was that plan changed from a concept plan that

1 was just a few months old basically and then,
2 roughly, it changed so that there is really no active
3 use along the Auahi Street frontage?

4 A So I mean at a high level, right, we're
5 allowed to develop approximately a million square
6 feet of commercial use in Ward Village. Almost half
7 of that exists today. We're over 50 percent complete
8 on the commercial development. And so we need to be
9 very cautious about where and how we plan to build
10 out the next 500,000 square feet so that it is
11 successful.

12 As we're seeing, and we work with experts
13 in the industry, both our in-house leasing and also
14 local and mainland consultants that monitor the
15 retail environment, we need to be very careful about
16 where we place it because if we place it in a spot
17 that is not supported long term by footfall, by the
18 parking it needs, by the visibility it needs, it
19 won't be successful, and that does no one any good to
20 have vacant retail space.

21 So what we've done in a lot of our plan
22 and evolution was about agglomerating retail near the
23 resources that it needs to be successful, whether
24 that's parking -- I mean, take, for instance today,
25 right, there's a Starbucks on the corner. We own

1 two; right? We have one at the theater, and we have
2 one at Ward Gateway Center. The amount of business
3 that's done by the Ward Gateway Center is in an order
4 of magnitude higher than is done at the other center.
5 Why? Because there's easy, convenient surface
6 parking adjacent to it that's free as opposed to the
7 paid Starbucks parking down the street only half a
8 mile in front of the Kamehameha School SALT project.
9 I mean, it's elements like that of convenient parking
10 that need to be taken into account for retail to be
11 successful.

12 We have constant metrics that are being
13 provided by our restaurants that exist today. Nobu,
14 as you mentioned. Merriman's. Two great new
15 restaurants. Rinka, another one. So we look at
16 cuisines and what those restaurants need to be
17 successful, whether it's valet locations or
18 convenient parking.

19 As it sits today, and one of the reasons
20 that this project was refined from a retail
21 standpoint, is we really need to focus that foot
22 traffic and that heat around the mauka portion of the
23 park where the Ko'ula project has over 30,000 square
24 feet of retail under construction, 'A'ali'i with over
25 15,000 square feet of new retail, and the theater,

1 which is the No. 1 theater in the state and it's
2 generating, you know, millions of visits a year. But
3 getting people to cross the street from those uses to
4 something else, unless it's another few hundred
5 thousand square feet of retail, you never get to the
6 critical mass that really supports making it a
7 destination that's supportable long term.

8 So at a high level, what we've done is
9 we've evolved this idea of the promenade in working
10 with staff as well on the Ko'ula project. You know,
11 we have this requirement to narrow Auahi Street.
12 Okay. If you do that, where is the best place for
13 the maximum amount of people to go? And because we
14 have the bulk of our retail on the mauka side of
15 Auahi Street, we've created this wide, great
16 promenade that even exists today. I mean, if you go
17 down in front of Nordstrom Rack, for instance, you'd
18 see where we created these nice plaza spaces around
19 the retail. It generates the footfall. It generates
20 the dwell time, and people are comfortable there. We
21 want to continue that all the way down the street on
22 the mauka side of Auahi all along the hundreds of
23 thousands of square feet of retail we have.

24 We don't think it works well both from a
25 project standpoint and a master plan standpoint to

1 try to bifurcate that and take a small portion of
2 that foot traffic and put it on the makai side. What
3 we do feel is the right thing to do, and it's
4 represented in this plan, is to create a diversity of
5 experience. I live in the neighborhood, and I'm
6 there every day. So I know how important it is
7 sometimes to just disconnect and not constantly be
8 sold something, you know, as you walk down the
9 street. And so this idea that really came out of
10 community feedback was in addition to bigger open
11 spaces, create these passive spaces where I can just
12 relax, where I can be in the city in the urban core,
13 but walk down a quiet landscaped area. So we see
14 this as an opportunity to do that, to not just have a
15 park that's the green space, but actually to have a
16 relatively calm environment connecting people to it.

17 And then right across the street, if
18 you'd like to purchase a coffee or go to one of the
19 many restaurants or the theater in the entertainment
20 district, you have a wide promenade that is designed
21 specifically to work with that large amount of
22 footfall that's coming from future mass transit and
23 the parking structures that are there to support it.

24 It's a long-winded answer, but there are
25 a lot of variables at play as we look at really where

1 do we lay out retail within our limit of million
2 square feet that will maximize long-term success.

3 Q Well, just looking at the ground floor
4 plan as it's been presented in the application, it's
5 dedicated almost entirely to parking. And it seems
6 like there was a decision -- because the amount of
7 parking exceeds by 128 parking spaces what the
8 requirement is. So it looks like there was a
9 decision to eliminate a commercial use or an
10 active-pedestrian use in favor of parking. One good
11 feature of that parking was the drop-off space. I
12 mean, that was probably well suited for a restaurant.
13 People are being driven in.

14 It seems that making that trade-off for
15 available space in a building from an
16 active-pedestrian use or pedestrian-oriented use,
17 which is an eating establishment at the ground level
18 in favor of parking, is actually the antithesis of a
19 pedestrian-oriented environment just as it's favoring
20 the car over pedestrian and other modes of travel.
21 So I just was curious about why that decision was
22 made to eliminate what was originally a cafe and an
23 outdoor seating area along the street in favor of
24 putting more parking. That's what it looks like. I
25 don't know --

1 You know, the earlier iterations of that
2 plan showed parking at all levels or not, but
3 dedicating essentially all the ground floor, except
4 for some resident amenities that are just adjacent to
5 the building. Everything else is parking and
6 loading. So I was wondering why that decision was
7 made to change.

8 A And I hope, you know, the answer is
9 clear, but, you know, we don't just look at it from a
10 project-specific standpoint. We look at it as a
11 neighborhood standpoint. And within our million
12 square feet, we were actively leasing, for instance,
13 the food and beverage location directly across the
14 street from this that's in the Ko'ula project under
15 construction. So we take that into account. You
16 know, our success in leasing in that case is two
17 floors of food and beverage, both the first floor and
18 the second floor.

19 And the idea is creating a more passive
20 experience on this makai side more, more relaxing,
21 natural environment. This image is that high-level
22 view. What we've been able to do for the first time,
23 and we think it's really unique from a residential
24 standpoint, is instead of living in a condominium
25 project where the majority of your day is spent

1 indoors in your home or outdoors on the amenity level
2 above, actually creating an outdoor space on the
3 ground floor, a garden space, a connection to a
4 natural environment for the residents that they come
5 out to. And specific focus for us was placing the
6 lobby in that environment which is a very, you know,
7 regional thing we get to do in Hawaii because of the
8 weather is create an indoor-outdoor environment for
9 the lobby. And that's where this design ultimately
10 evolved itself to. We feel it will be very
11 appropriate for the buyers that are looking for this
12 property.

13 Q For the buyers. Okay.

14 A And I'll mention, you know, for the
15 neighborhood as well. You know, I participate in the
16 playground that's on the backside of the Ko'olani
17 project that was an early iteration done by HCDA.
18 It's where my kids play. It's a great space, you
19 know, but it does have a tall wall and building next
20 to it that is very blank. But I'll say it also
21 does -- is a nice place to relax because there's no
22 conflicts with retail environment at all. It's just
23 a place to relax. And for that reason, we think this
24 will be very successful at being a very calm and
25 relaxing place with all of the activities and the

1 retail located on the mauka side of Auahi Street with
2 a very highly programmed retail environment
3 surrounding that park space.

4 Q Well, Kolowalu Park came after the walls
5 were already built. So there was no choice there. I
6 mean, it wasn't really something that was
7 predesigned. But, anyway, it is possible to
8 sometimes adapt spaces that were not really designed
9 as parks, but it can be used as parks with attractive
10 landscaping and things.

11 Okay. I have no more questions. Anybody
12 else?

13 MEMBER SAKODA: I have a question.

14 CROSS-EXAMINATION

15 BY MEMBER SAKODA:

16 Q So, Race, just looking at -- looking at
17 the project, original project versus what the
18 Victoria Place project, it seems like you moved from
19 two towers with, like, 150 units in each, so, you
20 know, bigger units, more floor space down to more
21 units with a smaller floor space. So I mean, I guess
22 the question that I have for you is are you seeing
23 something in the market that's changing in terms of
24 the target market or the attractiveness of certain
25 price points in the market?

1 A We're definitely seeing this evolution
2 from larger product in general to a higher demand for
3 smaller home sizes, more efficient home sizes. You
4 know, there's a number of reasons for that, and I'm
5 sure you'll hear about it from our market experts.
6 But what's great about a property that has relatively
7 smaller homes, but a larger number of them is that
8 the gross maintenance fees where the monthly
9 maintenance fees for a home are lower because the
10 maintenance fees are based on a per-square-foot
11 calculation. So if you have a three-bedroom home
12 that's 1,500 square feet and it's a dollar a foot
13 maintenance feet, and you have a 2,000-square-foot
14 three-bed. You're \$500 less per month for the same
15 amount of service in the building. It's just that
16 there are more neighbors with you. And we're seeing
17 that buyers in general, and especially those
18 relocating to the urban core, like that idea. So
19 it's really a direct response to the market.

20 We've seen a lot of success in 'A'ali'i
21 with over 750 homes; right? That was previously seen
22 as a relatively high number, but great acceptance
23 from the market in that property, and the same with
24 Ko'ula with over 560 homes. So I think that
25 evolution to slightly smaller home sizes and more of

1 A So what isn't tracked is the geography of
2 a person and whether they live there. It's tracked
3 separately. And what we have the information on is
4 how many people intend to live there as a primary
5 residence when they purchase the home. What later on
6 happens is the management association, and I'm sure
7 some of you are familiar with this, then track the
8 occupancy levels, which is public information. You
9 know, so take, like, Park Lane as an example or, say,
10 Anaha is one of our recent projects. I think it's
11 tracking it from an occupancy standpoint in the 50 to
12 60 percent range how they calculate it, but that
13 doesn't take into account second people who use it a
14 portion of the year and then those who may be renting
15 it long term for some reason. So it's kind of hard
16 math to follow.

17 Ke Kilohana, which people are still
18 moving into, the latest we heard is it's already over
19 90 percent occupied in that building.

20 Q I have another question. How are you
21 addressing the charging stations for electric cars
22 with this new project?

23 A Good question. So for this property, we
24 intend to allow buyers to opt into it during the
25 purchasing process. So as we've done now at a number

1 of our projects after you purchase the home, you're
2 given the opportunity to select whether you want the
3 light cabinets or the dark cabinets; right? Or if
4 you want a charging station for your vehicle, and
5 then you would pay extra for that. At each property,
6 it's been a different level of the amount of people
7 that have chosen to do it. But that then allows
8 people to specifically pay for it if they want it or
9 need it. And then during construction, we'll put in
10 the charging station for them.

11 As has happened in actually all of our
12 four projects that are open now is after we open, if
13 someone really needs one because they move in or
14 whatnot and they have an electric vehicle, they would
15 either approach the association to get permission to
16 build one themselves, which has been done, or there
17 will be a centralized charging location either in the
18 building, or there's already some in the neighborhood
19 with our commercial garages.

20 Q Thank you.

21 CROSS-EXAMINATION

22 BY MEMBER RODRIGUEZ:

23 Q I notice the park actually improves the
24 views for your other development. Even the buildings
25 that are back, they can get a wider view. But in

1 talking about the other testifier, I recall that when
2 we had the park idea, you folks, I think, put up --
3 you folks put up a construction surety bond to ensure
4 that we would see the fruition of a park. Would you
5 folks be able to provide a construction surety bond
6 for the reserved housing that's being proposed?

7 A Yes. I mean, we have done that,
8 typically. I think we just completed that, actually,
9 for the Ko'ula project. We just provided the -- in
10 that case, the surety, the financial surety which was
11 in the form of a line of credit or a set-aside letter
12 that was provided for us. So at each project,
13 there's been different requirements. For Ko'ula, we
14 just completed that, and we expect it to be similar
15 for Victoria Place to ensure that it does get built,
16 right, which is what I know there's been concern
17 about. So that's been the form that we've done to
18 date. If we haven't already built it and satisfied
19 it, which in this case, as I mentioned, a large
20 portion of the reserved housing requirement for
21 Victoria Place is already built and occupied. It's
22 the incremental increase in unit count that does
23 generate an additional reserved housing requirement.

24 CHAIR WHALEN: Okay. Any other
25 questions? Okay. Thank you.

1 MR. KANG: Mr. Chairman, if I can suggest
2 a short break for the benefit of the court reporter.

3 CHAIR WHALEN: Oh, yes. Sorry, Laura.
4 Yeah. We can go for a -- let's see, reconvene in
5 five minutes. How much time do you need?

6 THE REPORTER: Five minutes.

7 (Whereupon, a recess was taken from
8 2:31 p.m. until 2:43 p.m.)

9 CHAIR WHALEN: Okay. We can resume the
10 hearing. It's 2:43.

11 MR. KANG: Mr. Chairman, we call Chad
12 Takesue to the stand.

13 CHAIR WHALEN: Do you affirm to tell the
14 truth?

15 THE WITNESS: I do.

16

17

CHAD TAKESUE,

18

having been called as a witness

19

by the Applicant, affirmed to tell the truth

20

and was examined as follows:

21

DIRECT EXAMINATION

22

BY MR. KANG:

23

Q Mr. Takesue, can you please state your

24

name, place of employment and position for the

25

record, please?

1 A I'm Chad Takesue. I'm currently a
2 partner and senior VP of sales for the residential
3 side at Locations.

4 Q And how long have you been at Locations?

5 A I've been at the firm for about 14 years
6 recently serving as the senior vice president from
7 2017 to 2019.

8 Q Please describe your firm's experience.

9 A Oh, we've been in the business for 50
10 years. We're the largest locally owned firm here on
11 the island with extensive knowledge of supply and
12 demand. We're known for our residential real estate
13 research, having experience both in the resale market
14 as well as in the project market.

15 Q What has your firm been retained to do
16 with respect to this project, Victoria Place?

17 A We've been asked to share a little bit of
18 our market knowledge in the Kaka'ako market,
19 specifically to demand and supply in the area.

20 Q Can you please share your analysis and
21 conclusions with respect to that?

22 A Yeah. For the Kaka'ako market, you know,
23 we're seeing that the demand is still, you know,
24 greater than supply. Sold-to-list price ratio has
25 remained constant as the same time last year. That's

1 important. You monitor that because it can be a lead
2 indicator to price sensitivity. We've seen
3 prospective buyers in the Kaka'ako area also list
4 their homes in order to transition to the area. So
5 we're seeing some actually indirect inventory being
6 created in other areas as people migrate to this
7 area.

8 Victoria Place is the only residential
9 project currently being planned along Ala Moana
10 Boulevard corridor. So it does offer somewhat of a
11 different unique product.

12 We are seeing some softer market
13 indications, but sales are still at the same levels
14 that are indicated on the analysis. One of those
15 metrics that we --

16 THE REPORTER: I'm sorry. Can you speak
17 into the microphone more?

18 THE WITNESS: I'm sorry. One of the
19 metrics that we look at is the marketability of
20 remaining inventory which remain at six and a half
21 months of remaining inventory for the area. And, you
22 know, the one kind of factor this year that we're
23 seeing, and we have yet to see the full impact, is
24 the interest rates that are being offered and the
25 purchasing power to some buyers, and it does impact

1 properties in the affordability index.

2 BY MR. KANG:

3 Q Has the completion of units in Ward
4 Villages as well as the retail options and amenities,
5 has that affected the demand for units in this area?

6 A I think the demand is primarily driven by
7 this vision that's being realized at this Central
8 Plaza and what's known as Victoria Ward Park. This
9 vision of a community that's highly livable and
10 desirable, pedestrian friendly, a mix of
11 retail/residential, that is an attractive product
12 that we really haven't had. And seeing that come to
13 fruition, that consumers are starting to realize that
14 vision come true, and that's definitely driving the
15 increased demand for this particular area.

16 Q All right. Thank you, Mr. Takesue.

17 Mr. Chairman, Mr. Takesue is available
18 for questions.

19 CHAIR WHALEN: Any questions, board
20 members?

21 CROSS-EXAMINATION

22 BY MEMBER RODRIGUEZ:

23 Q Right now you said the rate to borrow
24 money is low; right? And there's really high demand.
25 There's really a lot of demand for reserved housing;

1 correct?

2 A Yeah, both.

3 Q And so with rates being low at this time,
4 I mean, in the future, I think those rates might go
5 up.

6 A You know, that's a funny one. At our
7 first-time homeowners seminar that we do every month,
8 we've been talking about the rates going up, and we
9 keep proving ourselves wrong. But, yeah, I mean,
10 that's always a wildcard. That's always an element
11 that's factored into someone's purchase decision.
12 The reality is right now, we're seeing this
13 environment where people do have a little stronger
14 purchasing power. We're putting people into
15 properties that, you know, just three years ago might
16 have been a little difficult.

17 Q The reason why I'm asking these questions
18 is because it is affordable and people can borrow
19 now. There's a high demand for reserved housing. I
20 mean, it makes sense to try to build reserved housing
21 at the same time or at least even prior to because,
22 you know, of people -- the economic conditions you
23 described.

24 A Yeah, I think there's a demand for both.
25 I'm seeing there has been a lot of -- we've heard

1 that projects have been coming on with that reserved
2 housing element. It's been well received as well.

3 Q My question was really just about
4 affordability and what, you know, the common people
5 are looking for.

6 A I think, you know, the other thing is
7 there are different segments you have to cater to.
8 In other words, you don't want one type of segment in
9 a community. You have to look at any planned
10 community like Mililani Mauka. Mauka has, you know,
11 your rich homes. You have your destiny homes, which
12 are a little bit here, and there's all these
13 different products, and that creates that community.
14 You don't have just one type. And I like -- I mean,
15 our consumers are liking the mix of stuff that's
16 coming.

17 Q Well, apparently, the earlier slide
18 showed a lot of development of the luxury, ultra
19 luxury. You know what I mean? Anyway, thank you.

20 CROSS-EXAMINATION

21 BY MEMBER ISHII:

22 Q Chad, what is the median sales price for
23 Oahu?

24 A Well, in Kaka'ako we're just above
25 800,000, but, again, that's factoring -- we're seeing

1 some smaller units as well as some larger units.

2 Q So Kaka'ako is about 800. What about
3 median overall in the community?

4 A We're looking at probably, like, in the
5 mid fives.

6 Q Mid fives? And this project at Victoria
7 Place, what was the median price that you were kind
8 of looking at from doing the market study?

9 A For this project, I'm not -- I don't have
10 that information at this time.

11 CHAIR WHALEN: Any other questions?
12 Okay. Thanks.

13 MR. KANG: Our next witness is Kimi Yuen.

14 CHAIR WHALEN: Kimi, please affirm that
15 you'll tell the truth.

16 THE WITNESS: I will, Chair.

17

18 KIMI YUEN,

19 having been called as a witness

20 by the Applicant, affirmed to tell the truth

21 and was examined as follows:

22 DIRECT EXAMINATION

23 BY MR. KANG:

24 Q All right. Ms. Yuen, can you please
25 restate your name, place of employment and position

1 for the record, please?

2 A Aloha, Chair, members of the board. My
3 name is Kimi Yuen. I'm a principal and planner with
4 the local consulting firm PBR HAWAII.

5 Q And how long have you been in that
6 position?

7 A As a principal, the past roughly four
8 years. I've been with PBR, though, for nearly 20.

9 Q Can you just briefly describe your
10 education and background?

11 A I have an undergraduate degree in
12 architecture from the University of California at
13 Berkeley and my master's in urban and regional
14 planning from the University of Hawaii at Manoa.

15 Q And please describe PBR's experience.

16 A PBR is a local planning and landscape
17 architecture firm. We've been in business for nearly
18 50 years. We offer a full range of planning services
19 from long-range plans, community plans, physical
20 planning, urban design as well as land use
21 entitlements, environmental assessments and impact
22 studies, then all aspects of landscape architecture
23 as well as graphic design.

24 Q And what has PBR been retained to do with
25 respect to this project, Victoria Place?

1 A PBR has submitted and completed the
2 planned development permit application and is going
3 through the processing of this permit.

4 Q Are you familiar with Hawaii Revised
5 Statutes, Section 206E-5.6(e) --

6 A Yes.

7 Q -- which we've often referred to as Act
8 61?

9 A Yes.

10 Q Does Victoria Place address and comply
11 with Act 61?

12 A Yes, it does.

13 Q All right. I won't go through every
14 criteria of Act 61, but does Victoria Place, first of
15 all, advance the goals, policies and objectives of
16 the applicable district plan?

17 A Yes. Victoria Place is another
18 residential community that's planned by the Ward team
19 as part of their master plan for the area. The
20 original concept for Kaka'ako was to create a
21 live-work-play community right in the urban core of
22 Honolulu, and the idea was to concentrate those uses
23 so that people had an easy, convenient place to live
24 and play near existing employment and commercial
25 centers, such as downtown and Ala Moana and Waikiki.

1 Q And does Victoria Place avoid a
2 substantially adverse effect on surrounding land uses
3 through compatibility with the existing and planned
4 use character of the surrounding area?

5 A Yes. It's compliant. It fits in with
6 the higher-density urban community that's being
7 developed in Kaka'ako. It was kind of envisioned as
8 the development right between downtown and Ala Moana
9 and Waikiki along the urban core.

10 Q Does Victoria Place positively impact
11 pedestrian-oriented development?

12 A Yes, it does. The streetscapes along
13 Auahi and Ala Moana will be landscaped. It will have
14 the nice wide sidewalks, and so it -- it's in a
15 unique location right adjacent to the Ward Park. As
16 everyone's been mentioning, it kind of has this
17 mauka-makai connection to the more active uses that
18 would be mauka, and then the connection to the
19 waterfront at Kewalo Basin that's in makai -- yeah,
20 makai.

21 Q And does Victoria Place positively impact
22 maintenance of values, cultural, historical and
23 natural resources?

24 A Yes. I understand the project has gone
25 through its review with SHPD and completed five of

1 the six required historic preservation review process
2 requirements. I believe the last step has to do with
3 construction, and they'll be doing that as part of
4 the plan. There's also no historical, cultural
5 resources identified in the Mauka Area Plan that
6 would be impacted by this project.

7 MR. KANG: With that, Mr. Chairman, we'll
8 rest on the remainder of Ms. Yuen's written
9 testimony, and she's available for questions.

10 CHAIR WHALEN: Members, any questions?

11 CROSS-EXAMINATION

12 BY MEMBER SAKODA:

13 Q I have a question. Sorry. I was just
14 looking for where I read it. So much paperwork, I
15 can't remember where I read it. Essentially, it was
16 the letter from, I think, the Office of
17 Sustainability, newly created Office of
18 Sustainability. If I remember correctly, that letter
19 just said that none of the issues have been
20 addressed. I'm not sure if anybody has read that.

21 A I know our civil engineer is here, but
22 that is outside of the 3.2 just for your
23 information --

24 Q Okay.

25 A -- and they'll confirm that for you.

1 Q Okay.

2 CHAIR WHALEN: I guess that's it.

3 THE WITNESS: Okay. Thank you.

4 MR. KANG: Our next witness is David
5 Akinaka.

6 CHAIR WHALEN: Please affirm to tell the
7 truth.

8 THE WITNESS: I do.

9

10

DAVID AKINAKA,

11

having been called as a witness

12

by the Applicant, affirmed to tell the truth

13

and was examined as follows:

14

DIRECT EXAMINATION

15

BY MR. KANG:

16

Q Mr. Akinaka, please state your name,

17

place of employment and position for the record,

18

please.

19

A My name is David Akinaka. I'm with

20

Ferraro Choi and Associates, Limited, in Honolulu,

21

and I'm a principal there and an architect.

22

Q Please describe your educational

23

background and experience.

24

A You can see my resume, but I've been a

25

practicing architect for more than 20 years. I was

1 born and raised here, educated at University of
2 Virginia where I got my bachelor of science in
3 architecture, my master of architecture from Columbia
4 University in New York. I worked there several years
5 but have been home since 2004. So almost 15 years
6 now back home. And because I was in New York City, I
7 got to appreciate the walkable neighborhood
8 lifestyle.

9 Q Can you please summarize your firm's
10 experience?

11 A Sure. Ferraro Choi provides
12 architectural planning and interior design services
13 for commercial and institutional projects. We work
14 with federal, state, municipal and private clients.
15 We're recognized for our sustainable design in Hawaii
16 and are routinely commissioned for unique projects
17 with different resources and reusable energy that
18 provide healthy environments for the occupants.

19 Q What has your firm been retained to do
20 for this project, Victoria Place?

21 A Ferraro Choi is providing Howard Hughes
22 Corporation with peer-reviewed assistance relating to
23 entitlement submissions for this project.

24 Q Please describe how this project or the
25 specific components of the project will protect,

1 preserve and enhance desirable neighborhood
2 characteristics.

3 A Sure. Both the city and the HCDA have
4 encouraged the implementation of the Complete Streets
5 development model, which emphasizes the development
6 of safe, multimodal and pedestrian-oriented
7 streetscapes and connectivity. The concept of
8 Complete Streets creates stronger and more livable
9 communities that are aligned with the community's
10 vision and sense of place.

11 Howard Hughes has considered and applied
12 the foregoing design for Victoria Place. The project
13 will border and is designed to complement the makai
14 segment of Victoria Ward Park, which will be on the
15 Ewa side of Victoria Place.

16 Victoria Place is designed to seamlessly
17 integrate, which is adjacent to Victoria Ward Park,
18 on the Ewa side of the development, and landscaping
19 and other elements will help to activate the park.
20 And Victoria Place employs an appropriate sense of
21 scale to further transition this residential
22 community with the park.

23 The Victoria Place podium edge will step
24 down to double height lobby structure, flanked by a
25 single-story amenity space and courtyards that blend

1 indoor and outdoor areas and will encourage residents
2 to use the outdoor spaces. Generous landscaping
3 along Auahi Street will also create an inviting
4 public pathway to and from Victoria Ward Park and
5 beyond and is another step in transforming Auahi
6 Street into a pedestrian promenade to connect the
7 various communities, shops and restaurants in Ward
8 Village.

9 These design concepts encourage residents
10 to interact with other residents and visitors,
11 participate in community events, and makes for a
12 friendlier community and healthier residents who can
13 walk, bike and recreate with the community.

14 Victoria Place's tower is oriented in a
15 mauka-makai direction, preserving and enhancing
16 citywide views, and maintaining a view corridor to
17 the ocean.

18 Adjacent to Victoria Ward Park is an
19 additional view corridor from the interior of Ward
20 Village to the waterfront. The entirety of Victoria
21 Ward Park, both the mauka and makai side, will be the
22 central gathering place for the community and will
23 serve to connect the various communities, restaurants
24 and shops throughout Ward Village.

25 In our reading, all these design

1 strategies will protect, preserve and enhance the
2 desired characteristics of the Ward Village
3 community.

4 Q Mr. Akinaka, there was some discussion
5 today about the activation on Auahi Street and the
6 distinction between the mauka and makai sides of
7 Auahi Street. Were you present for that --

8 A Yes, I was.

9 Q -- discussion?

10 Can you please comment on that issue from
11 an architectural and qualitative perspective?

12 A Right. I think both Todd and Race had
13 touched on the quantitative aspect of that design
14 issue. I can comment from a big picture on the
15 qualitative side. You know, again, the mauka side of
16 Auahi Street is this more active commercial and
17 retail-oriented experience at the pedestrian level
18 and scale. And, accordingly, the mauka side is more
19 oriented towards Kewalo Basin, towards nature, the
20 ocean and the horizon. And it's nice, in my opinion,
21 that there are these two aspects within this one
22 streetscape.

23 I should also add from an qualitative
24 standpoint, at the pedestrian level, again, we're
25 designing for human beings and the human experience,

1 that someone walking down on the makai edge of Auahi
2 Street is -- is not a typical sidewalk design. This
3 is a wide, generous walkway. It's a layered
4 experience. You have between the vehicular lane, you
5 have a bike lane, and then landscaping and then your
6 pedestrian pathway. And then between you and the
7 building, there's also a generous landscape strip and
8 then further architectural treatment, whether it's
9 screens, articulated materials which, again, enhance
10 that pedestrian experience. So it's not -- I don't
11 consider it to be bland. I consider it a quality
12 experience for the pedestrian.

13 Q Thank you, Mr. Akinaka.

14 Thank you, Mr. Chairman. Mr. Akinaka is
15 available for any questions.

16 CROSS-EXAMINATION

17 BY CHAIR WHALEN:

18 Q David, were you the designer who prepared
19 the 100 percent concept design dated
20 December 7th, 2018?

21 A For this project?

22 Q For this project.

23 A No, we're not.

24 Q Okay.

25 A We're just --

1 Q Is that somebody else who did that?

2 A Yes. There's a design architect.

3 Q Okay. So that change occurred -- that
4 concept design showed a cafe and outdoor seating
5 along Auahi Street. So did the program change then
6 for the project to one that would provide only
7 parking on the ground level?

8 A So just to clarify, Chair, so Ferraro
9 Choi, really, our role is to provide peer review
10 specific to the HCDA permit process. But my
11 understanding is, in looking at the previous design
12 and then the current design, the main change was
13 where the restaurant area was located is now the
14 residential lobby for the building. So those -- the
15 function of that changed, but the idea is still to
16 provide a connection to Auahi Street at the
17 pedestrian level.

18 Q For residents only?

19 A Correct. That's my understanding.

20 Q Right. So there's no public except for
21 maybe a guest that comes in?

22 A I think there is a guest quarters portion
23 of that -- of that zone that was previously for the
24 restaurant in the earlier scheme.

25 Q Okay. Well, the restaurant is no longer

1 there; right?

2 A Correct.

3 Q So all that remains of all the resident
4 amenities are next to the park?

5 A That's my understanding, yes.

6 Q All right. Just wanted to clarify that.
7 Thank you.

8 Any other questions?

9 CROSS-EXAMINATION

10 BY MEMBER RODRIGUEZ:

11 Q You mentioned Complete Streets. I notice
12 the pedestrian is the biggest use, but Complete
13 Streets includes multimodal, skateboards. Scooters
14 are a big hit nowadays. Will they be allowed in
15 these areas?

16 A I'll defer that to Howard Hughes in terms
17 of specific allowed uses. But you're correct. To
18 answer your question, yes, Complete Streets is
19 providing that layered accommodation of various means
20 of transportation, including bicycles and such.

21 Q I only mention it because the scooter
22 guys are coming -- what do you call those? They want
23 entry into the city. I wanted to bring that up.

24 A That's right.

25 Q Thank you.

1 CHAIR WHALEN: Any other questions?

2 Okay. David, thank you.

3 MR. KANG: Next witness is Lee Cranmer.

4 CHAIR WHALEN: Can you raise your right
5 hand and say you'll affirm to tell the truth?

6 THE WITNESS: I promise to tell the
7 truth, Chair.

8 CHAIR WHALEN: Well, that's good. I just
9 need to articulate it.

10 THE WITNESS: No worries.

11 CHAIR WHALEN: Thanks.

12

13

LEE CRANMER,

14

having been called as a witness

15

by the Applicant, affirmed to tell the truth

16

and was examined as follows:

17

DIRECT EXAMINATION

18

BY MR. KANG:

19

Q Mr. Cranmer, will you please restate your
20 name, company and position, please?

21

A My name's Lee Cranmer. I'm senior
22 director of development at Howard Hughes Corporation.

23

Q Mr. Cranmer, I have some questions for
24 you with respect to the agency comment letters that
25 were received, and I believe they were marked as

1 Exhibit J to the staff report. The first one is from
2 the Hawaii State Department of Transportation dated
3 August 8th, 2019, regarding the project. Are you
4 familiar with that letter?

5 A Yes.

6 Q The letter requests confirmation that the
7 project design accommodates the DOT requirement to
8 provide an increase in the right-of-way for
9 road-widening setbacks of 8 feet on both the mauka
10 and makai sides of Ala Moana Boulevard. Can you
11 please respond to that comment?

12 A The Victoria Place design accommodates a
13 6-foot road-widening setback along the mauka edge of
14 Auahi and Ala Moana Boulevard, which was based on the
15 earlier agreement with DOT in 2015 at the time that
16 the subdivision was being --

17 Q And for the record, we've attached the
18 correspondence relating to this between Howard Hughes
19 and DOT. Those would be our Exhibits Y, Z and AA.

20 The DOT letter also includes a memorandum
21 dated October 9th, 2019, from DOT to HCDA that refers
22 to the 8-foot road-widening setback. To your
23 knowledge, prior to reviewing DOT's comment letter,
24 was Howard Hughes aware of that letter from DOT?

25 A No, we were not. We did a complete

1 review of our files to see if we were copied on that
2 letter, and we were not copied at that time. The
3 first time we had seen it was with the comment letter
4 that was received from DOT this week.

5 Q Did you review the comment letter from
6 the City and County of Honolulu dated August 7th,
7 2019, regarding the project?

8 A Yes.

9 Q And that letter requests compliance with
10 fire codes relating to access roads, the presence of
11 water supply for fire suppression, et cetera. Please
12 respond to those comments.

13 A We've noted the comments, and the design
14 complies for the most part and will be -- as the
15 design continues to develop, we'll comply with the
16 comments in full. As noted -- also noted is the
17 infrastructure availability report are similar to
18 your record from Wilson Okamoto. They have been
19 consulting with the fire department since May for
20 this project, and we'll continue to do so as
21 necessary as the design develops.

22 Q Did you review the comment letter from
23 the board regarding compliance dated
24 August 13th, 2019, regarding the project?

25 A Yes.

1 Q And can you please respond to that
2 comment?

3 A That letter was substantially the same as
4 the letter that Wilson Okamoto had received back in
5 February regarding the project, both of which are
6 included in the infrastructure availability report.
7 The comments are substantially the same, and we will
8 comply.

9 Q Thank you, Mr. Cranmer.

10 A Thank you, Mr. Chairman. Mr. Cranmer is
11 available for any questions.

12 CROSS-EXAMINATION

13 BY MEMBER RODRIGUEZ:

14 Q I'm sorry. Can you repeat what letter
15 you're speaking of?

16 A Are we referring to the DOT road
17 widening?

18 Q Yes. You said there was a letter --

19 A I can go into a little more detail for
20 you here. As part of the Gateway project, we did a
21 subdivision actually in 2015. Under the subdivision
22 action, the DOT had requested a road-widening setback
23 to be recorded on the subdivision map. They
24 eventually agreed in February 25th, 2015, to a 6-foot
25 road-widening setback for that subdivision map, which

1 was subsequently approved by DPP and then recorded.
2 We've subsequently confirmed that position, you know,
3 the letter to DOT dated March 9th, 2015, and then we
4 recorded the map, and also this widening setback is
5 also on title at this time for the lots in effect for
6 this project.

7 Q So you were aware of the 6 feet and not
8 the 8 feet?

9 A Correct.

10 CROSS-EXAMINATION

11 BY MEMBER ISHII:

12 Q What about the Ala Moana widening of the
13 roads? Is that --

14 A That's what we're talking about. It's a
15 6-foot setback on the mauka side of the project where
16 our private property is to accommodate a potential
17 widening of Ala Moana Boulevard for traffic safety
18 purposes.

19 Q So are you proposing 10 foot, 11 feet or
20 12 feet?

21 A I'm sorry?

22 Q So it says here the future restriping of
23 10 foot to be widened to either 11 or select a
24 12-foot lane.

25 A I have to defer on the road design to the

1 DOT.

2 CROSS-EXAMINATION

3 BY MEMBER RODRIGUEZ:

4 Q Lately, we've been doing the 10 foot. Is
5 there an issue with that, though, with the 8 foot? I
6 mean with the --

7 A We've not studied it. I think -- I know
8 there was a much wider setback that was initially
9 requested, and there was a feasibility study that was
10 done at that time, and it was part of the -- I guess
11 they settled on the agreement of a 6-foot recorded
12 road-widening setback that affect the properties in
13 question.

14 Q I'd also note that on the makai side, on
15 the harbor area, it's under the control of Howard
16 Hughes as well. Will a setback there -- are you
17 folks looking at a setback there to compensate the
18 other side?

19 A I'm not familiar with projects on that
20 side of the road. Sorry.

21 MR. RANDLE: I mean, I can speak to that
22 if you'd like to.

23 MR. KANG: Chair, if we could have
24 Mr. Randle address that question?

25 CHAIR WHALEN: Sure.

1 MR. RANDLE: Yes. It's on the Kewalo
2 Harbor side. That land -- a portion of that land is
3 under the lease currently to Howard Hughes for the
4 next 33 years, but it is HCDA land. So I think any
5 acquisition of that land would be with the HCDA.
6 It's not -- with the exception of the Charter
7 building, which is on the makai side of Ala Moana
8 Boulevard, there are no other large structures on the
9 makai side. But, ultimately, it would be up to HCDA
10 to review with DOT and confirm the ability to widen
11 the road.

12 I'll note on the Victoria Place side as
13 we're talking about, so Victoria Place is set back 15
14 feet from the property line along Ala Moana Boulevard
15 as part of the front yard setbacks. So the structure
16 is 15 feet away from the back of the sidewalk, which
17 is the right-of-way today. So if there's a desire
18 for the DOT to widen and if they need to acquire
19 land, just note that the building is already 15 feet
20 away from the road right-of-way, which is obviously
21 more than the 6 or 8 feet we were talking about.

22 MEMBER RODRIGUEZ: Thank you.

23 CHAIR WHALEN: Any other questions?

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1 CROSS-EXAMINATION

2 BY MEMBER SAKODA:

3 Q Are you the right person to ask about the
4 sustainability directive?5 A Are we talking about the comment letter
6 that came from the office of --

7 Q Yes.

8 A Yes, we also reviewed that letter. So
9 our civil engineer of record is here. He can testify
10 directly on his interactions with that office, but my
11 understanding is he reviewed the mayor's directive.
12 He reviewed the source materials mentioned in the
13 letter, had a conversation with the Office of
14 Sustainability. They determined that this project
15 does not lie within the inundation threat zone of a
16 15-foot sea level rise. The existing ground surface,
17 we'll be raising the ground surface for the 100-year
18 floodplain for the occupied areas of the building.

19 CHAIR WHALEN: All right. Thank you.

20 MR. KANG: Our next witness is Cathy
21 Leong.22 CHAIR WHALEN: Raise your hand. Affirm
23 to tell the truth.

24 THE WITNESS: I do.

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CATHY LEONG,
having been called as a witness
by the Applicant, affirmed to tell the truth
and was examined as follows:

DIRECT EXAMINATION

BY MR. KANG:

Q Ms. Leong, can you please restate your
name, position and employment please?

A My name is Cathy Leong. I'm an associate
director at Wilson Okamoto Corporation.

MR. KANG: Mr. Chairman, we are going to
rest on Ms. Leong's written testimony, and she is
available for any questions.

CHAIR WHALEN: Okay. Are there any
questions? That was a long wait for not very much.

MR. KANG: Our next witness is Kevin
Goto.

CHAIR WHALEN: Raise your hand.

THE WITNESS: I do.

CHAIR WHALEN: Oh, you do affirm to tell
the truth. Okay. Thank you.

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KEVIN GOTO,

having been called as a witness
by the Applicant, affirmed to tell the truth
and was examined as follows:

DIRECT EXAMINATION

BY MR. KANG:

Q Mr. Goto, please restate your name and
title and company, please.

A My name is Kevin Goto. My title is
associate director of the civil engineering
department at Wilson Okamoto Corporation.

Q Mr. Goto, are you familiar with the
comment letter dated August 14, 2019, from the City
and County of Honolulu, Office of Climate Change and
Sustainability?

A Yes.

Q Can you please comment on that letter and
any steps that you took to address that comment
letter?

A Yes. So we received that letter. It's
set to address the project related to the mayor's
directive along with any documents related to that.
So the mayor's directive indicated that a 3.2 feet
global mean sea level rise that, I guess, the county
needs to plan towards, we applied that to the sea

1 level rise viewer. The sea level rise viewer
2 indicated that our project site is not in the zone of
3 vulnerability related to that 3.2 global mean sea
4 level rise.

5 MR. KANG: Thank you, Mr. Goto.

6 Mr. Chairman, we have no further
7 questions. Mr. Goto is available for questions.

8 CHAIR WHALEN: Okay. All right. I don't
9 think there are any other questions. All right.
10 Thank you.

11 MR. KANG: Our next witness is Matt
12 McDermott. Matt McDermott.

13 CHAIR WHALEN: Okay. Good afternoon.
14 Please raise your right hand and affirm to tell the
15 truth.

16 THE WITNESS: I do.

17 CHAIR WHALEN: All right. Thank you.

18

19 MATT McDERMOTT,
20 having been called as a witness
21 by the Applicant, affirmed to tell the truth
22 and was examined as follows:

23 DIRECT EXAMINATION

24 BY MR. KANG:

25 Q Mr. McDermott, please restate your name,

1 position and company, please, for the record.

2 A My name is Matt McDermott. I work with
3 Cultural Surveys Hawaii where I'm a project manager,
4 principal investigator.

5 MR. KANG: Mr. Chairman, we will also be
6 resting on Mr. McDermott's written testimony. He is
7 available for any questions.

8 CHAIR WHALEN: Any questions about the
9 archaeological survey? There isn't.

10 THE WITNESS: Thank you.

11 CHAIR WHALEN: Thank you.

12 Okay. I think that's the -- that
13 exhausts the list of witnesses. Anything else?

14 MR. KANG: I'm sorry, Mr. Chairman. We
15 have no further witnesses at this time.

16 CHAIR WHALEN: Okay. All right. Thanks.
17 Okay. There's only one person signed up to testify.
18 Oh, Hina Wong.

19 MS. WONG: Aloha mai. Yes, some of you
20 may recognize my face in the community for doing
21 different things, and I find myself often advocating
22 for the presence and the voice of that same Hawaiian
23 face in different areas and sometimes in different
24 ways. I have found that it has been a very positive
25 engage for the concerns that I connect with and for

1 the things that I have come to be familiar with in
2 Ward Village, and I appreciate what they have done.
3 I know from firsthand account how our iwi kupuna have
4 been treated, and they have been afforded every
5 respect that can be given and they continue to be
6 maintained in that same level of respect and dignity.

7 I am also a part of the cultural events
8 that take place in Ward Village, and I truly
9 appreciate that sense of belonging. I was skeptical
10 in the beginning of what it would come to be. I've
11 watched our Kona Nui Nights grow from being housed
12 elsewhere in Ward Village, and I've now been a part
13 of it in the public space, the Victoria Ward Park
14 green, and it's been just -- just amazing the
15 diversity of people that we've seen come there. And,
16 of course, I've been there for a whole lot of other
17 things, and I've actually seen that diversity of
18 people that come. They're not only people that
19 potentially live there, but there are people that
20 come from outside. And in circles that I swim in in
21 my community life, they too come down to Ward
22 Village. We've had some great evenings with some of
23 Hawaii's finest hula and Hawaiian music people. So I
24 just wanted to make sure that you did hear of the
25 very positive --

1 And you should also know that as a
2 Hawaiian language speaker, I am empowered to be
3 bilingual on stage; whereas, you don't hear too much
4 of that out in the community unless you're going to a
5 very specific Hawaiian language-oriented event. So
6 that's some of the highlights of how I have engaged
7 with Ward Village. Do you have any questions for me?

8 CHAIR WHALEN: Thank you.

9 MEMBER SAKODA: I have a question.

10 MS. WONG: Yes.

11 MEMBER SAKODA: What do you think we can
12 do better?

13 MS. WONG: What do I think that we can --
14 when you say --

15 MEMBER SAKODA: We as a community.

16 MS. WONG: That's an awesome question. I
17 think that anytime that you have the opportunity to
18 consider how and where -- and I'm speaking from a
19 Hawaiian in the community. I wear a lot of hats.
20 Sometimes those hats, I put one on top of the other.
21 Can't help it. But as such, as a Hawaiian in the
22 community, I grew up in a Hawaii that was a different
23 kind of Hawaii. And being raised by my grandparents,
24 that Hawaii was a far cry from what they used to tell
25 me about. But it's a sense of belonging. I know

1 that no matter where I wanted to live right now in
2 Hawaii --

3 It could have been Ward Village. It
4 could have been anyplace else. I actually prefer a
5 house house because that's what I grew up in.

6 -- I don't know if I'm going to be able
7 to afford that. But a sense of belonging, a sense of
8 where I don't have to feel out of place when I go to
9 someplace. Sometimes when I go to Waikiki, where as
10 a teenager I went into Hawaiian entertainment, I
11 didn't always feel like I belonged. I felt kind of
12 token sometimes. But when I walk around in the
13 spaces and places in Ward Village, I feel free
14 because I've associated my face with these faces, and
15 I get to be the kanaka that I want to be in this
16 place.

17 It was my advice to say you need to have
18 Hawaiian language spoken in and about these places
19 and teach people. If you can get behind those kinds
20 of initiatives where people are not just throwing
21 money, but actually creating places where you can
22 feel like it's okay to be you -- and when I say you,
23 I mean be me, kanaka.

24 If I came to more of your meetings, I may
25 know more of how to articulate how you can do that,

1 but that's what I would say. Support the things that
2 can make meaningful differences, not just an
3 appropriation kind of difference.

4 Here's something you should know. As
5 someone who, again, is extremely staunch in the
6 Hawaiian community for different things, Ward
7 Village, I believe till today, when I was asked how
8 can we honor the legacy of Victoria Ward for whom
9 these lands descend, I said, "Look at the history of
10 who she was." She was a classic example of someone
11 like myself who is of mixed ethnicity, but, yet, this
12 is being kanaka. We pool our kanaka side, and this
13 is our home.

14 Victoria Ward was a staunch supporter of
15 our queen, Liliuokalani. And during Hawaii's most
16 tumultuous of times, she flew the flag over the
17 canopy of her bed and said that should she pass in
18 her sleep, she would die beneath the flag of her
19 country. And I am -- I am gravitated to that element
20 because her story sings to me. And if you take
21 notice on Hawaiian holidays, very specific Hawaiian
22 holidays, La Ho'ihoi'ea La Huihoa (phonetic), ali'i
23 birthdays, go and look and see what flag flies at
24 Ward Village to honor Victoria Ward's sentiments
25 about how she felt about our land and our people and

1 you'll see.

2 So I am really proud of that fact that
3 they listened. They listened to the voice of a
4 kanaka who, for some, I am lucky if they even say,
5 "Oh, thank you very much for your comment," but they
6 listened. So I hope that answers your question.

7 MEMBER SAKODA: Thank you.

8 MS. WONG: Anything else?

9 MEMBER ISHII: You talked about
10 incorporating 'olelo; right?

11 MS. WONG: Yes.

12 MEMBER ISHII: So how do you see that
13 occurring within --

14 MS. WONG: I especially like -- some
15 people will say it's appropriation, but my vision for
16 'olelo in places and spaces, and it could be in a
17 whole lot of spaces. I see it as 'olelo first and
18 forward rather than always the secondary.

19 If you and I were to travel to any other
20 country, Japan, China, you name it, those places that
21 are still heavily grounded to their culture and their
22 language and their history, their language is first
23 and foremost. Places in Hawaii that do token kind of
24 things -- I shouldn't probably say that before you.
25 You'd be one of the supporters of the business, but I

1 don't like when you just put a Hawaiian sounding name
2 to something because you want to sell a product.

3 MEMBER ISHII: That was my point because
4 those buildings have Hawaiian names; right?

5 MS. WONG: They have Hawaiian names, but
6 they are ultimately tied to the history of the land.
7 And, yes, in --

8 When it comes to development in Hawaii,
9 that's probably one of the most tenuous things that
10 we could ever talk about if you watch the news. But
11 here in the city, for me, it's a very different
12 engage. We have laws that allow people to purchase
13 homes. They could come from the continent, or they
14 could come from overseas. These laws allow people to
15 buy. I wish that my neighbor --

16 And I live in Liliha. I live in my
17 grandparents' home. I don't think I could live there
18 were it not for my father's good graces. If he
19 kicked me out today, I don't know what I would do.

20 Three doors down from us, a Chinese
21 family with the same last name of Wong from my
22 great-grandfather's village bought the property.
23 What did they do? They turned it into a monster
24 home. What did that do for our family's property?
25 Right up to the roof. I wish they would have just

1 bought down here because then we wouldn't have to
2 deal with that.

3 You know, at first I was -- maybe 20
4 years ago, I would have been someone who said,
5 "Absolutely no development here in Honolulu." But
6 when it comes to housing in the most crowded urban
7 hub, I would have rather them have come over here in
8 the urban area rather than be my neighbor.

9 And then that same neighbor bought the
10 house on the other side of the corner and between us.
11 What did they do? They improved. What does that do
12 for our old house? Made the value of the land go
13 high, the value of the house go down, and our taxes
14 go up.

15 Yeah, it's just not an easy thing when
16 you think of what development means, but in Honolulu,
17 at least when I walk around in Ward Village, I'm
18 comfortable to be kanaka because I know I have
19 influence. And, in fact, those names I gave them.
20 Mahalo.

21 MEMBER ISHII: Thank you.

22 MS. WONG: Mahalo, any other questions?
23 Then we're done. Mahalo for your time. Mahalo.

24 CHAIR WHALEN: Okay. There's no further
25 public testimony. Then on behalf of the HCDA, the

1 Authority members and its staff, thank you for your
2 attendance. The public hearing now stands adjourned
3 at 3:32 p.m.

4 (Whereupon, the hearing adjourned
5 at 3:32 p.m.)

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C E R T I F I C A T E

STATE OF HAWAII)
) ss.
CITY AND COUNTY OF HONOLULU)

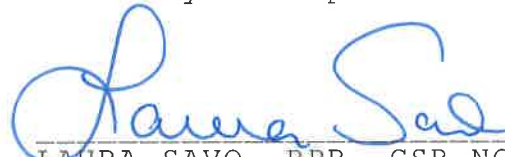
I, LAURA SAVO, a Certified Shorthand Reporter in and for the State of Hawaii, do hereby certify:

That the foregoing proceedings were taken down by me in machine shorthand at the time and place herein stated, and was thereafter reduced to typewriting under my supervision;

That the foregoing is a full, true and correct transcript of said proceedings;

I further certify that I am not of counsel or attorney for any of the parties to this case, nor in any way interested in the outcome hereof, and that I am not related to any of the parties hereto.

Dated this 8th day of September 2019, in Honolulu, Hawaii.



LAURA SAVO, RPR, CSR NO. 347