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February 9, 2015

Mr. Ford Fuchigami, Director
State of Hawaii
Department of Transportation
869 Punchbowl St.
Honolulu, HI 96813

Subject: Ward Village Gateway Subdivision, 1050 Ala Moana Blvd. – Request for
Additional Road Widening Setback on the Mauka Side of Ala Moana Blvd.
Preliminary Subdivision of Lot 39 of Land Court Consolidation 53 into lots
39A, 39B, 39C, and 39D (DPP File No: 2014/SUB-79)
Honolulu, Hawaii, TMK: (1) 2-3-001:005

Dear Mr. Fuchigami,

This letter is in regards to the subdivision application for the subject project that was submitted by Victoria Ward, Limited (VWL), a subsidiary of the Howard Hughes Corporation (HHC). VWL received a copy of the State of Hawaii Department of Transportation's (DOT) letter dated September 17, 2014 which requested a 38 foot road widening setback along the south property line of the Gateway subdivision as a condition of subdivision approval. VWL has evaluated DOT's request and has met with DOT in person. After analysis and discussions, VWL has deemed the setback request to be infeasible.

VWL recently met with Ed Sniffen, Highways Deputy Director, and Ken Tatsuguchi, Head Planning Engineer to clarify the 38 feet setback request. It was noted that the 38 feet is a combination on both sides of Ala Moana Blvd. Therefore DOT agreed that the Gateway subdivision setback request should only be 19 feet. Although the setback request was reduced to 19 feet, it remains infeasible due to the following:

- The Gateway project is required to comply with new flood requirements. Ward Warehouse was not designed under the same circumstances. For this reason, the finish floor of the project is approximately two feet higher than the finish floor elevations of Ward Warehouse. The current setback is already being used to help address grade differentials.

EXHIBIT "X"

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- It was noted in the September 17 letter that the setback is to provide for road widening to accommodate regional flow of traffic. However, widening Ala Moana Blvd. would only provide incremental space for the length of the Gateway project and will not serve regional mobility.
- The current location of the Gateway project aligns with the recently approved VWL Waiea (also known as "Block C") project that is currently under construction. The additional setback for road widening was not imposed mauka of Ala Moana Blvd. on the Waiea Project.
- There are several existing improvements such as the IBM building, Nauru Tower, and Hokua that cannot accommodate additional setbacks for road widening mauka of Ala Moana Blvd. In addition, there are upcoming projects such as Alexander & Baldwin's The Collection, AMX Partners' Park Lane project that are now under construction which do not incorporate an additional setback.

Based on the foregoing reasons, the setback request should be deemed infeasible. The subdivision application is due to expire February 21, 2015, VWL asks for your expeditious response. If you have any questions, please contact Tony Gaston, Director, Site Development at 808-223-4095 (cell) or tony.gaston@howardhughes.com.

Sincerely,



Nicholas Vanderboom
Authorized Signatory
Victoria Ward, Limited

Enclosures

Cc: Tony Gaston, Director, The Howard Hughes Corporation
Doug Johnstone, Director, The Howard Hughes Corporation
Ed Sniffen / Ken Tatsuguchi, Department of Transportation
George Atta / Mario Siu-Li, Department of Planning & Permitting

Howard Hughes