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BEFORE THE HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY

OF THE STATE OF HAWAI'I

In re Application of

VICTORIA WARD, LIMITED

For a Planned Development Permit for Land
Block 5, Project 2 (Ulana Ward Village).

Application No. KAK 21-001

VICTORIA WARD, LIMITED'S
PROPOSED FINDINGS OF FACT AND
CONCLUSIONS OF LAW, AND
DECISION AND ORDER; CERTIFICATE
OF SERVICE

**VICTORIA WARD, LIMITED'S PROPOSED FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND DECISION AND ORDER**

On December 20, 2020, VICTORIA WARD, LIMITED ("VWL") submitted an application ("Application") for a planned development permit pursuant to Hawai'i Revised Statutes ("HRS") Chapter 206E, Hawai'i Administrative Rules ("HAR") Chapter 15-22 ("Vested Rules"), and HAR Chapter 15-219, for a proposed mixed use, reserved housing high-rise condominium project known as Land Block 5, Project 2 of the Ward Neighborhood Master Plan (Master Plan Permit No. PL MASP 13.1.3) ("Ward MP") (the "Project" or "Ulana Ward Village").

Ulana Ward Village is located within the Kaka‘ako Community Development District (“KCDD”) on Land Block 5 bound by Halekauwila Street / Ilaniwai Street to the north (Mauka), Ward Avenue to the east (Diamond Head), Ala Moana Boulevard to the south (Makai) and land owned by Kamehameha Schools to the west (‘Ewa), further currently identified as Tax Map Key No. (“TMK”) 2-1-053:001 (por.).

The Hawai‘i Community Development Authority (“HCDA” or the “Authority”) carefully heard, considered and examined the testimony, evidence, related pleadings, and argument of counsel presented during the presentation hearing held on March 3, 2021, the modification hearing held on March 10, 2021, and the decision making hearing held on May 5, 2021. In addition, the Authority received public and agency comments regarding the Project.

The Authority hereby makes the following Findings of Fact (“FOF”), Conclusions of Law (“COL”), and Decision and Order (“D&O”).

FINDINGS OF FACT

PROCEDURAL HISTORY

1. On December 21, 2020, VWL submitted the Application to the Authority. *See* Exhibit (“Ex.”) U-1 (Application).
2. On January 14, 2021, HCDA deemed the Application complete.
3. On January 15, 2021, HCDA posted the Application on its website in accordance with HRS § 206E-5.5(2), and HCDA encouraged the public to provide comments on the Project.
4. On January 15, 2021, pursuant to the provisions of HAR Chapters 15-22 and 15-219, and HRS § 206E-5.6, HCDA published a notice of public hearings for the Project in the

Honolulu Star-Advertiser, The Garden Island, Hawai'i Tribune-Herald and Maui News (the "Notice of Public Hearings" or the "Notice").

5. The Notice stated that, in accordance with the Governor's December 16, 2020 Seventeenth Proclamation Related to the COVID-19 Emergency ("Seventeenth Emergency Proclamation"), specifically Section VI (B), ordering the suspension of specific provisions of certain laws including HRS Chapter 92, "public agency meetings and records" and social distancing guidelines issued by state and federal public health agencies in an effort to contain community spread of the ongoing COVID-19 Virus, the public hearings would be convened virtually via Zoom.

6. The Notice further stated that pursuant to HAR § 15-219-30, the hearings for the Project would be consolidated with the hearings for VWL's planned development permit application for Land Block 1, Project 5 (KAK 21-002) ("The Park Ward Village").

7. In accordance with the provisions of HRS § 206E-5.6(d), HCDA notified the President of the Senate and Speaker of the House of Representatives of the Hawai'i State Legislature of the public hearings.

8. HCDA notified the associations of apartment owners of residential buildings in the KCDD adjacent to the Project, surrounding landowners and businesses, the Ala Moana/Kaka'ako Neighborhood Board, the Kaka'ako Business and Landowners Association and the Kaka'ako Improvement Association of the Application and the public hearings. HCDA also notified various elected officials and state and county agencies of the Application and the public hearings.

9. HCDA also notified individuals and organizations that have shown interest in development in Kaka‘ako in the past and who have requested that they be kept informed of development activities in the KCDD.

10. On January 15, 2021, via first class United States mail postage prepaid, VWL notified owners and lessees of record of real property located within a three hundred foot radius of the perimeter of the Project, identified from the most current list available from the City and County of Honolulu Real Property Assessment Division, of the Application and the hearings. Ex. U-2 (Victoria Ward, Limited's Certification, Re: Notification to Owners and Lessees of Record of Real Property Located Within a Three Hundred Foot Radius Pursuant to HRS § 206E-5.5).

11. The mailed notifications included, without limitation, (a) project specifications; (b) requests for variance, exemption, or modification of a community development plan or the Authority's community development rules; and (c) procedures for intervention and a contested case hearing. Ex. U-2.

12. The Notice stated that the deadline to intervene was February 4, 2021.

13. No parties petitioned to intervene in this proceeding.

14. On February 8, 2021, HCDA held a pre-hearing conference virtually via Zoom.

15. In addition to HCDA's staff, VWL attended the pre-hearing conference.

16. On February 10, 2021, HCDA issued a pre-hearing order, requiring the submission of witness lists, exhibit lists and exhibits by the close of business on February 18,

2021. *See* Application Nos.: KAK 21-001 & KAK 21-002 Pre-Hearing Order dated February 10, 2021 (“Pre-Hearing Order”).

17. On February 18, 2021, VWL filed its witness list, exhibit list, and exhibits pursuant to the Pre-Hearing Order.

18. On February 26, 2021, VWL filed a First Amended Exhibit List and additional and amended exhibits noted therein.

19. The following government agencies submitted comments regarding the Project to HCDA:

- a. City and County of Honolulu Board of Water Supply (“BWS”) via its letter dated February 24, 2021;
- b. City and County of Honolulu Department of Transportation Services (“DTS”) via its letter dated February 22, 2021;
- c. State of Hawai‘i Department of Transportation (“DOT”) via its letter dated February 11, 2021;
- d. City and County of Honolulu Fire Department (“HFD”) via its letter dated February 10, 2021;
- e. City and County of Honolulu Police Department (“HPD”) via its letter dated February 5, 2021; and
- f. Honolulu Authority for Rapid Transportation (“HART”) via its letter dated March 2, 2021.

20. **The March 3, 2021 Presentation Hearing.** On March 3, 2021, pursuant to the Notice, HCDA held the presentation hearing on the Application virtually via Zoom (“Presentation Hearing”).

21. At the Presentation Hearing, HCDA afforded VWL an opportunity to present information and other evidence regarding the Project. *See* Transcript of Proceedings (“Tr.”) (March 3, 2021).

22. At the Presentation Hearing, HCDA afforded the public an opportunity to present testimony on the Project. *See* Tr. (March 3, 2021).

23. At the Presentation Hearing, HCDA admitted into evidence all of the following exhibits, including written direct testimony, offered and presented by VWL in its First Amended Exhibit List filed on February 26, 2021:

Exhibit	Exhibit Description
U-1	Permit Application, Exhibits and Appendices
	Appendix A – LEED Checklist
	Appendix B – SHPD Letter
	Appendix C – Traffic Impact Report
	Appendix D – Infrastructure Availability Report
	Appendix E – Shadow and Wind Studies
	Appendix F – Wind Consultant Letter
	Appendix G – Acoustical Consultant Letter
U-2	Certification Re: Notification to Owners and Lessees of Record of Real Property Located Within a Three Hundred Foot Radius Pursuant to HRS 206E-5.5
U-3	Public Facilities Agreement for Land Block 5, Project 2 (Ulana Ward Village)
U-4	Race Randle Written Direct Testimony (Presentation Hearing)
U-5	Race Randle Written Direct Testimony (Modification Hearing)
U-6	Kimi Yuen, LEED AP BD+C Written Direct Testimony (Presentation Hearing)
U-7	Kimi Yuen, LEED AP BD+C Written Direct Testimony (Modification Hearing)

Exhibit	Exhibit Description
U-8	Kimi Yuen, LEED AP BD+C Curriculum Vitae
U-9	Sumner J. La Croix, Ph.D. Written Direct Testimony (Presentation Hearing)
U-10	Sumner J. La Croix, Ph.D. Report
U-11	Sumner J. La Croix, Ph.D. Curriculum Vitae
U-12	Paul Brewbaker, Ph.D., CBE Written Direct Testimony (Presentation Hearing)
U-13	Paul Brewbaker, Ph.D., CBE Report
U-14	Paul Brewbaker, Ph.D., CBE Curriculum Vitae
U-15	Ann Bouslog, Ph.D. Written Direct Testimony (Presentation Hearing)
U-16	Ann Bouslog, Ph.D. Report
U-17	Ann Bouslog, Ph.D. Curriculum Vitae
U-18	Frederick Hong, AIA, NCARB, LEED AP Written Direct Testimony (Presentation Hearing)
U-19	Frederick Hong, AIA, NCARB, LEED AP Written Direct Testimony (Modification Hearing)
U-20	Frederick Hong, AIA, NCARB, LEED AP Curriculum Vitae
U-21	Lee Cranmer Written Direct Testimony (Presentation Hearing)
U-22	Kevin Goto, P.E., LEED AP Written Direct Testimony (Presentation Hearing)
U-23	Kevin Goto, P.E., LEED AP Curriculum Vitae
U-24	Pete Pascua, P.E. Written Direct Testimony (Presentation Hearing)
U-25	Pete Pascua, P.E. Curriculum Vitae
U-26	Amended Markle Written Direct Testimony (Presentation Hearing)
U-26A	Exhibits to Robin Markle Written Direct Testimony (Presentation Hearing)
U-27	Robin Markle Curriculum Vitae
U-28	Mike Hamasu Written Direct Testimony (Presentation Hearing)
U-29	Mike Hamasu Curriculum Vitae
U-30	Matt McDermott, M.A. Written Direct Testimony (Presentation Hearing)
U-31	Matt McDermott, M.A. Curriculum Vitae
U-32	Mālia Ka‘aihue Written Direct Testimony (Presentation Hearing)
U-33	Mālia Ka‘aihue, Ph.D. Curriculum Vitae
U-34	Permit Application Amended Figure 5-2 (P. 29)
U-35	Presentation Hearing Slides Set No. 1
U-36	Modification Hearing Slides Set No. 1

Exhibit	Exhibit Description
U-37	Email from Honolulu Fire Department to Wilson Okamoto Corporation, February 22, 2021 (and related email string), Re: Honolulu Fire Department's Comments
U-38	State Auditor's Executive Summaries of Report Nos. 19-03 and 19-04 and Audit of the Honolulu Authority for Rapid Transportation: Report 1 (Report No. 19-03), January, 2019
U-39	Excerpts of Ward Neighborhood Master Plan, Re: Modification to Podium Heights and Setbacks
U-40	Excerpts of 2005 Mauka Area Rules, Re: Modifications

See VWL's First Amended Exhibit List; Tr. (March 3, 2021) at 17.

24. At the Presentation Hearing, VWL presented the testimony of the following witnesses orally and/or through written testimony:

	Witness	Affiliation
1.	Race Randle	Vice President, Victoria Ward, Ltd.
2.	Kimi Yuen, LEED AP BD+C	Principal PBR Hawaii & Associates, Inc.
3.	Sumner J. La Croix, Ph.D.	Professor Emeritus, Department of Economics, University of Hawaii at Manoa; Research Fellow, University of Hawaii Economic Research Organization (UHERO)
4.	Paul Brewbaker, Ph.D., CBE	Principal and Economist TZ Economics
5.	Ann Bouslog, Ph.D.	Project Director, PBR Hawaii & Associates, Inc.
6.	Frederick Hong, AIA, NCARB, LEED AP	Associate and Project Architect, Architects Hawaii Limited
7.	Lee Cranmer	Senior Director, Development, Victoria Ward, Ltd.
8.	Kevin Goto, P.E., LEED AP	Associate Director of Civil Engineering / Project Manager, Wilson Okamoto Corporation
9.	Pete Pascua, P.E.	Vice President & Director of Traffic Engineering, Wilson Okamoto Corporation
10.	Robin Markle	Realtor-Associate, Vice President Projects, Locations Hawaii
11.	Mike Hamasu	Research and Consulting Director, Colliers International, Hawaii

	Witness	Affiliation
12.	Matt McDermott, M.A.	Project Manager / Principal Investigator Cultural Surveys Hawaii, Inc.
13.	Mālia Ka‘aihue, Ph.D.	Partner and President of Strategy, DTL

Tr. (March 3, 2021); VWL Exhibits U-4, U-6, U-9, U-12, U-15, U-18, U-21, U-22, U-24, U-26, U-28, U-30, and U-32.

25. HCDA qualified the following witnesses as experts in their designated areas of expertise, as follows:

- a. Kimi Yuen, LEED AP BD+C - urban planning;
- b. Sumner La Croix, Ph.D. - economics;
- c. Paul Brewbaker, Ph.D., CBE - economics;
- d. Ann Bouslog, Ph.D. - reserved housing development, market assessment and strategic planning;
- e. Frederick Hong, AIA, NCARB, LEED AP - architecture.
- f. Kevin Goto, P.E., LEED AP - civil engineering;
- g. Pete Pascua, P.E. - traffic engineering;
- h. Robin Markle - residential real estate marketing, supply and demand;
- i. Mike Hamasu - commercial real estate marketing, supply and demand;
- j. Matt McDermott, M.A. - archeology; and
- k. Mālia Ka‘aihue, Ph.D. - Hawaiian culture, history, and language.

Tr. (March 3, 2021) at 18.

26. Prior to the Presentation Hearing, HCDA received a total of 26 written comments from the public for both Ulana Ward Village and The Park Ward Village. Tr. (March 3, 2021) at 13-15.

27. At the Presentation Hearing, five members of the public provided oral comments. Tr. (March 3, 2021) at 178-188.

28. **March 10, 2021 Modification Hearing.** On March 10, 2021, pursuant to the Notice, HCDA held the modification hearing on the Application virtually via Zoom (“Modification Hearing”).

29. At the Modification Hearing, HCDA afforded VWL an opportunity to present information and other evidence regarding the requested Project modification to the platform height and related matters. *See* Transcript of Proceedings (“Tr.”) (March 10, 2021).

30. At the Modification Hearing, HCDA afforded the public an opportunity to present testimony on the Project. *See* Tr. (March 10, 2021) at 106-123.

31. On March 8, 2021, VWL filed a First Amended Witness List designating the following additional expert witnesses for the modification hearing: Robin Markle and Ann Bouslog, Ph.D. *See* VWL’s First Amended Witness List filed March 8, 2021.

32. HCDA qualified these additional witnesses as experts in their designated areas of expertise for purposes of the Modification Hearing as follows:

- a. Robin Markle - residential real estate marketing, supply and demand; benefits of Ulana Ward Village inclusive of modification; and

b. Ann Bouslog, Ph.D. - reserved housing development, market assessment and strategic planning; benefits of Ulana Ward Village inclusive of modification.

Tr. (March 10, 2021) at 15-16.

33. At the Modification Hearing, HCDA admitted into evidence all of the following amended and supplemental exhibits, including written direct testimony, offered and presented by VWL in its Second Amended Exhibit List filed on March 8, 2021

	Kimi Yuen, LEED AP BD+C Slides (Modification Hearing)
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34. At the Modification Hearing, VWL presented the testimony of the following witnesses orally and/or through written testimony:

	Witness	Affiliation
1.	Race Randle	Vice President, Victoria Ward, Ltd.
2.	Kimi Yuen, LEED AP BD+C	Principal, PBR Hawaii & Associates, Inc.
3.	Robin Markle	Realtor-Associate, Vice President Projects, Locations Hawaii
4.	Cord Anderson	Director, Development, Victoria Ward, Ltd.
5.	Lee Cranmer	Vice President, Planning and Development, Victoria Ward, Ltd.
6.	Frederick Hong, AIA, NCARB, LEED AP	Architects Hawaii Limited
7.	Joseph Ferraro, FAIA, LEED AP	Founding Principal / Chairman of the Board, Ferraro Choi and Associates, Ltd.

See Tr. (March 10, 2021); VWL Exhibits U-5, U-7, U-19, U-41, P-5, P-7, P-16.

35. Following the March 3, 2021 Presentation Hearing, and prior to the Modification Hearing, HCDA received 15 additional written comments from the public.

36. At the Modification Hearing, seven members of the public provided oral comments. See Tr. (March 10, 2021) at 107-122.

37. At the conclusion of the Modification Hearing, HCDA closed the evidentiary record of this proceeding. *See* Tr. (March 10, 2021) at 124.

WARD NEIGHBORHOOD MASTER PLAN OVERVIEW

38. **Approval of the Ward Master Plan.** On April 2, 2008, VWL submitted an application for a master plan permit, pursuant to the Vested Rules, to obtain a master plan permit for approximately 60 acres of land in the KCDD.

39. The master plan provisions of the Vested Rules were intended to “encourage timely development, reduce the economic cost of development, allow for the orderly planning and implementation of public and private development projects, and provide a reasonable degree of certainty in the development approval process.” HAR §15-22-200(a).

40. A further purpose under the Vested Rules was to “derive public benefits, such as affordable housing, relocation assistance, public parking, off-site infrastructure and other public facility improvements, which are generally provided by government and would not otherwise be required from private developers.” HAR §15-22-200(b).

41. As set forth in the Vested Rules, “[a]n approved master plan will provide assurances to landowners, developers and investors that projects proposed within a master planned area that are in accordance with the applicable mauka area rules in effect at the time the master plan is approved will not be restricted or prohibited at the permit stage by subsequent changes to those rules.” HAR §15-22-200(c).

42. Furthermore, “once [the landowners or developers] have met or agreed to meet all of the terms and conditions of the master plan approval, their rights to development permit

approval in accordance with the development rules in effect at the time of master plan approval shall be vested for a specified period.” HAR § 15-22-200(c).

43. The Vested Rules also provide that master planning allows “greater flexibility in the development of lots within master planned areas than would otherwise be possible through the normal lot-by-lot development approach.” HAR §15-22-200(d).

44. On January 14, 2009, pursuant to the Vested Rules, HCDA approved the Ward MP, subject to 16 conditions (“Ward MP D&O”). *See* Ward MP D&O.

45. On May 6, 2009, a Nunc Pro Tunc Order was approved to resolve a clerical error in the Ward MP D&O. Subsequently, and as required by Condition No. 2 of the Ward MP D&O, HCDA and VWL executed a Master Plan Development Agreement for the Ward Master Plan, effective December 30, 2010. *See* Ward MP D&O; Master Plan Development Agreement for the Ward Neighborhood Master Plan (December 30, 2010) (“Development Agreement”).

46. **Ward Master Plan area, vision and flexibility of phasing.** The approved Ward MP and Development Agreement cover approximately 60 acres of land within the KCDD, including the Project area. Development under the Ward MP is to proceed in phases through planned developments. Phases are to occur by and within the various identified Land Blocks, labeled one (1) through six (6), each of which form “development lots” pursuant to the Vested Rules. *See* Ward MP D&O.

47. While the Ward MP identified “potential phasing strategies,” “no specific phasing sequence is defined” in the Ward MP in order to allow development to be “implemented in response to market opportunities.” This was also set forth in the Development Agreement,

which provides that “the phasing and timing of development under the Ward Master Plan is intended to be flexible to give VWL the ability to adapt to economic and market conditions.”

See Ward MP D&O.

48. On October 10, 2012, HCDA issued the Declaratory Order Re: Applicability of Condition No. 4 of Nunc Pro Tunc Order Re: Hearing Officer's Proposed Findings of Fact, Conclusions of Law, and Decision and Order for a Master Plan Permit, Issued January 14, 2009 (“2012 Declaratory Order”).

49. The Ward MP envisioned the revitalization of Kaka‘ako and the transformation of the Ward MP area into a vibrant, mixed-use neighborhood. The Ward MP offered significant public benefits including:

- a. Development of a range of housing opportunities, including reserved housing, in the urban core, close to the Honolulu business district, the Capitol district, and Waikiki;
- b. Creation of a pedestrian friendly street network, with canopy trees, and re-designed streets as landscaped promenades;
- c. Creation of a smart growth community, where residents can live, work, and play, and where the general public can enjoy street level activities nearby various modes of transportation systems;
- d. Provision of over 5.5 acres of open space and nearly 5.2 acres of public facilities maintained and secured without expense to the public, including the Central Plaza (now known as Victoria Ward Park), which creates open space

- in the neighborhood, is available for community gatherings and celebrations,
and will be further defined by appropriate landscaping and walkways;
- e. An infusion of approximately \$11.8 billion in economic value during development, \$701.1 million of State tax revenues and over 4,250 jobs created;
 - f. Investment of approximately \$300 million in street, infrastructure, and utilities improvements; and
 - g. Preservation and advancement of culture, community, and the environment in the heart of Honolulu.

See Ward MP D&O; Ex. U-4 (Race Randle Written Direct Testimony - Presentation Hearing).

50. **Fulfillment of Ward Master Plan conditions.** VWL has fulfilled the conditions of the Ward MP D&O, which required submission of the following documents prior to its initial development permit application:

- a. The Development Agreement;
- b. 2012 Declaratory Order, which fulfilled Condition No. 4 of the Master Plan Permit regarding amendments to the existing Mauka Area Plan;
- c. Historic building inventory (Fung Associates, June 2012);
- d. Cultural impact assessment (Cultural Surveys Hawaii, May 2012);
- e. Predictive archaeological model (Cultural Surveys Hawaii, May 2012);
- f. Archaeological inventory survey plan (Cultural Surveys Hawaii, December 2012);

- g. Regional traffic study (Wilson Okamoto Corporation, October 2012); and
- h. Sustainability guidelines (April 2013).

See Ward MP D&O; Ex. U-4.

51. In addition to preparing the sustainability guidelines, VWL entered the Ward MP into the US Green Building Council's program LEED for Neighborhood Development ("LEED-ND"). The LEED-ND criteria awards credits for a neighborhood's integration and sustainability through pedestrian orientation, efficient land use, and transportation infrastructure. As a result of its many inherently sustainable attributes and commitments made to make all future projects sustainable, the Ward MP was awarded a Platinum pre-certification rating, making it the largest community in the United States (and the only project in Hawai'i), to garner this achievement. Ex. U-4.

52. The Project site currently accommodates Pohukaina Center, which consists of three warehouses flanked by parking stalls. VWL has, and will, continue to fulfill its requirements under the Ward MP D&O regarding tenant relocation. Relocation assistance is required to be provided to affected tenants, first by looking for opportunities within the Ward MP area to the extent feasible, and by working with a commercial brokerage for alternative spaces. Ultimately, the redevelopment of the Ward MP area is intended to benefit existing and future tenants. Ex. U-1 at 22; Ex. U-4.

53. **Ward Master Plan projects.** To date, the following projects and associated planned development permits have been approved by HCDA under the Ward MP:

- a. Land Block 5, Project 1 (KAK 13-038; July 17, 2013) Ke Kilohana
(completed);

- b. Land Block 2, Project 1 (KAK 13-036; August 21, 2013) Waiea (completed);
- c. Land Block 3, Project 1 (KAK 13-037; August 21, 2013) Anaha (completed);
- d. Land Block 1, Project 2 (KAK 14-074; February 4, 2015) Ae‘o (completed);
- e. Land Block 1, Project 3 (KAK 16-075; January 13, 2017) ‘A‘ali‘i (permitted; construction completion scheduled for 2021);
- f. Land Block 1, Project 4 (KAK 18-038; August 9, 2018) Kō‘ula (permitted; construction completion scheduled for 2022); and
- g. Land Block 2, Project 3 (KAK 19-069; October 2, 2019) Victoria Place (permitted; construction scheduled to commence in 2021).

Ex. U-1 at 10; Ex. U-4.

54. Advancements under the Ward MP to date also include:

- a. The completion of the retail construction at Ward Village Shops adjacent to its district parking structure;
- b. The renovation of the iconic IBM building to create a master plan information center and courtyard;
- c. The opening of Victoria Ward Park (formerly known as the Central Plaza);
- d. The revitalization of Kewalo Basin harbor, with over \$20 million of improvements;
- e. The Hawai‘i flagship Whole Foods Market, supporting local farmers and a more sustainable future in Hawai‘i while also providing a much-needed grocery store in Kaka‘ako; and

f. The newly-opened Longs Drug Store in Ke Kilohana, providing additional convenience to Ward Village residents.

Ex. U-4.

55. VWL is now seeking a planned development permit for Land Block 5, Project 2 (Ulana Ward Village), which is the subject of this proceeding.

PROJECT DESCRIPTION

56. **Project name.** The Hawaiian word ulana describes the act of plaiting or weaving. Makaloa grass was an important crop grown at the Ward Estate, and was woven into makaloa mats, which provided comfort, rest and relaxation. Ex. U-1 at 1; Ex. U-32 (Mālia Ka‘aihue Direct Testimony - Presentation Hearing).

57. The name of the project, Ulana Ward Village, pays respect to the story and history of the Ward Estate, and is designed to provide a productive place of rest that connects to its surroundings. The adjacent planned park, Ka La‘i o Kukuluāe‘o Park, means the calm of Kukuluāe‘o, and reflects the traditional place name for the area where Ulana Ward Village will stand. Ex. U-1 at 1; Ex. U-32.

58. **Location.** Ulana Ward Village is located on Land Block 5 of the Ward MP. Land Block 5 is bound by the private Pohukaina Street to the north; the proposed Ka La‘i o Kukuluāe‘o Park (the former ‘Ewa Plaza) to the east; Auahi Street to the south; and lands owned by Kamehameha Schools to the west. Ex. U-1 at 17.

59. The Ulana Ward Village site is currently on TMK (1) 2-1-053:001. The parcel will be re-subdivided to create a separate TMK parcel of approximately 104,030 square feet for

the Ulana Ward Village site, and a parcel of approximately 30,000 square feet for the Ka La'i o Kukuluāe'ō Park, which will be open to the public. Ex. U-1 at 17.

60. The Ulana Ward Village site currently accommodates Pohukaina Center, which consists of three warehouses flanked by parking stalls. Section 4.15 of the Application identifies the existing tenants and outlines the VWL's tenant relocation plan. VWL will provide notice and relocation assistance to the affected tenants as required. Ex. U-1 at 22; U-4 at 11.

61. **Land use and zoning.** Pursuant to the Ward MP D&O and the 2012 Declaratory Order, the Project site has a single mixed-use zoning designation, MUZ-C, which allows flexibility in designing and developing the mixed-use community that was approved under the Ward MP. *See* Ward Mater Plan D&O; 2012 Declaratory Order; Ex. U-1 at 30 (Table 5-2).

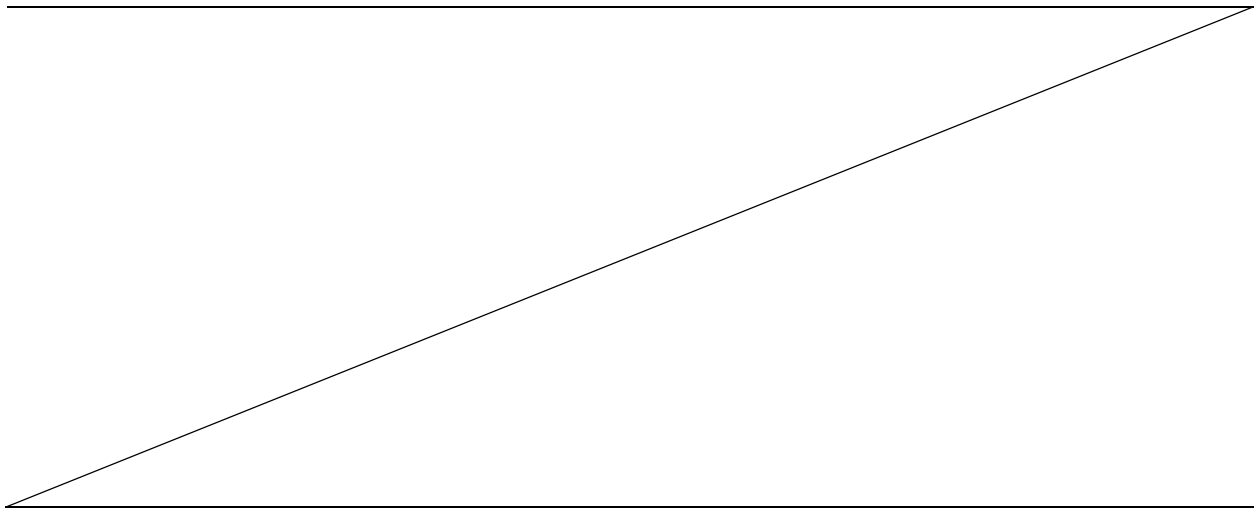
62. **Residential tower and mixed-use platform.** Ulana Ward Village includes approximately 622,679 square feet of new floor area, including a residential tower and a parking and mixed-use platform. The residential tower footprint of approximately 13,800 square feet over a site of approximately 104,030 square feet complies with HAR §15-22-116. Ex. U-1 at 34 (Table 5-2).

63. The residential tower will be oriented in a mauka-makai direction to preserve public view planes and complies with the guidelines of HAR § 15-22-143(a). *See* U-1 at 35 (Table 5-2).

64. The residential tower complies with the height limit set forth in HAR §15-22-116, with a proposed height of approximately 375 feet (plus rooftop elements). Ex. U-1 at 34 (Table 5-2).

65. In total, the residential tower is anticipated to include approximately 697 reserved housing homes. It will provide approximately 40,708 square feet of indoor and outdoor recreation space, which exceeds the 55 square foot per unit requirement set forth in HAR §15-22-65. Ex. U-1 at 31 (Table 5-2).

66. The platform is designed for parking and mixed-uses, including light industrial and commercial use. Applicant seeks one modification of the Vested Rules to increase the platform height from forty-five (45) feet to seventy-five (75) feet as contemplated in the Ward MP and permitted by HAR § 15-22-120(7).



67. **Floor area / density.** The following table is a summary of the floor area allocations and projected floor area ratio (“FAR”) for Land Block 5:

Floor Area Allocation for Land Block 5	
Development Lot Area for Land Block 5	621,871 (SF)
Projected Floor Area for Land Block 5	1,931,246 (SF)
Projected Floor Area Ratio for Land Block 5	3.11
Floor Area Allocation on Land Block 5	
Ke Kilohana (Completed)	506,770 (SF)
Land Block 5, Project 2 (Ulana Ward Village) (Proposed)	622,679 (SF)
Subtotal of Floor Area Allocated on Land Block 5 to Date	1,129,449 (SF)
Remaining Floor Area on Land Block 5 without bonus	801,797 (SF)

Ex. U-1 at 36 (Land Block 5) (Table 5-3).

68. Land Block 5 totals approximately 17.84 acres and comprises one development lot, which is governed by a joint development agreement recorded March 18, 2014 (DOC A-51900681) (“JDA”). Therefore, all the parcels included within the JDA will be considered and treated as one development lot under the Vested Rules. Ex. U-1 at 33.

69. Land Block 5 has an effective development lot area of 621,871 square feet. The Project development lot is approximately 104,030 square feet (approximately 2.39 acres). Ex. U-1 at 17.

70. The Ward MP establishes a FAR of 3.8 (inclusive of the industrial bonus of 0.3 FAR). In addition, HAR §15-22-203(b)(1) allows for the transfer of floor area and land uses from one development lot to one or more development lots within the master planned areas as long as the FAR for any lot to which floor area has been transferred to shall not be increased by more than twenty-five percent (25%) of the FAR otherwise allowed for the size of the development lot.

71. Therefore, with the permitted twenty-five percent (25%) transfer, the maximum allowable FAR for Land Block 5 could be up to 4.75 $[(0.25 * 3.8) + 3.8]$ or 2,953,888 square feet (621,871 square feet * 4.75) of floor area. Ex. U-1 at 34 (Table 5-2).

72. As such, the projected floor area of 1,931,246 square feet (inclusive of this proposed Project) and FAR of 3.11 (1,931,246 square feet / 621,871 square feet) for Land Block 5 is consistent with the provisions of the Vested Rules as approved under the Ward MP. Ex. U-1 at 36 (Table 5-3).

73. With the Project, which has a floor area of 622,679 square feet, the total floor area approved and pending within the Ward MP area (including The Park Ward Village) will be 5,842,169 square feet. Ex. U-1 at 36 (Table 5-3).

74. After the development of the Project, VWL will have planned and forecast remaining floor area of 3,492,071 square feet. Ex. U-1 at 36 (Table 5-3).

75. The Project has industrial floor area of approximately 34,501 square feet, and a gym / fitness tenant is one of the options being considered for this flexible space, subject to further consideration and community feedback. Additional industrial area is currently planned for Land Block 5 and Land Block 6 of the Ward MP. Ex. U-1 at 36 (Table 5-3); Ex. U-4; Tr. (March 10, 2021) at 38-39.

76. **Building orientation and tower spacing.** Section 15-22-143(a)(2) of the Vested Rules requires that to the extent practicable, the tower portion of the structure be oriented between thirty-five and sixty-five degrees west of south.

77. The long axis of the Project tower is approximately 52 degrees west of south in a mauka-makai orientation and therefore complies with this guidance. Ex. U-1 at 35 (Table 5-2).

78. Section 15-22-143(b)(1) of the Vested Rules requires that to the extent practicable, the parallel sides of adjacent towers shall be separated by a distance of at least 300 feet. Section 15-22-143(b)(2) of the Vested Rules requires that to the extent practicable there should be at least 200 feet between the short side of the towers.

79. Ulana Ward Village complies with this guidance, as the long side of the Project tower is at least 300 feet from the nearest tower, and the short side of the Project is at least 200 feet from the nearest tower. Ex. U-1 at 35 (Table 5-2); Ex. U-1 at Exhibit 22; and Ex. U-6 (Kimi Yuen Direct Testimony - Presentation).

80. **Archaeological and historic resources.** Cultural Surveys Hawai'i ("CSH") conducted an archaeological inventory survey ("AIS") for the area of Land Block 5 that includes the Ulana Ward Village site. Ex. U-1 at 41; Ex. U-30 (Matt McDermott, M.A. Direct Testimony).

81. The AIS documented two archaeological historic properties in the Project area:
- a. SIHP # 50-80-14-8790 consists of historical buried surfaces associated with early to mid-twentieth century industrial/commercial development. Components identified include prepared coral surfaces (e.g., coral slabs, cemented coral aggregate surfaces, compacted crushed coral surfaces, oil-rolled crushed coral surfaces) and A horizons that developed atop crushed coral early twentieth century reclamation fill; and

b. SIHP # 50-80-14-8791 consists of subsurface historical salt pan remnants.

Identified components consist of man-made berms and level basins containing laminated deposits comprised of organic material and clay.

Ex. U-30.

82. The State Historic Preservation Division (SHPD) accepted the AIS report on June 9, 2020. In the letter, SHPD concurred with the CSH's recommended mitigation of archaeological monitoring. Ex. U-1 at 41; Ex. U-30.

83. Subsequent to the AIS report, CSH prepared an archaeological monitoring plan (AMP) addressing the area of the Ulana Ward Village site. SHPD accepted the AMP on June 23, 2020. Ex. U-1 at 41; Ex. U-30.

84. Appendix B of the Application contains the AMP acceptance letter from SHPD. The letter reiterates acceptance of the AIS, notes that the AMP meets applicable requirements, and confirms that the permit issuance process may proceed. *See* U-1 at Appendix B; Ex. U-30.

85. **Open space.** Open space for the Project shall be the lower of either ten percent (10%) of the lot area or twenty-five percent (25%) of the lot area less the required yards as provided in §15-22-64(c)(1) of the Vested Rules.

86. The open space required for the Project is 10,403 square feet (104,030 square feet * 10 percent). The Project proposes to provide approximately 26,597 square feet of open space on site, or approximately 25.6 percent of the lot area and 156 percent more open space than required. Ex. U-1 at 37 (Table 5-5); Ex. U-6.

87. In addition, the adjacent Ka La'i o Kukuluāe'o Park (formerly known as the 'Ewa Plaza) will provide an additional 30,000 square feet of open space in Block 5. Ex. U-1 at 37 (Table 5-5); Ex. U-6.

88. **Off street parking.** Pursuant to HAR §15-22-67, the Project is required to provide a total minimum of 886 off-street parking spaces, including 828 spaces for residential use, 19 spaces for commercial use, and 39 spaces for light industrial use. Ex. U-1 at 19, 32 (Table 5-2), Exhibit 16.

89. The Project will include approximately 1,235 off-street parking spaces for these uses, inclusive of parking for the commercial and light industrial use patrons, residential guests, and district parking for Ward Village and the Kaka'ako community. Ex. U-1 at 19, 29, 32 (Table 5-2), Exhibit 16; Ex. U-4; Ex. U-18 (Frederick Hong Direct Testimony - Presentation Hearing).

90. The number of off-street parking stalls at Ulana Ward Village is set by residential and commercial market demand, and is also part of an area-wide parking strategy. U-26 (Amended Robin Markle Direct Testimony - Presentation Hearing); U-28 (Mike Hamasu Direct Testimony - Presentation Hearing); Tr. (March 3, 2021) at 135 (testimony of Lee Cranmer); Tr. (March 3, 2021) at 153-154 (testimony of Pete Pascua, P.E.); Tr. (March 3, 2021) at 162-163 (testimony of Mike Hamasu).

91. The availability and number of parking spaces assigned to a residential unit is a significant factor when a buyer decides to purchase a residential unit in the urban core, and prospective buyers will make their purchasing decisions based on parking. Ex. U-26.

92. The proposed Honolulu Rail Transit Project has experienced numerous delays and cost overruns since 2009, and while the proposed rail line, ride share and other transit services may come to fruition in the years to come, today's homebuyers are making purchases based on their current transportation needs. Ex. U-26, U-38 (State Auditor's Executive Summaries of Report Nos. 19-03 and 19-04 and Audit of the Honolulu Authority for Rapid Transportation: Report No. 1 (Report No. 19-03) (January, 2019)).

93. For households, especially families with two incomes, two cars are the norm and these households rarely make the transition to a single-car household as they navigate from work commitments, childcare and family activities. Ex. U-26.

94. As an example, at 'A'ali'i, where 150 reserved housing units were offered with an option to decouple parking in exchange for a credit of \$15,000, all 150 reserved housing purchasers declined the option to decouple the parking. Ex. U-26.

95. Reducing the number of parking stalls presents a risk for a residential development because there is a demand for two parking stalls even for studios and one-bedroom units. At other projects, demand for parking resulted in quick sales of additional parking to owners. Ex. U-26.

96. Under HCDA rules for reserved housing developments, two- and three-bedroom units require at least two and three residents, respectively. There is a significant difference in the sales of units that provide only one parking stall for two- or three-bedroom units, and those units with only one parking stall are difficult to sell. Ex. U-26.

97. Residential purchasers will also often consider the resale of their home, and purchasers prefer to purchase units with two parking stalls as it makes it easier to sell the unit in the future. Ex. U-26.

98. Insufficient parking within a residential area also generally leads to increased demand for street parking, which in turn increases congestion and affects pedestrian and bicyclist access and experiences. Ex. U-26.

99. This is evident in neighborhoods such as Makiki and the area Mauka of Ala Moana Center near Kaheka Street, where a high density of condominiums with a low ratio of parking stalls to square footage has resulted in a significant demand for street parking. Ex. U-26.

100. Reducing the number of parking stalls from the currently-planned 1,235 parking spaces at Ulana Ward Village would adversely affect the marketing and sales of the units at the Project, would create an unreasonable risk, and would make it very difficult to meet sales expectations for this project. Ex. U-26.

101. Off-street parking is also important to support the commercial, industrial and recreational uses within Ward Village. Ex. U-28.

102. Most O'ahu households have two or more cars, and will continue to do so for the reasonably foreseeable future. Off-street parking in the Kaka'ako area is limited, and even with existing and planned transit, as well as ride sharing options, the availability and number of off-street parking spaces remains an important factor to generate sufficient footfall for the planned commercial, light industrial and other uses at Ulana Ward Village. Ex. U-26, U-28.

103. Although the number of off-street parking stalls at Ulana Ward Village exceeds the minimum number of stalls required by the Vested Rules, and is approximately 48 stalls over the typical market requirement, the additional stalls are reasonable and necessary to support the Project and other nearby businesses and community amenities considering both short-term and long-term factors. Ex. U-28.

104. Convenience is an important factor in patrons' decisions to access businesses and amenities. The reality is that patrons will be deterred from accessing these commercial businesses if sufficient dedicated and easily accessible off-street parking is not readily available. Ex. U-28.

105. Additionally, Ward Village is a destination for both locals and tourists from throughout the island, available parking spots is instrumental in driving additional footfall and consumer interest, which in turn generates additional potential success for retail and recreational activities in the area. Ex. U-28; Tr. (March 3, 2021) at 163; Tr. (March 10, 2021) at 71-72.

106. In this context, sufficient parking is viewed primarily as a necessity as opposed to an amenity, because without the parking spaces to draw people from other parts of the island as well as tourists, it poses an inconvenience to the customer, but also reduces the likelihood of repeat business for retailers and industrial businesses in the area, as well as reduces the opportunities to experience the recreational amenities in Ward Village, including the parks. Ex. U-28; Tr. (March 3, 2021) at 163.

107. Accordingly, reducing the proposed number of off-street parking spaces to the minimum requirement or the typical market requirement at Ulana Ward Village would

significantly and adversely affect, among other factors, the marketing and usefulness of the commercial and light industrial spaces within the Project, as well as accessibility to nearby parks (including the public Ka La'i o Kukuluāe'o Park) and nearby businesses. Ex. U-28; Tr. (March 3, 2021) at 163.

108. The off-street parking at Ulana Ward Village is also an integral part of an area-wide parking strategy within Ward Village based upon specific land uses. Tr. (March 3, 2021) at 153 (testimony of Pete Pascua, P.E.).

109. Parking for residential uses is provided within each development block, and parking for commercial uses is provided not only within the localized block, but also in regional district parking areas, which supports complementary uses as the need arises. Tr. (March 3, 2021) at 153 (testimony of Pete Pascua, P.E.).

110. Ward Village currently has approximately 4,100 parking spaces, including parking to accommodate various commercial tenants including Whole Foods, CVS and others. Upon the completion of Ulana Ward Village and The Park Ward Village, total district parking will be reduced by several hundred spaces, and at ultimate build-out, total district parking within Ward Village will be further reduced to approximately 2,700 parking spaces subject to market demand. Ex. U-4; Tr. (March 3, 2021) at 153-154 (testimony of Pete Pascua, P.E.).

111. This area-wide parking strategy and regional district parking for commercial uses fosters multi-modal travel by utilizing and encouraging the "park-once" concept, in which patrons will park once and use different modes of travel to access shopping, dining,

entertainment and other venues within Ward Village. Tr. (March 3, 2021) at 154 (testimony of Pete Pascua, P.E.).

112. **Off-street loading.** The Project is required to provide four off-street loading spaces that meet or exceed the minimum dimensions as provided in the Vested Rules. The Project will provide two loading spaces with dimensions of 12 feet by 35 feet, and two loading spaces with dimensions of 8-1/2 feet by 19 feet. Ex. U-1 at 32 (Table 5-2).

113. **Bicycles.** The Ward MP envisions an interconnected bicycle network linked to the City and County of Honolulu system, with the improved bicycle environment being an integral component to the overall transportation management strategy. *See* Ward MP D&O.

114. Short-term bicycle parking for customers, employees and guests of Ulana Ward Village will be provided on the ground level near commercial spaces and in Ka La‘i o Kukuluāe‘o Park. Long-term bicycle parking for residents will be provided on the ground floor adjacent to the parking structure. Ex. U-1 at 21.

115. Ulana Ward Village will provide bicycle parking using the City and County of Honolulu Land Use Ordinance (“LUO”) § 21-6.150, as a general recommendation. Ex. U-1 at 21.

116. Bikeshare stations are also at various convenient locations throughout Ward Village. Ex. U-1 at 21.

117. **Front, side and rear yards.** The Vested Rules require a front yard setback of fifteen feet, and a minimum side and rear yard setback of ten (10) feet for structures containing windows and opening facing side or rear property lines. HAR §§ 15-22-63.1, 15-22-63.2.

118. The Project site is bounded to the north by Pohukaina Street, on the east and west sides by a privately owned parcel, and is partially bounded on the south by an adjacent City-owned parcel and Auahi Street. Ex. U-1 at Exhibit 4.

119. A front yard setback is required along the north and south portions of the property that are immediately adjacent to streets. Ex. U-1 at Exhibit 4.

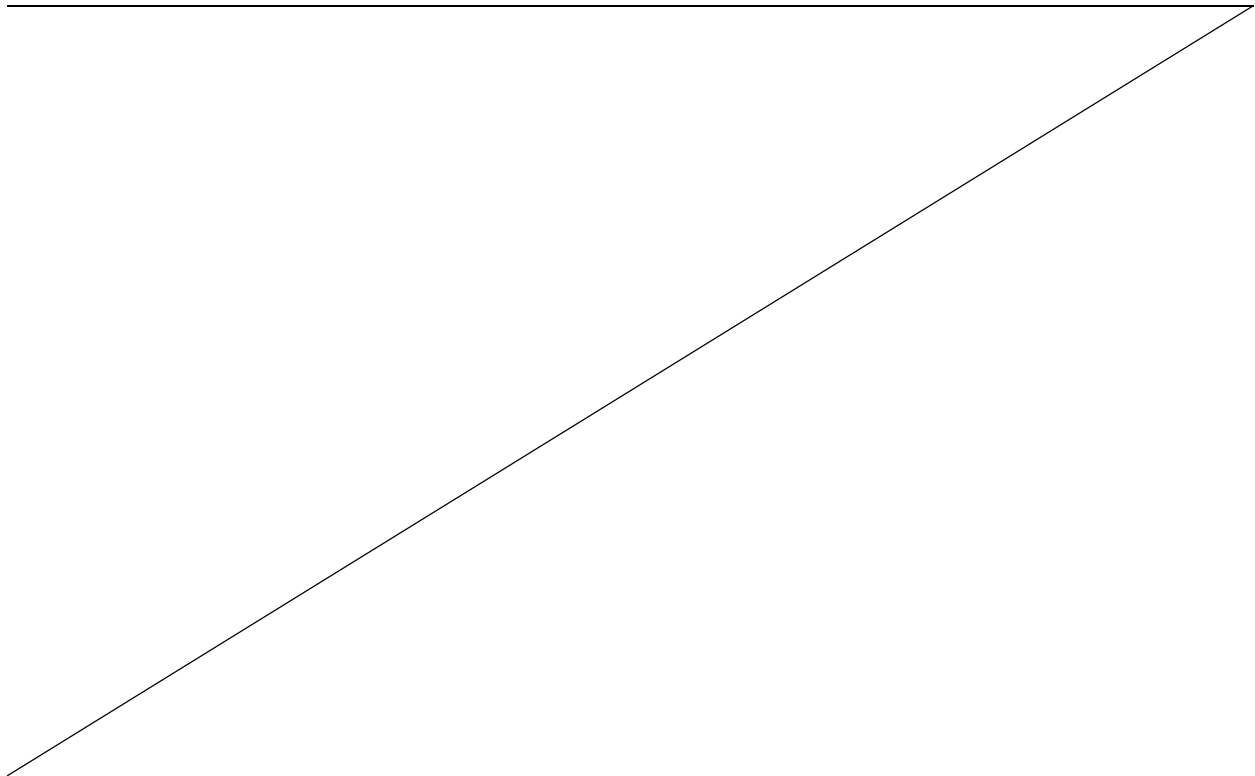
120. A ten-foot side yard is provided along the south facing façade of the Project parking structure (adjacent to the City-owned parcel), because there are openings on that side of the parking structure. There are no openings on the west facing wall of the parking structure; accordingly, there is no rear yard required along the east lot line shared with the privately owned parcel. Ex. U-1 at Exhibit 4.

121. **Public facilities.** Section 15-22-73 of the Vested Rules establishes requirements for public facilities dedication. The public facilities dedication requirement for residential floor area is four percent (4%) of the total proposed residential floor area exclusive of floor area devoted to reserved housing units and their associated common areas, and the public facilities dedication requirement for commercial floor area is three percent (3%) of the total proposed commercial floor area. No public facilities dedication is required for industrial floor area.

122. Since the total residential floor area of 581,262 square feet in the Project is devoted to reserved housing and associated common areas, in accordance with § 15-22-73(c)(2), no public facilities dedication is required for the residential floor area. The Project's proposed commercial floor area of 6,916 square feet triggers a public dedication requirement of 207 square feet. Ex. U-1 at 33 (Table 5-2).

123. As noted in the public facilities dedication letter dated February 19, 2021, given the provided and pending public facilities dedications in Ward Village to date, VWL will generate public facilities credits in conjunction with the Ward MP, which will be sufficient to meet the public facilities dedication requirement for the Project (and The Park Ward Village), and will leave a remaining balance of 160,972 square feet. Ex. U-3 (Public Facilities Agreement for Land Block 5, Project 2); Ex. U-1 at 33 (Table 5-2).

124. A summary of public facilities dedication requirements for the various development projects under the Ward MP that have been approved by the Authority, public facilities dedication credits accumulated by the Applicant, and public facilities dedications that are proposed and pending is provided in the following table:



WARD VILLAGE PUBLIC FACILITIES DEDICATION	
Credit from Pre-Ward Village MP Projects [a]	
39,581 sf	
Public Facilities Dedications (To Date)	
<i>Projects</i>	<i>Area</i>
KAK 13-036 [LB2-P1] Waiea [Doc A-52480775] - Sidewalk along Ala Moana Blvd	521 sf
KAK 13-037 [LB3-P1] Anaha [Doc A-52480776] - Sidewalk along Queen St.	353 sf
KAK 13-037 [LB3-P1] Anaha [Doc A-52480777] - Sidewalk along Auahi St.	496 sf
KAK 13-037 [LB3-P1] Anaha [Doc A-52480777] - Sidewalk along Auahi St.	431 sf
KAK 13-037 [LB3-P1] Anaha [Doc A-52480779] - midblock	902 sf
KAK 13-038 [LB5-P1] Ke Kilohana [Doc A-52480780] - R.O.W. along Ilaniwai St.	1,785 sf
Halekauwila Street Dedication to HCDA [Doc A-55070352]	37,261 sf
LB1: 2017/SUB-40 Lot D, Esmt A-7 [Doc A-68720531] - Roadway Easement	53,062 sf
KAK 16-075 [LB1-P3] 'A'ali'i [Doc A-69270954] - Sidewalk Easement P-3A	6,034 sf
LB1: 2017/SUB-40 Lot B [Doc A-68720628] - Sidewalk Easement P-4	5,773 sf
KAK 18-038 [LB1-P4] Kō'ula [Doc A-74390207] - Sidewalk Easement P-5	2,186 sf
KAK 14-074 [LB1-P2] Ae'o [Doc A-75230480] - Sidewalk Easement A-1	6,387 sf
KAK 14-074 [LB1-P2] Ae'o [Doc A-75230480] - Sidewalk Easement P-1	5,992 sf
KAK 14-074 [LB1-P2] Ae'o [Doc A-75230480] - Sidewalk Easement P-2	312 sf
Subtotal of Public Facilities Dedication Provided to Date [b]	121,495 sf
Total Credits & Dedications Provided to Date [a + b]	
161,076 sf	
Proposed (Pending) Public Facilities Dedications (To Date)	
LB1: 2019/SUB-109, Lot D-2 [unrecorded] - Halekauwila Roadway Easement A-8	10,241 sf
LB1: 2019/SUB-109, Lot E [unrecorded] - The Park on Ward Sidewalk Easement P-10	2,566 sf
LB1: 2020/SUB-92 Lot 39-F [unrecorded] - Victoria Ward Park - Makai	63,665 sf
LB1: 2019/SUB-109, Lot D-2, Esmt B [unrecorded] - Victoria Ward Park - Mauka	92,429 sf
LB1: 2019/SUB-109, Lot F, Esmt P-9 [unrecorded] - N-West Sidewalk Easement	2,547 sf
Subtotal of Pending Public Facilities Dedication [c]	171,448 sf
Total Dedications Provided / Pending [a + b + c]	
332,524 sf	
Required Public Facilities Dedication (To Date)	
<i>Project</i>	<i>Dedication Area</i>
KAK 13-036 [LB2-P1] Waiea	20,831 sf
KAK 13-037 [LB3-P1] Anaha	25,796 sf
KAK 13-038 [LB5-P1] Ke Kilohana	3,009 sf
KAK 14-074 [LB1-P2] Ae'o	24,107 sf
KAK 16-075 [LB1-P3] 'A'ali'i	21,653 sf
KAK 18-038 [LB1-P4] Kō'ula	26,713 sf
KAK 19-069 [LB2-P3] Victoria Place	22,252 sf
Subtotal	144,361 sf
Block F [LB5-P2] Ulana Ward Village	207 sf
Block H [LB1-P5] The Park on Ward	26,983 sf
Subtotal of Required Public Facilities Dedication to Date	171,552 sf
Remaining Balance Not Including Pending Public Facilities Dedications	
(10,476 sf)	
Remaining Balance after Pending Public Facilities Dedications	
160,972 sf	

Ex. U-3, U-1 at 33 (Table 5-2).

125. **Reserved housing / credit system**. Pursuant to HAR §15-22-115(a), the Project is required to provide “at least twenty percent of the total number of dwelling units in the development for sale or rental to qualified persons”.

126. Hawai‘i Administrative Rules § 15-22-203(b) gives HCDA the authority, as part of a master plan approval, to permit reserved housing units to be transferred from one development lot to one or more development lots within the master plan area. Ex. U-7 (Amended Kimi Yuen Testimony - Modification), U-44.

127. HCDA exercised this authority with respect to Ward Village through its approval of the Ward Master Plan in 2009 and its execution of the Ward Master Plan Development Agreement in 2010. Ex. U-7, U-44.

128. The Ward MP provided that:

The HCDA Rules allow the development of Reserved Housing units offsite. . . . The ability to develop these units offsite offers the kind of flexibility that is essential to meeting the needs of families who qualify for Reserved Housing. . . . The reserved housing units in Ward Neighborhood may be integrated within mixed-use developments, located offsite within Kaka‘ako, or elsewhere as permitted.

* * *

The overall design of these homes will blend with the context of the Neighborhood. Building amenities, specifications, unit sizes as well as parking requirements will be adjusted in an effort to reduce construction costs while still addressing the needs of the community.

Ward MP; Ex. U-44.

129. HCDA recognized these provisions of the Ward MP, and HCDA made several findings in the Ward MP D&O addressing the Ward MP reserved housing proposals, including that:

- a. HCDA considered the “location . . . of residential uses including reserved housing units.”;
- b. HCDA determined that: “Petitioner has proposed to meet the 20% reserved housing requirement by providing the units on- or off-site within Kaka‘ako, or elsewhere as permitted”; and
- c. “Petitioner has provided for the Authority’s consideration the nature of the proposed master planned area and proposed developments therein in terms of size, use . . . [and] the location . . . of residential uses including reserved housing units[.]”

See Ex. U-44 (quoting Ward MP D&O Finding of Fact (“FOF”) Nos. 64, 74; COL No. 9).

130. As noted, the Ward MP D&O required the execution of the Development Agreement. Specifically, Condition No. 2 of the Ward MP D&O provided that:

Petitioner shall execute a Master Plan Development Agreement to the satisfaction of the Authority. . . . Pursuant to HRS Chapter 206E-4, the Authority is authorized to enter into a development agreement to provide parties to the development agreement with assurances of the following . . . descriptions of the delivery, manner and timing of reserved housing.

See Exhibit U-44 (quoting Ward MP D&O Condition No. 2).

131. As required by Condition No. 2, the Development Agreement documented HCDA's and VWL's agreement regarding the "delivery, manner and timing of reserved housing" within Ward Village. Ex. U-7, U-44.

132. Under Hawai'i Revised Statutes § 206E-7(b), the development of lands under a master plan permit are governed by both the master plan permit and the master plan development agreement; therefore, both of these documents govern VWL's rights, which are vested with respect to the flexibility in the manner of delivery and timing of reserved housing within Ward Village. Ex. U-7; HRS § 206E-7(b).

133. Under the terms of the Development Agreement, HCDA sought to incentivize the early delivery of reserved housing in Ward Village in advance of market housing.

134. Specifically, Section V.B.4. of the Development Agreement provided that:

To encourage the early delivery of reserved housing within the Kaka'ako Community Development District in advance of the construction of market housing, the HCDA will effectuate a reserved housing credit process that will apply to the Ward MP under the following circumstances:

* * *

[I]f VWL . . . construct[s] more reserved housing for any planned development in the Master Plan Area than is required for that project;"

* * *

VWL . . . may use [its] reserved housing credits to satisfy all or part of the Ward MP reserved housing requirements[.]

* * *

The reserved housing credits shall be applied on a one-for-one basis.

See Ex. U-44 (quoting Development Agreement); Ex. U-7.

135. Under this credit system, HCDA agreed that it would allow VWL to build reserved housing units in advance and off-site, and it would allow VWL to accrue credits for reserved housing built in excess of current requirements. *See* Ex. U-7, U-44.

136. HCDA further agreed that it would allow VWL to use its credits, at its option (and on a one-for-one basis), to satisfy “all or part” of the Ward MP reserved housing requirements for future developments, rather than requiring the inclusion of reserved housing on a development-by-development basis. Ex. U-7, U-44.

137. The Development Agreement credit system, which documents and recognizes VWL’s right to exercise the option to construct reserved housing units in advance and off-site (as with Ulana Ward Village), is consistent with HCDA’s recognition that “[t]he phasing and timing of development under the Ward MP is intended to be flexible to give VWL the ability to adapt to economic and market conditions.” Ex. U-7, Ex. U-44.

138. The Development Agreement credit system is also in compliance with, and satisfies, the provisions HAR § 15-22-115(c), which provides that “[i]f the authority so determines, it may require that, instead of providing reserved housing units within the development . . . the applicant may meet the requirement . . . [b]y providing such reserved housing units elsewhere within the mauka area.” HCDA has made this determination through the Ward MP D&O and the Development Agreement. Ex. U-7, U-44.

139. Pursuant to the planned development permits for KAK 18-038 (Kō‘ula) and KAK 19-069 (Victoria Place), VWL is currently required to provide a minimum of 108 reserved housing units within Ward Village. Ex. U-1 at 21.

140. Condition No. 4 of the planned development permit for KAK 19-069 (Victoria Place) confirmed, in part, that “VWL shall have the right to utilize any excess reserved housing units [*i.e.* in excess of the 108 reserved housing units required for KAK 18-038 (Kō‘ula) and KAK 19-069 (Victoria Place)] as credits to fulfill reserved housing requirements for other planned development projects within the Ward Master Plan.” *See* Planned Development Permit for KAK 19-069 (Victoria Place) (October 2, 2019).

141. The 697 reserved housing units proposed at Ulana Ward Village will significantly exceed this current 108 unit requirement, and will provide the early delivery of reserved housing in advance of market housing in Ward Village as contemplated, agreed and incentivized by the Development Agreement. *See* Exhibit U-7.

142. As provided in the Ward MP, and as with other VWL reserved housing communities, at least ten percent (10%) of the reserved housing homes at Ulana Ward Village will be offered at or below one hundred percent (100%) of the Area Median Income (“AMI”). Ward MP D&O at FOF 74; Tr. (March 3, 2021) at 51, 57.

143. Under the terms of the Development Agreement (and as confirmed by Condition No. 4 of the planned development permit for Victoria Place), after the delivery of Ulana Ward Village and The Park Ward Village, VWL will have approximately 362 reserved housing credits that VWL may, in the exercise of its vested rights, use in order to satisfy, at its option, all or part of the Ward MP reserved housing requirements for future developments and/or to true up the reserved housing mix upon completion of all projects within the Ward MP as summarized in the table below:

Reserved Housing		
Project	Residential Units	Reserved Housing Units Provided
<i>KAK 13-036 [LB2-P1] Waiea</i>	*177	0
<i>KAK 13-037 [LB3-P1] Anaha</i>	318	0
<i>KAK 13-038 [LB5-P1] Ke Kilohana</i>	424	375
<i>KAK 14-074 [LB1-P2] Ae'o</i>	466	0
<i>KAK 16-075 [LB1-P3] 'A'ali'i</i>	751	150
<i>KAK 18-038 [LB1-P4] Kō'ula</i>	570	0
<i>KAK 19-069 [LB2-P3] Victoria Place</i>	350	0
<i>Block F [LB5-P2] Ulana Ward Village</i>	697	697
<i>Block H [LB1-P5] The Park Ward Village</i>	546	0
Total Residential Units	4299	1222
Reserved Housing Units Required (20%)	860	
Reserved Housing Units Balance - exceeding requirements	362	
*The Waiea Planned Development Permit included 177 residential units, but only 174 units were constructed		

Ex. P-1 at 20 (Table 4-2); Ex. U-4, U-7.

144. **Location and delivery of reserved housing.** The Ward MP contemplated dedicated reserved housing developments within Ward Village, and VWL's decision, pursuant to the Ward MP D&O and the Development Agreement, to build Ulana Ward Village in its proposed location as a dedicated reserved housing development in order to provide a substantial

number of reserved housing units in advance of the construction of market housing is sound and well-supported. Ex. U-15 (Ann Bouslog, Ph.D. Testimony); Ex. U-16 (Ann Bouslog, Ph.D. Report); Ex. U-43; Tr. (March 3, 2021) at 101-127.

145. Ann Bouslog, Ph.D. has over 30 years of experience in market and economic assessment, as well as land use entitlement and strategic planning for large or complex developments and land holdings throughout Hawai'i and the Pacific. Ex. U-17 (Ann Bouslog, Ph.D. CV), U-15. Dr. Bouslog has a Ph.D. in demography / sociology, and a M.A. in sociology, with a minor in city and regional planning, from Cornell University, and a B.A. in urban studies from Stanford University.

146. As detailed and supported in Dr. Bouslog's study, the location of Ulana Ward Village is supportive of promoting a healthy, active, urban resident lifestyle, and the location is well-suited for primary multi-family residences that appeal to a broad range of local household and demographic types. Ex. U-15, U-16.

147. The development is centrally located within walking distance of a broad range of potential employment opportunities, as well as numerous venues for shopping, dining, entertainment, culture and outdoor recreation. Ex. U-15, U-16.

148. Ulana's location will serve as a bridge between Our Kaka'ako and Ward Village, with convenient pedestrian and bicycle access to the services, open spaces and amenities of both communities and beyond. Ex. U-15, U-16.

149. The Ulana Ward Village site has long been planned for residential redevelopment, and the Ulana Ward Village location has been thoughtfully selected to take full advantage of the its central location within the developing Kaka‘ako area. Ex. U-15, U-16.

150. While there are successful examples of reserved housing development in Honolulu under both the “dedicated” and “distributed” models, Ulana Ward Village’s dedicated reserved housing model is reasonable and well-supported by a number of factors and considerations cited by developers, operators, lenders, real estate professionals, and others involved in reserved housing in Hawai‘i as further discussed in Dr. Bouslog’s report. Ex. U-15, U-16.

151. HCDA takes notice of its own precedent that it has permitted dedicated off-site reserved housing developments to fulfill, and/or provide credits for, reserved housing requirements in the KCDD, including the 1133 Waimanu and Rycroft Terrace developments. *See HCDA Website (Kaka‘ako Housing Projects).*

152. Under current plans, Ulana Ward Village will bring to market approximately 697 reserved housing units by approximately 2024. There is a significant, unmet demand for reserved housing in urban Honolulu, and the development will provide numerous reserved housing units at once, and well in advance of the gradual development of reserved housing that would occur under the distributed model. Ex. U-15, U-16.

153. From a development perspective, the dedicated model provides increased development assurance through a greater likelihood of presales and interest from capital markets. Development costs and maintenance fees, which directly affect purchasers of reserved housing

units, can be much more efficiently managed through building designs and amenity selections focused on reserved housing buildings, unlike in the distributed model. Ex. U-15, U-16.

154. Although maintenance fees and other housing expenses are of concern to both reserved housing and market-priced purchasers, long-term maintenance fees can be better managed through the dedicated reserved housing model, and issues of association governance and control to mitigate such risks are also more efficiently handled through the dedicated reserved housing model. Ex. U-15, U-16.

155. VWL is implementing various measures at Ulana Ward Village to address maintenance costs, including separately metering utilities in various areas and considering how various services can be efficiently managed. Tr. (March 3, 2021) at 54-56.

156. Experience in Ward Village and other communities demonstrates that the dedicated reserved housing model can also be conducive to fostering a sense of community and shared interests within the developments, thus contributing to a vibrant and healthy neighborhood. Ex. U-15, U-16.

157. **Flood hazard district.** Pursuant to HAR § 15-22-82, the applicable provisions of the Honolulu Land Use Ordinance (LUO) relating to flood hazard districts apply to all properties within the mauka area.

158. The Project site is located in the Federal Emergency Management Agency Flood Insurance Rate Map as Zone AE, in which the annual chance of flooding for a 100 year flood is determined as one percent. The property's flood base elevation is 7 feet, and the proposed finish

floor elevation at Level 1 for the Project is 7.25 feet. Ex. U-1 at 33 (Table 5-2); Ex. U-1 at Appendix D; Tr. (March 10, 2021) at 44-45.

MODIFICATION

159. **Description of modification.** As proposed by the Ward MP and implemented in previously-approved developments in Ward Village, VWL requests one modification to HAR § 15-22-62(a) to increase the mixed-use platform height from forty-five (45) feet to seventy-five (75) feet, with an additional twelve (12) feet of height for accessory use structures with a total area less than fifteen percent (15%) of the platform roof area, and eighteen (18) feet of height for structures housing elevator machinery on the platform roof. Ex. U-1 at 34 (Table 5-2); Ex. U-5 (Race Randle Written Direct Testimony - Modification Hearing); Ex. U-7; Ex. U-19 (Frederick Hong Written Direct Testimony - Modification Hearing).

160. **Flexibility in design.** The Mauka Area Plan and Vested Rules provide flexibility for large developments and adopt an approach that departs from the rigidities of lot-by-lot development, allowing the community to receive public amenities that would otherwise be unavailable.

161. Hawai'i Administrative Rules § 15-22-1 expressly provides that “the authority shall interpret these rules to encourage flexibility of design.” The Mauka Area Plan expressly provides that its vision is to create the vertical mixing of uses, locate commercial at grade, and create pedestrian-oriented residential, commercial, social and recreational activities.

162. To create the vision and meet the goals identified in the Mauka Area Plan, the plan described and encouraged the following elements:

- a. “Commercial uses requiring easy access to automotive traffic could also locate at grade”;
- b. “Large scale developments or superblocks are proposed to make the mixed-use concept work most efficiently”;
- c. “Most developments in the Mauka Area will be encouraged to have common urban design features for the purpose of creating a desirable and functional community. These features are tastefully designed platforms, decks, and towers”; and
- d. The creation of a level “with pedestrian-oriented residential, commercial, social and recreational activities. . . .”

Mauka Area Plan at 13-14, 23.

163. Consistent with the foregoing, the Ward MP identified modifications that VWL would be seeking to implement the vision of the Mauka Area Plan and the master plan. As stated in FOF No. 62 of the Decision and Order approving the Ward MP, the master plan proposed:

Inreas[ing] the maximum podium or street front element height from 45 feet to 65 feet for parcels fronting Ala Moana Boulevard and to 75 feet for all other parcels not directly fronting Ala Moana Boulevard, which will allow retail, restaurants and residential units to be built within the podium and parking structures to be moved up and away from the street, creating a more aesthetically pleasing and pedestrian friendly façade.

Ward MP D&O; Ex. U-7, U-43.

164. The Authority reviewed the proposed platform height modification at the time of the Ward MP approval and determined in FOF 103 that: “increasing the podium height allows

for retail, restaurants, office, and residential units to be built within the podium” and the “additional podium height offers the opportunity to move a parking structure up and away from the street, occupying a smaller floor plate and making room for alternative uses,” which uses “can then surround the garages.” Ward MP D&O; Ex. U-5, U-7, U-43.

165. **HAR § 15-22-22 criteria.** HCDA further determined that the modification to the platform height would satisfy the standard for granting modifications under HAR § 15-22-22. This is set forth in FOF No. 106 of the Decision and Order approving the Ward MP, which provides that the modification:

(a) will result in a development that is consistent with the intent of the Mauka Area Plan and Rules; (b) will provide flexibility for different uses and various design strategies noted in the Master Plan, including concealed parking structures and pedestrian-friendly facades, which will result in a development that is practically and aesthetically superior to one which could be accomplished without such modifications; (c) will not adversely affect adjacent developments or uses; and (d) are necessary to implement the mixed-use, live-work-play neighborhood vision of the Master Plan and Mauka Area Plan.”

Ward MP D&O; Ex. U-5, U-7.

166. As envisioned by the Mauka Area Plan, the Ward MP, and the Ward MP D&O, the requested modification for Ulana Ward Village will allow for commercial and light industrial space to be built within the ground floor of the parking and mixed-use platform. The additional height also provides an opportunity to move the bulk of parking uses up and away from the street level, thereby dramatically increasing the open and recreation spaces at ground level and improving the street environment. Ex. U-1 at 29, Exhibits 20, 21A, 21B, 21C and 21D; Ex. U-5; Ex. U-7; Ex. U-19.

167. Other resident, community and public benefits facilitated by the modification include the 30,000 square foot Ka La'i o Kukuluāe' o Park, and the provision of additional district parking. Ex. U-1 at 29; Ex. U-5; Ex. U-7.

168. The ground level open and green spaces created by the modification will create a greatly enhanced, walkable, active, green, and enjoyable streetscape that Ulana Ward Village purchasers, residents and the community will value and will enjoy. Ex. U-1, U-7, U-41.

169. The modification is also fully consistent with other developments in Ward Village. Accordingly, the modification will not adversely affect adjacent developments or uses, but instead will enhance and provide uniformity with neighboring developments within the community. Ex. U-7.

170. In particular, the modification facilitates the development of a significant and superior reserved housing development for this area. This development, inclusive of the modification, is an example of how VWL's right to determine the location of reserved housing in Ward Village provides flexibility to meet the needs of individuals and families that qualify for reserved housing. Ex. U-7.

171. Thus, as noted in the Ward MP D&O, the modification meets the criteria of HAR § 15-22-22, which provides that:

- (1) The modification would provide flexibility and result in a development that is practically and aesthetically superior to that which could be accomplished with the rigid enforcement of this chapter;
- (2) The modification would not adversely affect adjacent developments or uses; and

- (3) The resulting development will be consistent with the intent of the mauka area plan.

172. **HAR § 15-22-120(7) criteria.** In addition, Hawai'i Administrative Rules § 15-22-120(7), which expressly permits the Authority to grant modifications for platform heights, states:

Platform heights may be commensurately modified to exceed forty-five feet where:

- (A) Subsurface construction is infeasible;
- (B) Design requirements for ceiling height clearances require height adjustment;
- (C) Industrial, commercial, residential or community service uses are substantially located within the platform, especially along streets or public spaces; or
- (D) Significant public facilities or pedestrian features are provided at the street level, especially arcades or publicly accessible open space in excess of the minimum grade-level open space.

173. Although the Ulana Ward Village platform is only required to meet one of the criteria of HAR § 15-22-120(7), the modification request meets all four criteria.

174. **HAR § 15-22-120(7)(A) - Subsurface construction is infeasible.** The proposed modification for Ulana Ward Village, consistent with the Mauka Area Plan, avoids subsurface excavation activities associated with an underground parking structure. Keeping the parking structure above ground for the development, where there are potential cultural subsurface sensitivities and the proximity to the water table, is an important consideration and benefit. Ex. U-1 at 26; Ex. U-7.

175. **HAR § 15-22-120(7)(B) – Design requirements for ceiling height clearances require height adjustment.** In order to facilitate ceiling heights for off-street loading vehicles, commercial uses, and industrial uses, an increase in the ground floor level ceiling height is necessary, and therefore requires an increase in the platform height. Ex. U-1 at 26; Ex. U-7.

176. **HAR § 15-22-120(7)(C) - Industrial, commercial, residential or community service uses are substantially located within the platform, especially along streets or public spaces.** Ulana Ward Village will include approximately 34,501 square feet of light industrial space and 6,916 square feet of ground floor commercial space in the platform, which will serve the Ulana Ward Village residents and the broader Ward Village community. These uses, which will provide a more aesthetically pleasing and pedestrian-friendly façade on the mauka side of the development. Ex. U-1 at 26; Ex. U-7.

177. **HAR § 15-22-120(7)(D) - Significant public facilities or pedestrian features are provided at the street level, especially arcades or publicly accessible open space in excess of the minimum grade level open space.** The proposed modification also facilitates the provision of substantial ground floor open and recreational space at Ulana Ward Village. As Exhibit 20 to the Application illustrates, increasing the platform height, thereby pulling the parking up and away from the street, not only results in space for the commercial and light industrial uses, but also dramatically increases the open space at ground level. Depictions of the street-level pedestrian activation and aesthetic benefits arising from the modification are also illustrated in Exhibits 21A, 21B, 21C, and 21D of the Application. Ex. U-1 at Exhibits 20, 21A-21D; Ex. U-7.

178. As a result, Ulana Ward Village provides approximately 26,597 square feet of ground floor open space (156 percent more than required), and approximately 40,708 square feet of ground floor resident recreation space (6 percent more than required). This open and recreational space is in addition to the adjacent Ka La'i o Kukuluae'o Park, which will provide a 30,000 square foot park area for residents and the community to enjoy in the heart of Kaka'ako. Ex. U-1 at 26; Ex. U-7.

HRS CHAPTER 206E REQUIREMENTS

179. Pursuant to HRS § 206E-5.6(j), HCDA is required to consider the following criteria in evaluating whether a developer's proposal to develop lands under HCDA's control is reasonable and is consistent with the development rules and policies of the relevant development district:

- a. The extent to which the proposed project:
 - i. Advances the goals, policies, and objectives of the applicable district plan;
 - ii. Protects, preserves, or enhances desirable neighborhood characteristics through compliance with the standards and guidelines of the applicable district rules;
 - iii. Avoids a substantially adverse effect on surrounding land uses through compatibility with the existing and planned land use character of the surrounding area; and

- iv. Provides housing opportunities for all income groups,
particularly low, moderate, and other qualified income groups;
- b. The impact of the proposed project on the following areas of urban design, as applicable:
 - i. Pedestrian oriented development, including complete streets design;
 - ii. Transit oriented development, including rail, bus, and other modes of rapid transit; and
 - iii. Community amenities such as gathering places, community centers, culture and arts facilities, and the full array of public facilities normally provided by the public sector;
- c. The impact of the proposed project on the following areas of state concern:
 - i. Preservation of important natural systems or habitats;
 - ii. Maintenance of valued cultural, historical, or natural resources;
 - iii. Maintenance of other resources relevant to the State's economy;
 - iv. Commitment of state funds and resources;
 - v. Employment opportunities and economic development; and
 - vi. Maintenance and improvement of the quality of educational programs and services provided by schools;

d. The representations and commitments made by the developer in the permit application process.

HRS § 206E-5.6(j).

180. **Extent to which the Project advances the goals, policies, and objectives of the applicable district plan**. The Project has been designed consistently with the goals of the Ward MP, the Vested Rules, the Authority's development guidance policies, and the district wide plan for the Kaka'ako mauka area. *See* Ex. U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

181. The applicable district plan is the Mauka Area Plan adopted by HCDA in June 2005. The Mauka Area Plan provides a framework for public-private sector cooperation to develop the Mauka Area into a vibrant, mixed-use community with a variety of housing types in Honolulu's urban core. *Ex.* U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

182. From the housing perspective, Ulana Ward Village will add approximately 697 reserved housing homes to a severely supply-constrained market in the urban core, and the design of Ulana Ward Village is supported by current sales trends in surrounding Ward Village communities. *Ex.* U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

183. Ulana Ward Village is located in the core of Honolulu and Kaka'ako, in close proximity to the central business district, the government center, and commercial, and industrial facilities, along with recreational areas such as Ala Moana Beach Park and Kewalo Basin Harbor. Its central location provides convenient access to the services and amenities throughout Kaka'ako and Ward Village, including through the planned Auahi Street pedestrian promenade. *Ex.* U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

184. A key aspect of the Mauka Area Plan is its open space and recreation plan, which prioritizes the creation of open space systems, as well as on-site recreation and open spaces. This “systems” approach recognizes that residents benefit from community-wide as well as site-specific open space and recreational spaces. Ex. U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

185. Ulana Ward Village and the adjacent Ka La‘i o Kukuluāe‘o Park significantly advance the open space and recreational aspects of the Mauka Area Plan. The development provides extensive open and recreation space on-site, including over 26,000 square feet of open space and over 40,000 square feet of recreation space. This recreation space includes over 31,000 square feet of ground floor, outdoor landscaped recreation space exclusively for residents, which will provide a lush, green, street-level recreation area in the heart of an urban community. Ex. U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

186. The 30,000 square foot Ka La‘i o Kukuluāe‘o Park will be adjacent to the development. The park (previously known as the ‘Ewa Plaza), is an important component of the system of connected open spaces contemplated by the Ward MP, which also includes Victoria Ward Park and the future Diamond Head Plaza on the east side of Ward Village. All of these open spaces will be connected through the Auahi Street pedestrian promenade. Ex. U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

187. In addition, Ulana Ward Village has been coordinated with major existing and contemplated transportation routes, recreational and service areas, and is consistent with HCDA’s transit-oriented development principles.

188. Ulana Ward Village will provide pedestrian and multi-modal connectivity for residents and visitors, and is located near jobs, recreational areas, retail, dining, and transportation services. Ex. U-1, U-4, U-6; Tr. (March 3, 2021) at 68-75.

189. **Extent to which the Project protects, preserves, or enhances desirable neighborhood characteristics through compliance with the standards and guidelines of the applicable district rules.** The applicable district rules for Ulana Ward Village are the Vested Rules. Section 5.2 and Table 5-2 of the Application shows Ulana Ward Village's conformance with the Vested Rules and Ward MP. Ex. U-1 at 30-35 (Table 5-2); Ex. U-7; Tr. (March 3, 2021) at 68-75.

190. Specific rules with which Ulana Ward Village complies include: method of development, land use zone, density, heights, bicycle parking, front yard, side yard, open space, recreation space, view corridors, off street parking and loading, architectural criteria, dedication of public facilities, utilities required to be underground, performance standards, joint development, flood hazard district, reserved housing, FAR and FAR transfers, building height, tower footprint, view corridor setback, streetscapes, building orientation, tower spacing, and landscaping. Ex. U-1 at 30-35 (Table 5-2); Ex. U-7; Tr. (March 3, 2021) at 68-75.

191. Both the City and the HCDA have also encouraged the implementation of the "complete streets" development model, which emphasizes the development of safe, multi-modal, and pedestrian-oriented streetscapes and connectivity. Ex. U-18.

192. The location and design of Ulana Ward Village enhances, promotes and preserves these desirable neighborhood characteristics. Ex. U-18.

193. Ulana Ward Village will be in central Kaka‘ako, in close proximity to services and amenities throughout the area. Ex. U-4, U-6, U-18.

194. The Project is adjacent to two key elements of the Ward Master Plan:

- a. The Auahi Street Pedestrian Promenade will extend ‘Ewa of Ward Avenue through the realignment of Auahi Street with Pohukaina Street. The planned promenade will be just mauka of the development; and
- b. The 30,000 square foot Ka La‘i o Kukuluāe‘o Park, the former ‘Ewa Plaza envisioned in the Ward Master Plan, will be on the Diamond Head side of the residential tower.

Ex. U-4, U-6, U-18.

195. Both the Auahi Street pedestrian promenade and the park will encourage pedestrian activation and interaction in and around Ulana Ward Village, and the promenade will provide a convenient, landscaped and shaded pedestrian-oriented streetscape and connectivity to the open spaces, services and amenities throughout Ward Village and beyond. Ex. U-4, U-6, U-18.

196. The design of the development enhances the neighborhood and the larger Ward Village community. The development’s tower is oriented in a mauka-makai direction, which preserves city-wide views while maintaining a view corridor to the ocean. The platform design (including the modification of the platform height) permits the inclusion of significant additional open and recreation space in and around Ulana Ward Village. Ex. U-4, U-6, U-18.

197. The development features a ground floor, landscaped recreation area exclusively for Ulana Ward Village residents, which complements the public use Ka La‘i o Kukuluāe‘o Park, and adds additional green open space to the urban landscape. Ex. U-4, U-6, U-18.

198. The development’s platform is also designed to enhance pedestrian and community activation. The platform (with the height modification) is designed to accommodate nearly 7,000 square feet of street-level commercial space, and over 34,500 square feet of light industrial space. These spaces will be accessible to Ulana Ward Village residents and visitors to Ka La‘i o Kukuluāe‘o Park. Ex. U-4, U-6, U-18.

199. The commercial spaces will also face the Auahi Street pedestrian promenade, thus further increasing and enhancing pedestrian access and activation along this major corridor connecting the open spaces, retail services and amenities throughout Ward Village. Ex. U-4, U-6, U-18.

200. Ulana Ward Village also includes district parking. Placing these off-street parking spaces in a central location allows visitors who utilize the district parking at Ulana Ward Village to walk or bicycle to other areas within the community, thus helping to alleviate the congestion of the limited on-street parking within Kaka‘ako and encouraging pedestrians to park once and explore the multi-modal and pedestrian-oriented neighborhood. Ex. U-18; Tr. (March 3, 2021) at 153-154.

201. As with all areas of the Ward MP, on completion, the Ulana Ward Village site will be integrated into VWL’s existing operations team that professionally oversees

management, maintenance and security throughout the Ward MP area at no cost to the public.

Ex. U-7; Tr. (March 3, 2021) at 68-75.

202. **Extent to which the Project avoids a substantially adverse effect on surrounding land uses through compatibility with the existing and planned land use character of the surrounding area.** The surrounding uses and urban areas were taken into consideration during the planning of Ulana Ward Village. Development permits approved under the Ward MP for Waiea, Anaha, Ae‘o, Ke Kilohana, ‘A‘ali‘i, Kō‘ula and Victoria Place have brought mixed-use residential buildings, commercial frontage, shopping destinations, and sizeable outdoor areas and seating along Kamake‘e Street and Auahi Street. Ex. U-4, U-7; Tr. (March 3, 2021) at 68-75.

203. Ulana Ward Village integrates with these existing and planned conditions by, among other design strategies, transitioning to the ground level open space at Ka La‘i o Kukuluāe‘o Park, providing commercial and light industrial services at ground level with extensive landscaping, and facilitating convenient access to the planned Auahi Street pedestrian promenade. All of these elements, as with the other developments in Ward Village area, create a vibrant streetscape, desired urban form, and pedestrian activation and connectivity. Ex. U-4, U-7; Tr. (March 3, 2021) at 68-75.

204. Ulana Ward Village is also highly compatible with surrounding areas in downtown Honolulu, Kaka‘ako and Ala Moana. The addition of residences from Ulana Ward Village and other existing nearby projects, within a few minutes of the central business district

and existing transportation options, creates the opportunity to shorten commuting times and alleviate traffic in urban Honolulu. Ex. U-4, U-7; Tr. (March 3, 2021) at 68-75.

205. **Extent to which the Project provides housing opportunities for all income groups, particularly low, moderate, and other qualified income groups.** VWL's decision to prioritize the construction of approximately 697 reserved housing homes in Ward Village prior to the construction of future developments in Ward Village helps to meet a present, critical need to provide timely housing opportunities for local reserved housing purchasers in urban Honolulu during a period of historically low interest rates and strong demand for housing on 'Oahu. Ex. U-6, U-26, U-26A (Exhibits to Robin Markle Presentation Testimony); Ex. U-41.

206. Ulana Ward Village has features and amenities, including those created and facilitated by the platform height modification, that many local reserved housing purchasers seek when buying a home, including its central location, convenient access to commercial and light industrial spaces, and extensive public and open spaces at ground level. Ex. U-41.

207. The housing mix at Ulana Ward Village will be responsive to the demand for reserved housing by local individuals and families, and will include studios / one-bedroom units and up to three bedroom units. Tr. (March 10, 2021) at 81-82.

208. Pursuant to the planned development permits for Kō'ula (KAK 18-038) and Victoria Place (KAK 19-069), 108 reserved housing homes are currently required. Consistent with the Ward MP, Ward MP D&O and Development Agreement, following the completion of Ulana Ward Village and The Park Ward Village, approximately 362 reserved housing homes

will be available to offset the reserved housing requirements for future projects in Ward Village.

Ex. U-4, U-6, U-7.

209. **Impact of the Project on pedestrian oriented development, including complete streets design.** Ulana Ward Village's location, orientation and design were carefully chosen to accommodate the pattern of a connected and walkable community coming to life at Ward Village. Ex. U-6.

210. As noted, both the City and the HCDA have also encouraged the implementation of the "complete streets" development model, which emphasizes the development of safe, multi-modal, and pedestrian-oriented streetscapes and connectivity. Ex. U-18.

211. The Ulana Ward Village design provides an outstanding pedestrian environment by creating and transitioning to street-level commercial, light industrial and extensive open and recreational spaces. Ex. U-4, U-6.

212. The Ulana Ward Village ground level will provide approximately 26,597 square feet of open space (156 percent more than required) and 40,708 square feet of resident recreation space (six percent more than required). This is in addition to the 30,000 square foot Ka La'i o Kukuluāe'ō Park, approximately 6,916 square feet of commercial space, and 34,501 square feet of light industrial space. Ex. U-6.

213. As also noted, Ulana Ward Village is adjacent to the Auahi Street pedestrian promenade, which will provide convenient pedestrian access to all of the amenities and services of Ward Village and beyond. Ex. U-4, U-6

214. Ulana Ward Village also facilitates the complete streets design features of Ward Village by accommodating both short- and long-term bicycle parking in the residential structure and within the parking structure, respectively. Ex. U-6.

215. The bicycle facility plans are guided by Revised Ordinances of Honolulu (“ROH”) Section 21-6.150, as a general recommendation. Exhibits 4 through 7 of the Application show the location of public short-term public bicycle racks. Ex. U-1 at Exhibits 4-7; Ex. U-6.

216. Exhibits 4, 6 and 7 show the location of resident long-term bicycle parking. Exhibit 6 also illustrates the bicycle, pedestrian and vehicle access points and circulation plan. Bikeshare stations are also situated at various convenient locations throughout Ward Village. Ex. U-1 at Exhibits 4, 6, and 7; Ex. U-6.

217. **Impact of the Project on transit-oriented development, including rail, bus, and other modes of rapid transit.** Ulana Ward Village is designed in consideration of major existing and contemplated transportation routes, recreational and service areas. Consistent with HCDA’s transit-oriented development principles, Ulana Ward Village is located within walking distance of the proposed rail station (near Ward Avenue and Queen Street) and adjacent to bus and trolley routes. Ex. U-6.

218. VWL has communicated with, and in earlier projects, engaged in construction de-confliction meetings with, HART representatives. VWL is committed to continuing its communication with HART. Ex. U-4.

219. **Impact of Project on community amenities such as gathering places, community centers, culture and arts facilities, and the full array of public facilities normally provided by the public sector.** Ulana Ward Village offers easily-accessible amenities and social gathering space to encourage interaction within its community of residents and visitors, and within the greater communities of Ward Village, Kaka‘ako, and Honolulu. Ex. U-6.

220. As noted, Ulana Ward Village is conveniently situated adjacent to both the 30,000 square foot Ka La‘i o Kukuluāe‘o Park, which is the second of three major connected open spaces proposed in the Ward MP (in addition to Victoria Ward Park and the Diamond Head Plaza), as well as the Auahi Street pedestrian promenade, which will visually and thematically connect the residences, amenities and major public spaces throughout Ward Village. Ex. U-4, U-6.

221. These improvements, among others, realize the vision of the Mauka Area Plan to encourage public-private sector cooperation to develop the Mauka Area into an active, mixed-use community with a full array of public and community amenities in Honolulu’s urban core. Ex. U-4, U-6.

222. **Impact of the Project on the preservation of important natural systems or habitats.** Consistent with the Sustainability Framework set out in the Ward MP, Ward Village holds Leadership in Energy and Environmental Design-Neighborhood Development (LEED-ND) Platinum certification, the highest rating provided. Ward Village is the largest community in the United States (and the only community in Hawai‘i) with this designation. Ex. U-4, U-6.

223. According to the U.S. Green Building Council, Leadership in Energy and Environmental Design (LEED) developments are designed to deliver the following benefits:

- a. Lower operating costs and increased value;
- b. Reduced waste;
- c. Energy and water conservation;
- d. More healthful and productive environments; and
- e. Reductions in greenhouse gas emissions.

Ex. U-4, U-6.

224. The project team for Ulana Ward Village is using an integrative design process to identify and use opportunities to employ sustainable strategies across disciplines and building systems. VWL plans to employ the following sustainable practices at Ulana Ward Village:

- a. Location and Transportation: There are community services within walking distance of the property, and multiple opportunities for public transit. Bike facilities will be provided on site. Ulana Ward Village is directly tied into the planned Auahi Street promenade, which will realign Auahi Street with Pohukaina Street. This will provide essential east-west connectivity for residents, ensure greater neighborhood walkability, and will contribute to the pedestrian network within Kaka‘ako.
- b. Sustainable Sites: To foster a healthy outdoor environment, VWL is committed to minimizing erosion and sedimentation during construction. Landscaping will capture rainwater, encourage time spent outdoors, and cool outdoor spaces. Ulana Ward Village will feature indigenous and/or ethnic

plantings to embrace Hawaiian ecosystems and avoid contributing to invasive plant populations.

- c. Water Efficiency: A number of water-conserving measures will be employed at Ulana Ward Village.
- d. Energy and Atmosphere, Indoor Environmental Quality: Ulana Ward Village will optimize energy performance. Renewable energy sources will be considered, and mechanical systems will be kept clean.
- e. Materials and Resources: Ulana Ward Village will responsibly manage construction waste, recycling at least as much waste as possible at the construction site. The building itself will have recycling facilities and recycling will be encouraged.
- f. Indoor Environmental Quality: Ulana Ward Village will create sensitive indoor environments with adjustable lighting and cooling systems, and will provide substantial outdoor views. The building will use materials that meet requirements for indoor environmental air quality.
- g. Innovation: Ulana Ward Village is considering a range of sustainability measures to support a comfortable and sustainable environment. Consistent with the inspiration for its name, Ulana Ward Village will also weave together a mix of uses -- including recreational, commercial and light industrial -- at a key location that will have exceptional pedestrian connectivity with the

services and amenities of Ward Village, as well as the neighborhoods further
‘Ewa within Kaka‘ako.

- h. Regional Priority: Ulana Ward Village will pursue sustainability opportunities that specifically address local priorities with regard to environment, social equity, and/or public health. Ulana Ward Village will address issues including responsible waste management and strategies for energy performance and indoor water conservation.

Ex. U-4, U-6.

225. The Application at Appendix A contains the LEED-NC checklist. Ex. U-1 at Appendix A.

226. **Impact of the Project on maintenance of valued cultural, historical, or natural resources**. VWL completed the following studies prior to its submission of the first development permit under the Ward MP:

- a. Historic building inventory (Fung Associates June 2012);
- b. Cultural impact assessment (Cultural Surveys Hawaii May 2012);
- c. Predictive archaeological model (Cultural Surveys Hawai‘i May 2012); and
- d. Archaeological Inventory Survey Plan (Cultural Surveys Hawai‘i December 2012).

Ex. U-4.

227. In addition to the foregoing, VWL has complied with HRS Chapter 6E and SHPD’s rules including HAR Chapter 13-284 in preparing the necessary archaeological

inventory surveys and mitigation documents specific to the Project. Ex. U-1 at Appendix B; Ex. U-30 (Matt McDermott, M.A. Written Direct Testimony - Presentation Hearing).

228. The letter from the State Historic Preservation Division dated June 23, 2020 confirming that SHPD accepted the project archaeological monitoring plan and that the permit issuance process may proceed, is attached to the Application at Appendix B. Ex. U-1 at Appendix B.

229. VWL's cultural consultation efforts have also been robust. VWL has and will continue to engage with state agencies and cultural stakeholders. Ex. U-30.

230. Beyond the statutory consultation requirements, VWL has proactively consulted with families who have a connection to the Kaka'ako area during the planning, designing, and archaeological inventory survey process for the Ward MP. Ex. U-30.

231. VWL engaged DTL Hawai'i, a multidisciplinary Hawaiian strategy design studio, which has a deep understanding and knowledge of Hawai'i's sensibilities and sensitivities, to assist with name candidates and recommendations for the Project and the nearby park. Ex. U-32.

232. After careful thought and consultation, the names that were eventually chosen for the Project and the park, Ulana Ward Village and Ka La'i o Kukuluāe'o Park, reflect the deep significance of the naming process, and the historical connections to the Ward Village and Kaka'ako community. Ex. U-32.

233. The naming of Ulana Ward Village and Ka La'i o Kukuluāe'o Park reflect the deep respect for the story and rich cultural history of the lands that underlie the Ward Village

neighborhood, and these names are part of VWL's integration of culture and Hawaiian sense of place within the Project and associated spaces. Ex. U-32.

234. VWL has demonstrated its commitment to maintaining valued historical and cultural resources; has complied with applicable laws to ensure that any impacts the Project will have on cultural resources are mitigated in compliance with approved mitigation and protection plans; and has proactively sought to engage in cultural consultation to ensure that Ward Village properly respects and reflects the valued cultural, historical and natural resources of the Kaka'ako area. Ex. U-30, U-32.

235. **Impact of the Project on maintenance of other resources relevant to the State's economy.** The design of Ulana Ward Village facilitates access for residents, locals, and visitors alike, by providing connection to critical centers of commerce, industry, employment, and tourism. Ex. U-6.

236. Ulana Ward Village is located in the core of Honolulu, in close proximity to the central business district, the government center, and commercial, and industrial facilities, along with recreational areas such as Ala Moana Beach Park and Kewalo Basin Harbor. Ex. U-6.

237. The design of Ulana Ward Village recognizes the strong potential for increased growth and development in this area. There is convenient access to mass transit throughout Ward Village, and Ulana Ward Village has been coordinated with major existing and contemplated transportation routes, recreational and service areas, and is consistent with transit-oriented development principles. Ex. U-6.

238. Ulana Ward Village is located near jobs, recreational areas, retail, dining, and transportation services, which are all critical to the State's economy. Ex. U-6.

239. **Impact of the Project on the commitment of state funds and resources.** Ulana Ward Village does not require State funds. Ex. U-6

240. Existing and planned infrastructure is adequate to support the Project, and Ulana Ward Village will not consume additional State resources. Major community amenities, including the Ka La'i o Kukuluāe'o Park, will be constructed, maintained and secured without government funding and at no cost to the public. Ex. U-1 at Appendix D; Ex. U-6; Ex. U-21 (Lee Cranmer Direct Testimony - Presentation Hearing).

241. Wilson Okamoto Corporation ("WOC") prepared a Traffic Impact Report ("TIR") for Ulana Ward Village dated December, 2020. Appendix C of the Application contains: (1) the TIR; and (2) an email from the City and County of Honolulu Department of Planning and Permitting Traffic Review Branch dated December 14, 2020 stating that the Traffic Review Branch accepted the TIR. Ex. U-1 at Appendix C; Ex. U-6; Ex. U-21; Tr. (March 3, 2021) at 149-159.

242. In October, 2018, WOC completed a Transportation Master Plan and Assessment for the Ward Village Master Plan ("Ward Village Traffic Assessment"), which included what eventually would become the Ulana Ward Village development, but looked more broadly at regional transportation systems. Ex. U-21.

243. Since a transportation assessment looks at the performance of transportation modal systems on a regional scale, it does not address project-specific impacts. Therefore, VWL

commissioned WOC to conduct a traffic impact report to specifically study the traffic-related impacts of Ulana Ward Village and recommend project-specific measures to address the impacts. Ex. U-21.

244. As with all developments, there are anticipated traffic-related impacts from Ulana Ward Village; however, as summarized in the TIR, the level of service operating conditions at the intersections in the vicinity of the Project are, with few exceptions, expected to remain similar to baseline and with and without the Project. Ex. U-21, U-24 (Pete Pascua, P.E. Direct Testimony - Presentation Hearing).

245. In addition, WOC made 17 recommendations in the report to mitigate the traffic impact of the Project, and VWL will be implementing those recommendations in the Ulana Ward Village project design. Ex. U-21, U-24.

246. VWL is also committed to implementing the roadway improvements planned in the Ward Village Master Plan. As noted in the TIR, for example, in connection with The Park Ward Village development, VWL is planning to proceed with the de facto Halekauwila Street extension to provide an additional east-west connection between Ward Avenue and Kamake'e Street, and VWL also plans to proceed with the Auahi Street realignment to connect with Pohukaina Street. Ex. U-21, U-24.

247. As noted in the TIR, these improvements are expected to provide improved mobility within the area. VWL is also continuing to work with the City and County of Honolulu to incorporate bicycle and pedestrian facilities to encourage other modes of travel within Ward Village. U-21, U-24.

248. WOC also prepared an Infrastructure Availability Report (IAR) for Ulana Ward Village dated July, 2020. WOC anticipates that available or planned infrastructure will be adequate to accommodate Ulana Ward Village, and has taken steps well ahead of the PDP application to confirm availability of utilities. Section 6.3 of the Application shows a list of utility providers that WOC contacted to confirm infrastructure availability. Appendix D of the Application contains the IAR. Ex. U-1 at Appendix D; Ex. U-6; Ex. U-21.

249. **Impact of the Project on employment opportunities and economic development.** Beyond enhancing the lives of its residents and the Ward Village community, Ulana Ward Village will have a direct, positive impact on the state economy at a time when private investment is urgently needed to help address the current economic crisis precipitated by the broad effects of the Covid-19 pandemic. Ex. U-6, U-9 (Sumner La Croix, Ph.D. Direct Testimony - Presentation Hearing), U-10 (Sumner La Croix, Ph.D. Report), U-12 (Paul Brewbaker, Ph.D. Direct Testimony - Presentation Hearing), U-13 (Paul Brewbaker, Ph.D. Report).

250. Sumner La Croix, Ph.D., Professor Emeritus in the Department of Economics at the University of Hawai'i at Manoa and a research fellow with the University of Hawai'i Economic Research Organization (UHERO), and Paul Brewbaker, Ph.D., economist and principal of TZ Economics and a former economist for Bank of Hawai'i, provided testimony on the positive short- and long-term economic impacts of Ulana Ward Village at the hearing. Ex. U-9, U-12; Tr. (March 3, 2021) at 75-86.

251. With approximately 697 reserved housing homes and approximately 41,000 square feet of commercial and light industrial space, Ulana Ward Village will generate substantial short-term benefits by bolstering the Hawai'i economy during its long recovery from the COVID-19 epidemic, and will generate long-term benefits by increasing the Honolulu stock of housing, Honolulu income and employment, and state and city and county of Honolulu tax revenues. Ex. U-9, U-10, U-12, U-13.

252. The tourism industry on 'Oahu, the island's largest industry, has been recovering slowly from its sharp decline in spring 2020, but as of February 4, 2021 visitor arrivals are still down more than 70 percent from 2019 levels. Ex. U-9, U-10; Tr. (March 3, 2021) at 78-80.

253. UHERO does not expect a full recovery to 2017 visitor arrival levels until 2026 even in its most optimistic forecast scenario. Ex. U-9, U-10.

254. Honolulu lost more than 60,000 jobs in 2020, and new economic activity is needed to fill the gap left by the decline of 'Oahu's largest industry. Ex. U-9, U-10, U-12, U-13.

255. The residential construction industry stands out as an industry with the potential to be more elastic in its immediate response to Honolulu's economic downturn. This is particularly the case in winter 2021 given record low interest rates which allow for low-cost builder financing and cheaper mortgage financing for potential home buyers. Ex. U-9, U-10, U-12, U-13; Tr. (March 3, 2021) at 82-89.

256. Honolulu labor markets are far from full employment, and this should help to facilitate rapid expansion of new projects. Additional timely construction spending in Honolulu

could generate additional output, income, and state-county taxes when it is most needed over the next several years. Ex. U-9, U-10, U-12, U-13; Tr. (March 3, 2021) at 82-89.

257. Key economic impacts of the Ulana Ward Village project include:

- a. Spending on the Ulana Ward Village project would offset some of the decline in spending on public projects in FY2023 and prevent the decline in Hawai'i gross domestic product (GDP) and jobs that would otherwise occur.
- b. The value of Honolulu residential building permits fell by more than 50 percent between 2017: Q1 and 2020: Q4. Following a similar time path, the number of private residential units authorized also fell by more than 50 percent between 2015: Q4 and 2020: Q3. Additional spending by the Ulana Ward Village project would help to stem these declines in construction of residential homes on 'Oahu.
- c. The Ulana Ward Village project would help to offset declines in Honolulu construction jobs since they peaked in 2016. Although jobs in the construction-mining sector increased in 2020, the number of jobs is still below the 2016 peak which indicates that construction and other workers looking for work should be available to take the annual average 171 jobs expected to be created by this project's direct and indirect spending during the 2018-2025 period.
- d. Spending by VWL on the Ulana Ward Village project generates additional spending by workers directly employed on the project by VWL and by

indirectly employed workers, *i.e.*, workers hired by Hawai'i subcontractors and project suppliers. Follow-on spending by both directly and indirectly employed workers creates multiplier output and additional jobs at Hawai'i firms where they spend their money. Multiplier spending tends to be larger when the economy is in recession and unemployment is relatively high. The December 2020 UHERO forecast expects unemployment to remain above full employment into 2025.

- e. The additional workers directly and indirectly employed on the Ulana Ward Village project as well as additional workers employed via multiplier spending will contribute more to Hawai'i GET tax collections and to Hawai'i income tax collections. Tax receipts generated by the project will help the state and City and County of Honolulu fill a 3-4 year shortfall in tax revenues below 2019 levels and will reduce the need for tax increases or cuts to spending on vital state and county services.

Ex. U-9, U-10.

- 258. The longer-term benefits expected from the Ulana Ward Village project include:
 - a. The project adds 697 reserved housing units to the 'Oahu housing stock. The reserved units allow middle-income Honolulu households to obtain access to high-quality, diverse new housing in a neighborhood close to the downtown business center. When middle-income households occupy the Ulana Ward Village reserved housing units, this frees up housing elsewhere on 'Oahu for occupancy by middle-income households and contributes to lower prices of

middle-income housing throughout 'Oahu. Early provision of the reserved housing units not only provides earlier benefits to the 'Oahu middle-income housing market but also ensures that required reserve housing units will be constructed well in advance of the full implementation of the Ward Neighborhood Master Plan area.

- b. Ulana Ward Village adds to the overall supply of housing on 'Oahu. Any additions to the stock of housing on 'Oahu will help to bring down or hold down housing prices generally and will contribute to the modernization of Hawai'i's overall housing stock.
- c. This project also helps to ensure a basis for commercial success of new and existing businesses in Kaka'ako, the downtown business district, and Ala Moana, as these nearby businesses are likely to be patronized by residents of Ulana Ward Village.
- d. The provision of more housing close to the downtown business district, UH medical school, Ala Moana Center and near transit is important in helping to manage future traffic flows in Honolulu, which is a key ingredient to future economic growth on 'Oahu.
- e. Once this project is completed, it will employ staff and hire local firms for administration, operations, and maintenance. This will increase 'Oahu output, employment, and state and city-county tax collections.

f. There will be a permanent boost to property tax collections by the City and County of Honolulu that will commence during project construction and when the new units are ready for occupancy.

Ex. U-9, U-10.

259. The estimated project economic stimulus includes \$409.3 million in development / construction output; \$25.9 million in state taxes during construction; over \$1 million in conveyance taxes; and approximately \$2.7 million in school impact fees. In addition, VWL plans to use local construction labor, and the development will create an average of 246 jobs annually during construction (with approximately 512 jobs during the peak of construction in approximately 2023). Ex. U-12, U-13.

260. Over a 30-year period, the development is projected to generate (in 2020 dollars) \$337.7 million in economic output for operations and maintenance; \$5.5 million in annual retail / industrial output; and \$20.8 million in state taxes for building operations and maintenance. The development is also projected to create 41 long-term jobs for building operations and amenities, as well as 35 long-term light industrial and retail jobs combined. Ex. U-12, U-13.

261. **Impact of the Project on maintenance and improvement of educational programs and services provided by schools.** HRS §§ 302A-1601 to 320A-1612, regarding School Impact Fees, establish a structure for assessing school impact fees for residential development. Ex. U-6.

262. Pursuant to this law, the State of Hawai'i Department of Education is administering a school impact fee district from Kalihi to Ala Moana, an area that includes the

Ulana Ward Village site. VWL will comply with all applicable laws regarding school impact fees. Ex. U-6.

SHADOW, WIND AND NOISE STUDIES

263. **Shadow Study.** In compliance with the Vested Rules and the Ward MP, Ulana Ward Village was designed and sited preserved Mauka-Makai views and minimize shadow effects on neighboring buildings. A shadow study is included in the Application as Appendix E. The shadow study indicates that there will be no substantially adverse impacts upon adjacent buildings from Ulana Ward Village. Ex. U-1 at Appendix E; Ex. U-6.

264. **Wind study.** Rowan Williams Davies & Irwin Inc. (“RWDI”) is preparing a detailed wind analysis study for Ulana Ward Village. The wind study will focus on frequently used pedestrian areas such as main entrances, sidewalks, and outdoor seating areas at both street and platform level. Ex. U-1 at Appendix E; Ex. U-6.

265. Wind tunnel measurements for multiple wind directions will be combined with long-term weather data to predict wind speeds and frequencies. This data will then be compared with wind comfort and safety criteria to determine if they are appropriate for the intended use of the pedestrian areas on and around Ulana Ward Village. Ex. U-6.

266. VWL will review the wind tunnel test results and any suggested mitigation measures for areas where higher-than-desired wind speeds are detected. RWDI’s letter describing its study is attached to the Application as Appendix F. Ex. U-1 at Appendix F; Ex. U-6.

267. **Noise impact analysis.** Censeo AV+Acoustics conducted a noise impact analysis for Ulana Ward Village. Ex. U-6.

268. As noted in Censeo AV+Acoustic's letter as revised October 26, 2020 (included in the Application as Appendix G), the noise impact analysis included anticipated noise mitigation recommendations. VWL plans to address those recommendations as follows:

- a. Construction Noise: VWL will comply with all noise permit regulations.
- b. Building Operational and Mechanical Noise: Mitigation of building mechanical and operational noise will be incorporated into the project design. A range of measures to reduce mechanical sound is being considered. Stationary mechanical equipment will be designed to comply with applicable noise limits.
- c. Parking Structure and Loading Area Noise: To mitigate parking and loading noise, noise mitigation will be considered in the design of the parking area and selection of materials. If needed, weather-resistant acoustical panels or spray-on treatments can be added for sound absorption.
- d. Commercial and light industrial uses noise: Proper management practices and possible mitigation measures may be taken as necessary.
- e. Transit Noise: The sound isolation performance of the building shell will be evaluated during the design phase to determine the most effective mitigation measures for transit noise.

Ex. U-1 at Appendix G; Ex. U-6.

INFRASTRUCTURE

269. Utilities and government agencies have confirmed the availability of infrastructure to support the Project. Ex. U-6.

270. Potable water service is available from the municipal water system operated by the City and County of Honolulu's Board of Water Supply. The BWS confirmed in its letter dated December 20, 2019 that the existing water system can accommodate the Project. Ex. U-1 at Appendix D; Ex. U-22 (Kevin Goto Direct Testimony - Presentation Hearing).

271. Sewer service is available from the municipal sewer system operated by the City and County of Honolulu, Department of Environmental Services. The Sewer Connection Application for the project was approved by the Department of Planning and Permitting (DPP) on January 25, 2020. Ex. U-1 at Appendix D; Ex. U-22.

272. The Honolulu Fire Department was consulted on June 24, 2020 to discuss the project and proposed fire protection methods for the Project. The Project will be protected by public fire hydrants. A fire sprinkler system will also be provided within the building. Plans for fire protection measures based on recommendations by the Honolulu Fire Department will be implemented during the final design phase. Ex. U-1 at Appendix D; Ex. U-22.

273. Drainage runoff from the Project will not increase the peak flow rate and volume. Runoff from the project site will be collected within a private drainage system owned and maintained by VWL, and the Project will not adversely impact the existing performance of the City system. Ex. U-1 at Appendix D; Ex. U-22.

274. The Project will treat the overall storm water quality with vegetated buffer strips surrounding the drain inlets located in the parks that are in and adjacent to the property. The majority of the storm water will be directed to an existing catch basin between Auahi Street and Kamani Street. Ex. U-1 at Appendix D; Ex. U-22.

275. In the course of schematic design, WOC determined that some small portions of the site will also discharge directly onto Pohukaina Street. The City and County of Honolulu Department of Planning & Permitting indicated that the proposed low impact development strategy will meet City storm water quality requirements. Ex. U-22.

276. Hawaiian Electric, in a May 29, 2020 letter, stated that proposed circuits that will be installed to serve The Park Ward Village development will also be used to serve Ulana Ward Village and other developments in the area. Ex. U-1 at Appendix D; Ex. U-22.

277. Hawaiian Telecom, Charter Communications, and Hawai'i Gas have all confirmed that their existing systems have capacity to serve the project. Ex. U-1 at Appendix D; Ex. U-22.

278. WOC also evaluated the impact of sea level rise on the Project. The Pacific Islands Ocean Observing System Hawai'i Sea Level Rise Viewer shows that while the northeastern side of the Project area will be affected by a 3.2 foot sea level rise by the year 2100 due to passive flooding and annual high wave flooding, the proposed finish floor of the Project is above the property's flood base elevation, and therefore, the Project site will not be impacted by the 3.2 foot projected sea level rise. Ex. U-1 at Appendix D; Ex. U-22.

GOVERNMENT AGENCY COMMENTS

279. **State of Hawai'i Department of Transportation ("DOT")**. The DOT Highways Division submitted comments regarding the Project in a letter to HCDA dated February 11, 2021. WOC addressed the DOT's TIR-related comments at the hearing as follows:

- a. Regional traffic study: WOC provided a copy of the 2018 regional traffic study as requested by DOT.
- b. Requesting TIR to include Cooke Street and Coral Street intersections with Ala Moana Boulevard: the subject intersections were included in the overall field investigations for the TIR for purposes of identifying traffic distribution in the region. The intersections were not considered part of the primary distribution route associated with the Project, and the level of influence to change the level of service is minimal.
- c. Requesting TIR to include Ala Moana Boulevard intersections with Kamake'e Street, Ward Avenue, Cooke Street and Coral Street: similar to the Cooke Street and Coral Street intersections discussed above, the intersections were not considered part of the primary distribution route associated with the Project, and the level of influence to change the level of service is minimal. The cumulative amount of traffic for Ulana Ward Village and The Park Ward Village will be less than the daily fluctuations that will occur in traffic demands along Ala Moana Boulevard.

- d. Suggestion to prepare one TIR applicable to both Ulana Ward Village and The Park Ward Village applications: Each project's traffic generation is incorporated into the other project's TIR, and studies for both Ulana Ward Village and The Park Ward Village looked at the cumulative effects of both projects. The studies are prepared as separate documents because the City and County of Honolulu requested that a separate TIR document be prepared for each project.
- e. Requesting explanation of TIR reduction of forecasted peak traffic hour trip generation to include multi-modal transportation and the number of off-street parking spaces proposed: The off-street parking at Ulana Ward Village is an integral part of an area-wide parking strategy within Ward Village based upon specific land uses.
- i. Parking for commercial uses is provided not only within the localized block, but also in regional district parking areas, which supports complementary uses as the need arises.
 - ii. Ward Village currently has approximately 4,100 residential and public parking spaces. Upon the completion of Ulana Ward Village and The Park Ward Village, total district parking will be reduced by several hundred spaces, and at ultimate build-out, total district parking within Ward Village will be further reduced to approximately 2,700 parking spaces.

- iii. This area-wide parking strategy and regional district parking for commercial uses fosters multi-modal travel by utilizing and encouraging the “park-once” concept, in which patrons will park once and use different modes of travel to access shopping, dining, entertainment and other venues within Ward Village.

Tr. (March 3, 2021) at 149-154.

280. **Honolulu Fire Department (“HFD”)**. HFD submitted comments regarding the Project in a letter to HCDA dated February 10, 2021. WOC confirmed with HFD that its comment letter contained standard language, and that the Project complies with all HFD requirements. Tr. (March 3, 2021) at 144-146; Ex. U-37.

281. **City and County of Honolulu Department of Transportation Services (“DTS”)**. DTS submitted comments regarding the Project TIR in a letter to HCDA dated February 22, 2021. VWL and WOC addressed DTS’s comments (to the extent not addressed in connection with the DOT comments) at the hearing as follows:

- a. **Parking**: As noted through other evidence, incorporated by reference, parking counts for Ulana Ward Village are required based on present, actual market demand for residential and commercial regional needs (as well as part of an area-wide parking strategy), and not based on future speculative projections of the completion of the rail system.
- b. **HRS § 296-71 requirement for electric vehicle space and charging system**: WOC is aware of the requirement.

- c. TIR should identify an appropriate speed limit for streets adjacent to the Project: WOC will be conducting a speed study for the region and include the regional information in an updated Ward Village Traffic Assessment.
- d. Bicycle storage facilities: WOC will work with the Project architect to identify appropriate locations for bike storage areas / racks and provide recommendations.
- e. Loading zones: The recommendation to actively monitor and manage all street loading operations is already included in the TIR.
- f. Street usage permit: As typically required, WOC will obtain a street usage permit from DTS for construction-related work that may require temporary street closures.
- g. Neighborhood impacts: WOC's regular practice is to inform area representatives, the neighborhood board, government agencies and others about the details and status of the Project.
- h. Disability and Communication Access Board ("DCAB"): WOC will comply with the requirement to submit Project plans to DCAB for review.

Ex. U-24, U-26, U-28; Tr. (March 3, 2021) at 134-135, 149-159, 162-163.

282. **Honolulu Police Department ("HPD")**. HPD submitted comments regarding the Project in a letter to HCDA dated February 5, 2021. HPD recommended that all necessary signs, lights and other safety equipment and measures be taken by the Project contractor during construction, and suggested various measures to address public safety for the Project after completion.

283. **Board of Water Supply (“BWS”)**. BWS submitted comments regarding the Project in a letter to HCDA dated February 22, 2021. Ulana Ward Village is part of Phase 3 of the Ward MP. VWL will comply with BWS’s request that VWL shall complete the upgrade of the 6-inch water main on Queen Street, from Cooke Street up to the existing 12-inch water main located between Cummins and Kamake‘e Streets, to a 12-inch water main prior to the commencement of Phase 3 of the Ward MP. Ex. U-21.

284. **Honolulu Authority for Rapid Transportation (“HART”)**. HART submitted comments regarding the Project in a letter to HCDA dated March 2, 2021. HART noted that it has conducted, and is willing to share, its extensive technical research on the historic resources and themes in the area and the history of the ahupua‘a. In addition, HART requested that VWL continue to communicate and coordinate with HART on any issues related to the Project that may affect HART’s easement or plans for its system and station. VWL is committed to continuing its communications with HART. Ex. U-4.

CONCLUSIONS OF LAW

1. If any conclusions of law shall be determined to be findings of fact, it is intended that every such conclusion of law shall be construed as a finding of fact. Conversely, if any of the above findings of fact shall be determined to be conclusions of law, it is intended that every such finding of fact shall be construed as a conclusion of law.

2. Certain facts or findings set forth within the specified criteria addressed herein may apply to one or more criteria, issue, or legal standard under the Vested Rules, HRS Chapter 206E and other applicable law. To the extent such facts or findings are addressed within a

particular heading or section herein does not limit it to that heading or section, but instead all such facts or findings are incorporated by reference for each applicable criteria, issue or legal standard as if specifically set forth within that heading or section.

JURISDICTION

3. HCDA has exclusive jurisdiction to approve and issue planned development permits within the KCDD pursuant to HRS §§ 206E-4 and 206E-5.6.

4. Pursuant to the Ward MP, approved by HCDA on January 14, 2009, the rules applicable to this planned development permit are those contained in HAR Chapter 15-22 (dated June, 2005), also referred to herein as the “Vested Rules.”

5. Pursuant to HRS § 206E-5.6(g), proceedings regarding the acceptance of a developer’s proposal to develop lands under the Authority’s control shall be considered a contested case hearing.

SATISFACTION OF RELEVANT LEGAL REQUIREMENTS

6. Upon consideration of all applicable statutes, rules and regulations, the evidence and testimony presented by VWL, and all other evidence and arguments appearing of record, HCDA concludes that the Project has satisfied the requirements of HRS Chapter 206E, HRS Chapter 6E, the Vested Rules, HAR Chapter 13-284, the Ward MP, the Ward MP D&O, the Development Agreement, and the vision and intent of the applicable Mauka Area Plan for a planned development permit.

7. The modification proposed for the Project meets the standards set forth under the Vested Rules, including HAR § 15-22-22 and HAR § 15-22-120 (7).

KA PA'AKAI ANALYSIS

8. SHPD has exercised its responsibility and has met its obligations pursuant to HRS §6E-42 and HAR Chapter 13-284 to review and comment on the Project impacts and mitigation of these impacts on significant historic properties and burial sites.

9. Article XII, Section 7 of the Hawai'i State Constitution requires the State to protect native Hawaiian traditional and customary rights. The State reaffirms and shall protect all rights, customarily and traditionally exercised for subsistence, cultural, and religious purposes and possessed by ahupua'a tenants who are descendants of native Hawaiians who inhabited the Hawaiian Islands prior to 1778, subject to the right of the State to regulate such rights. Haw. Const. art. XII, § 7.

10. The State and its agencies are obligated to protect the reasonable exercise of customarily and traditionally exercised native Hawaiian rights to the extent feasible. *Public Access Shoreline Hawai'i v. Hawai'i County Planning Commission*, 79 Hawai'i 425, 903 P.2d 1246 (1996); *Ka Pa'akai O Ka 'Aina v. Land Use Commission*, 94 Hawai'i 31, 7 P.3d 1068 (2000).

11. Through its consideration of the record and the evidence presented by VWL, including, but not limited to, the evidence related to cultural and historical preservation noted in the FOF above, HCDA, through its findings, conclusions and conditions has: a) identified and has determined the scope of valued cultural, historical, or natural resources in the application area, including the extent to which traditional and customary native Hawaiian rights are exercised in the application area; b) has considered the extent to which those resources will be

affected or impaired by the proposed action; and c) has considered the feasible action to be taken by HCDA to reasonably protect native Hawaiian rights. *See Ka Pa'akai*, 94 Hawai'i at 47, 7 P.3d at 1084.

2012 DECLARATORY ORDER PROVISIONS

12. The Ward MP D&O identified as one of the amendments to the Mauka Area Plan the single "mixed-use" land use designation for VWL-owned lands, instead of the "mixed-use" commercial (MUZ-C) and "mixed-use residential" (MUZ-R) land use designations.

13. The term single "mixed-use" means that across the Ward MP instead of having a MUZ-C and a MUZ-R land use designation there will be one land use designation.

14. As set forth in the 2012 Declaratory Order, the Authority granted VWL's petition for: (a) deletion of Halekauwila Extension shown in the Mauka Area Plan on the East side of Ward Avenue connecting to Queen Street to be replaced by a street parallel to Queen Street between Ward Avenue and Kamake'e Street (Halekauwila Street Extension Deletion); (b) deletion of the park/parking garage facility along the Halekauwila Extension contained in the Mauka Area Plan (Park/Parking Garage Deletion); and (c) a single "mixed-use" land use designation for the Ward Neighborhood Master Plan area, instead of the "mixed-use commercial" (MUZ-C) and "mixed-use residential" (MUZ-R) land use designations, which are inapplicable and are no longer required given the repeal of the 2005 Mauka Area Rules/Plan and the adoption of a new Mauka Area Plan in November 2011.

15. The Ka La'i o Kukuluāe'o Park, when completed, shall satisfy the 2012 Declaratory Order requirement that VWL shall "provide an area equal to the actual amount of

park space lost [from the deletion of the park / parking garage facility along the Halekauwila Extension originally described in the 2005 Mauka Area Plan], but not more than 30,000 square feet, for park space to be located in the open space of the 'Ewa Plaza located in block 5 . . . [which] park space would be dedicated through a perpetual easement for public use gathering areas.”

RESERVED HOUSING CREDITS

16. Hawai'i Administrative Rules § 15-22-203(b) gives HCDA the authority, as part of a master plan approval, to permit reserved housing units to be transferred from one development lot to one or more development lots within the master plan area.

17. Condition No. 2 of the Ward MP required the execution of a development agreement between HCDA and VWL in order to provide, among other terms, “assurances of . . . the delivery, manner and timing of reserved housing.”

18. Under Hawai'i Revised Statutes § 206E-7(b), development under the Ward MP is governed by both the Ward MP D&O and the Development Agreement; therefore, both of these documents govern VWL's rights, which are vested with respect to the flexibility in the manner of delivery and timing of reserved housing within Ward Village.

19. Under the terms of the Development Agreement, HCDA incentivized the early delivery of reserved housing in Ward Village in advance of market housing.

20. Specifically, Section V.B.4. of the Development Agreement provided that: “if VWL . . . construct[s] more reserved housing for any planned development in the Master Plan Area than is required for that project,” VWL “may use [its] reserved housing credits to satisfy all

or part of the Ward MP reserved housing requirements,” which “shall be applied on a one-for-one basis.”

21. Under this credit system, VWL may build reserved housing units in advance and off-site, and VWL shall accrue credits for reserved housing built in excess of current requirements.

22. VWL may use its reserved housing credits, at its option (and on a one-for-one basis), to satisfy all or part of the Ward MP reserved housing requirements for future developments, rather than including reserved housing units within each development.

23. The Authority confirmed VWL’s right to accrue and use the reserved housing credits in Condition No. 4 of the planned development permit for KAK 19-069 (Victoria Place).

24. This credit system is also in compliance with, and satisfies, the provisions HAR § 15-22-115(c), which provides that “[i]f the authority so determines, it may require that, instead of providing reserved housing units within the development . . . the applicant may meet the requirement . . . [b]y providing such reserved housing units elsewhere within the mauka area.”

HCDA has made this determination through the Ward MP D&O and the Development Agreement.

25. HCDA concludes that pursuant to the terms of the Ward MP and Development Agreement and based on the findings herein, after the delivery of Ulana Ward Village and The Park Ward Village, VWL shall have 362 reserved housing credits that VWL may, in the exercise of its vested rights, use on a one-for-one basis to satisfy, at its option, all or part of the Ward MP reserved housing requirements for future developments in Ward Village (instead of including

reserved housing units within each development) and/or to true up the reserved housing mix upon completion of all projects within the Ward MP.

RULINGS ON PROPOSED FOF AND COL

Any proposed FOF or COL not already ruled upon by HCDA by adoption herein, or rejected by clearly contrary FOF or COL herein, is hereby denied and rejected.

DECISION AND ORDER

Based on the foregoing FOF and COL, and upon consideration of all applicable statutes, rules and regulations; the evidence, testimony and argument presented by VWL; and all other evidence appearing in the record, the Authority concludes that the Project, including the proposed modification, satisfies the requirements of HRS Chapter 206E, HRS Chapter 6E, the Vested Rules, HAR Chapter 13-284, the Ward MP, the Ward MP D&O, the Development Agreement, and the vision and intent of the applicable Mauka Area Plan for a development permit.

IT IS HEREBY ORDERED that the planned development permit for the Project, including the proposed modification, is APPROVED, subject to the following conditions:

1. Reserved housing shall be required pursuant to the Vested Rules. Pursuant to the planned development permits for Kō'ula (KAK 18-038) and Victoria Place (KAK 19-069), VWL is currently required to provide a minimum of 108 reserved housing units within Ward Village (the "Required Reserved Housing Units"). The 697 reserved housing units at Ulana Ward Village exceeds this requirement. Accordingly, pursuant to the terms of the Development Agreement (and as confirmed by Condition No. 4 of the planned development permit for

Victoria Place), after the delivery of Ulana Ward Village and The Park Ward Village (KAK 21-002), VWL shall have the right to use, at its option, 362 reserved housing unit credits to satisfy all or part of the Ward MP reserved housing requirements for future developments on a one-for-one basis and/or to true up the reserved housing mix upon completion of all projects within the Ward MP.

2. Prior to the staff approval of the foundation permit for the Project, VWL shall provide to the HCDA staff: 1) a financial guaranty bond from a surety company authorized to do business in Hawai'i; 2) an acceptable construction set-aside letter; or 3) other forms of financial assurance based upon the public disclosure statements of VWL's parent company reasonably acceptable to the HCDA Executive Director, that evidences financing or available funds for the construction of the Required Reserved Housing Units.

3. The sale of all reserved housing units in the Project shall be consistent with the Vested Rules. Prior to the issuance of the initial certificate of occupancy for the Project, VWL shall provide a development plan and program for the sale of reserved housing units in the Project, which shall include a statement that:

- a. The weighted average price of reserved housing units shall be one hundred twenty percent (120%) of area median income ("AMI"); and
- b. The mix of reserved housing units provided by all projects within the Ward MP shall contain a similarly representative mix of market-priced units planned for all projects within the Ward MP.

4. Once a construction contract and performance and payment bond for the construction of the Required Reserved Housing Units for the Project is executed, VWL shall submit a copy of the construction contract and bond to the HCDA staff.

5. As provided in the Ward MP D&O, a minimum of ten percent (10%) of the reserved housing units at the Project shall be offered at or below one hundred percent (100%) of AMI.

6. VWL may designate more than the 697 units planned for the Project as reserved housing units and no amendment of this Decision and Order shall be necessary; provided, however, that such additional units shall also be subject to the Vested Rules; and provided, further, that in the event of any such designation, VWL shall submit a program for sale of such additional reserved housing units acceptable to the HCDA Executive Director.

7. The timing of the commencement of construction of the Required Reserved Housing Units for the Project (and any extensions thereof) shall be governed by Condition No. 3 of the Victoria Place D&O (KAK 19-069) ("VP Condition No. 3").

8. Pursuant to Condition No. 5 of the Victoria Place D&O (KAK 19-069) ("VP Condition No. 5"), no foundation permits shall be approved for future projects on Land Block 1 and 2 of the Ward MP until and unless construction commences on the Required Reserved Housing Units. For avoidance of doubt, the word "commence" in VP Condition No. 3 and VP Condition No. 5 means the date of issuance of the demolition permit for the construction of the Required Reserved Housing Units, and the word "completed" in VP Condition No. 3 means the date that the temporary certificate of occupancy is issued for Victoria Place.

9. Should VWL exercise the option to provide cash in lieu for the Required Reserved Housing Units, VWL shall comply with the timing and requirements set forth in the applicable provisions of the Vested Rules, including, but not limited to, HAR § 15-22-115(c)(3), for the provision of the cash in lieu.

10. Prior to the HCDA staff approval of a foundation permit for the Project, VWL shall submit for review by the HCDA Executive Director a detailed site plan for the Project that clearly depicts the Project's front and side yard(s), including the respective dimensions for those areas.

11. Prior to the HCDA staff approval of the foundation permit for the Project, VWL shall submit for review by the HCDA Executive Director a landscape plan for the Project. The landscape plan shall be inclusive of the Ka La'i o Kukuluāe'o Park, which shall be approximately 30,000 square feet and generally consistent with the conceptual landscape plan shown in Exhibit D-1 at Exhibit 5. Upon staff approval of the foundation permit for the Project, VWL shall be authorized to proceed with construction of Ka La'i o Kukuluāe'o Park.

12. Prior to HCDA approval of the foundation permit for the Project, VWL shall submit for review and acceptance by the HCDA Executive Director documentation indicating that the proposed Project design meets the applicable Ward MP sustainability guidelines. The HCDA Executive Director's review and acceptance shall be limited to ensuring the proposed design meets applicable Ward MP standards.

13. Prior to the HCDA staff approval of the foundation permit for the Project, VWL shall submit the wind study required to be conducted for review by the HCDA Executive

Director. The wind study shall include the impact of wind on frequently used pedestrian areas such as main entrances, sidewalks, and outdoor seating areas at both street and platform level. The HCDA Executive Director's review and acceptance will be limited to ensuring the proposed design does not propose any uncomfortable wind conditions in those areas of the Project.

14. Prior to approval of the foundation permit for the Project, VWL shall record a memorandum of this Decision and Order with the Bureau of Conveyances or the Assistant Registrar of the Land Court as a covenant running with the land. Proof of such filing in the form of copies of the covenants certified by the appropriate agency shall be submitted to HCDA.

15. Prior to the HCDA staff approval of a building permit for the Project, VWL shall submit to the HCDA Executive Director documentation verifying that VWL has met with the DOE and will satisfy state statutory school impact fee requirements.

16. VWL shall comply with any applicable school impact fee program adopted by the State of Hawai'i Department of Education pursuant to HRS § 302A-1601 to HRS § 302A-1612.

17. Prior to the HCDA staff approval of the superstructure permit for the Project, VWL shall submit proof of compliance with HAR § 15-22-77(a), which provides that, "[n]o building wall shall contain a reflective surface for more than thirty percent of the wall's surface area." Per HAR § 15-22-5, "Reflective Surface means any glass or other surface, such as polished metal, specified in the manufacturer's literature having reflectance (designed by such terminology as average daylight reflectance, visible light reflectance, visible outdoor reflectance, and comparable terms) of over thirty percent."

18. Prior to the HCDA staff approval of the certificate of occupancy for the Project, VWL shall complete the construction of Ka La‘i o Kukuluāe‘o Park, which shall satisfy the 2012 Declaratory Order requirement for not more than 30,000 square feet of park space to be located in the open space of the ‘Ewa Plaza located in Block 5 of the Ward MP.

19. Prior to the installation of any photovoltaic panels, or any other components of the Project that have a glint and glare or may emit radio frequency interference to aviation-dedicated radio signals, VWL shall request approval from the State of Hawai‘i Department of Transportation Airports Division as may be required.

20. VWL shall implement all applicable traffic mitigation measures and recommendations identified in the TIR for the Project.

21. VWL shall implement all traffic mitigation measures and recommendations in the updated Ward Village Traffic Assessment applicable to the Project.

22. Except as otherwise provided herein (and to the extent such comments and recommendations are not otherwise in conflict with this Decision and Order, the Vested Rules or other applicable law), VWL (to the extent it has not previously done so) shall address the comments and recommendations provided by the following governmental agencies:

- a. City and County of Honolulu Board of Water Supply.
- b. State of Hawai‘i Department of Transportation;
- c. City and County of Honolulu Department of Transportation Services;
- d. City and County of Honolulu Fire Department; and
- e. City and County of Honolulu Police Department.

23. VWL shall implement the noise mitigation measures outlined in the noise impact analysis for the Project.

24. VWL shall plan, design, implement, and maintain the Project site in accordance with the following City and County of Honolulu and State of Hawai'i Requirements and Guidelines, as applicable:

- a. "Best Management Practices (BMP) Manual for Construction Sites," November 2011;
- b. "Rules Relating to Soil Erosion Standards and Guidelines," April 1999;
- c. "Rules Relating to Storm Drainage Standards," effective June 1, 2013;
- d. The Revised Ordinances of Honolulu (ROH) – for grading, specifically Chapter 14, "Public Works Infrastructure Requirements Including Fees and Services," 1990 as amended;
- e. Hawai'i Administrative Rules, Title 11, Chapter 54 (11-54), "Water Quality Standards"; and
- f. Hawai'i Administrative Rules, Title 11, Chapter 55, "Water Pollution Control" – for construction runoff, specifically Appendix C, National Pollutant Discharge Elimination System (NPDES) "General Permit Authorizing Discharges of Storm Water Associated with Construction Activities" (expires February 8, 2024).

25. VWL shall comply with SHPD mitigation plans, and all applicable laws regarding historic and cultural properties and burial sites, including, but not limited to, the provisions of HRS Chapter 6E.

26. In the event any human skeletal remains are inadvertently discovered in the Project area, any activity in the immediate area that could damage the remains or the potential historic site shall cease.

27. The discovery shall be reported as soon as possible to the Department of Land and Natural Resources, the appropriate medical examiner or coroner, and the Honolulu Police Department pursuant to HRS § 6E-43.6. The Department of Land and Natural Resources has jurisdiction over any inadvertent discovery of human skeletal remains over fifty-years old, and the protocol to be followed is set forth in HAR § 13-300-40.

28. Infrastructure improvements can be divided into two categories: (1) infrastructure improvements or requirements which are immediately necessary to proceed with the Project; and (2) improvements which are necessary to improve and upgrade the vicinity in total through the HCDA District-Wide Improvement Program as follows:

- a. Improvements Necessary to Proceed with the Project: With regard to infrastructure improvements or requirements that are necessary to proceed with the Project, VWL shall be responsible for providing necessary developer improvements.
- b. Improvements Proposed for the HCDA District-Wide Infrastructure Improvement Program: A part of the HCDA District-Wide Improvement

Program, road and utility improvements are being undertaken in increments throughout the Kaka‘ako Community Development District, financed in part through an Improvement District Program. In this regard, the Project shall be subject to assessments for its pro rata share of the cost of improvements which may, in the future, be necessarily undertaken in the vicinity of the respective projects under the HCDA or other government agencies’ improvement programs. The Project will be assessed under the same methods and in the same manner as other properties in the area. In order to ensure the participation of the Project, VWL, and its successors and assigns, shall agree to participate in the HCDA District-Wide Improvement Program at the time said program is implemented. The terms specified in the agreement shall be made a part of all condominium and conveyance documents for the Project and said documents shall be submitted to HCDA prior to submission to the Real Estate Commission and execution.

29. VWL shall comply with all material representations and commitments regarding the Project made to HCDA in the permit application process.

30. Except as otherwise provided herein, VWL shall comply with all applicable requirements of the Vested Rules.

ADOPTION OF ORDER

The undersigned Members, being familiar with the record and proceedings,
hereby adopt and approve the foregoing ORDER this May 5, 2021. This ORDER and its
ADOPTION shall take effect upon the date this ORDER is approved by the Authority.

Done at Honolulu, Hawai'i, May 5, 2021.

Hawai'i Community Development Authority
(Kaka'ako Members)

John Whalen, Chairperson

Chason Ishii

Wei Fang

Daniel Ito

David Rodriguez
Designated representative of Director of
Department of Transportation

Craig Hirai
Designated representative of Director of
Budget and Finance

Phillip Hasha

Jason Okuhama

Kevin Sakoda

APPROVED AS TO FORM:

Deputy Attorney General

BEFORE THE HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY
OF THE STATE OF HAWAI'I

In re Application of

VICTORIA WARD, LIMITED

For a Planned Development Permit for Land
Block 5, Project 2 (Ulana Ward Village).

Application No. KAK 21-001

CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing document will be served on the parties below by hand delivery.

HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY
547 Queen Street
Honolulu, HI 96813

DATED: Honolulu, Hawai'i, March 25, 2021.

WATANABE ING LLP



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VICTORIA WARD, LIMITED