1	HAWAII COMMUNITY DEVELOPMENT AUTHORITY
2	STATE OF HAWAII
3	In re:
4	The Application of)
5	VICTORIA WARD, LIMITED,)
6	a wholly owned subsidiary) of HOWARD HUGHES)
7	CORPORATION,)
8	Applicant,)
9	To request development) permits with modifications)
10	to develop residential) projects, Permit Number)
11	KAK 21-001, aka) "Ulana Ward Village," at)
12	820 Auahi Street; 831,) 841, 851 Pohukaina Street,)
13	Honolulu, Hawaii 96814,) TMK Number (1)2-1-053:001)
14	(portion); and Permit) Number KAK 21-002, aka)
15	"The Park Ward Village,") at 333 Ward Avenue; 940)
16	Auahi Street, Honolulu,) Hawaii 96814, TMK Number)
17	(1)2-3-002:002 & 059) (portion).)
18)
19	
20	PRESENTATION HEARING
21	TRANSCRIPT OF PROCEEDINGS
22	WEDNESDAY, MARCH 3, 2021
23	Taken remotely via Zoom, commencing at 11:10 a.m.,
24	before LAURA SAVO, Certified Shorthand Reporter for
25	the State of Hawaii.

1	APPEARANCES
2	John Whalen, Chairperson
3	Deepak Neupane, Executive Director
4	Carson Schultz, Director of Planning and Development
5	Craig Nakamoto, Compliance Assurance & Community Outreach Officer
6 7	Francine Murray, Program Specialist Tommilyn Soares, Secretary to the Executive Director
9	Kelly Suzuka, Deputy Attorney General
10	BOARD MEMBERS:
11	Wei Fang Chason Ishii
12	Daniel Ikaika Ito Phillip Hasha
13 14 15	Craig Hirai, B&F (Ex Officio) Jason Okuhama David Rodriguez, DOT (Ex Officio) Kevin Sakoda Dean Uchida, DPP
16	
17	ALSO PRESENT:
18	For the Applicant:
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1	<u>INDEX</u>
2	PAGE
3	Call to Order6
4	Staff Report13
5	Adjournment189
6	
7	EXHIBITS ADMITTED FOR THE RECORD:
8	Applicant's Exhibits U-1 through U-4017
9	Applicant's Exhibits P-1 through P-3617
10	
11	WITNESSES FOR THE APPLICANT:
12	
13	RACE RANDLE
14	Direct Examination by Mr. Kang
15	Cross-Examination by Chair Whalen49, 62 Cross-Examination by Member Fang52
16	Cross-Examination by Member Sakoda53 Cross-Examination by Mr. Neupane56
17	Cross-Examination by Member Okamura64
18	KIMI YUEN
19	Direct Examination by Mr. Kang68
20	SUMNER LA CROIX, PH.D.
21	Direct Examination by Ms. Kaiawe76 Cross-Examination by Member Rodriguez90
22	
23	PAUL BREWBAKER, PH.D. Direct Examination by Ms. Kaiawe92
24	Cross-Examination by Member Sakoda93
25	

1	<u>I N D E X (Cont'd)</u>	
2	WITNESSES FOR THE APPLICANT: PAGE	
3	ANN BOUSLOG, PH.D.	.
4	Direct Examination by Mr. Kang	·)
5	Cross-Examination by Chair Whalen112, 121 Cross-Examination by Member Sakoda112)
6	Redirect Examination by Mr. Kang123 Recross Examination by Chair Whalen125	
7		
8	FREDERICK HONG Direct Examination by Mr. Kang	
9	Cross-Examination by Chair Whalen129	1
10	JOSEPH FERRARO	0
11	Direct Examination by Mr. Kang132	
12	LEE CRANMER	
13	Direct Examination by Mr. Kang	
14	VEVIN COTO DE	
15	KEVIN GOTO, P.E. Direct Examination by Mr. Kang145)
16		
17	BRETT KUAMOO, P.E. Direct Examination by Mr. Kang147	,
18		
19	PETE PASCUA, P.E. Direct Examination by Mr. Kang149)
20	DODIN MADKIE	
21	ROBIN MARKLE Direct Examination by Mr. Kang159)
22	MIKE HAMAGI	
23	MIKE HAMASU Direct Examination by Mr. Kang161	
24	Cross-Examination by Member Sakoda164	:
25	MATT McDERMOTT, M.A. Direct Examination by Ms. Kaiawe167	,

1	I N D E X (Cont'd)
2	WITNESSES FOR THE APPLICANT: PAGE
3	MALIA KAAIHUE, PH.D.
4	Direct Examination by Ms. Kaiawe168 Cross-Exmination by Member Sakoda174
5	
6	
7	
8	PUBLIC TESTIMONY BY:
9	Chris Delauney178
10	Nathaniel Kinney180
11	Pane Meatoga III183
12	Reina Miyamoto185
13	Myoung Oh187
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

Wednesday, March 3, 2021, 11:10 a.m.

-000-

CHAIR WHALEN: Okay. Aloha. My name's John Whalen, Chair of the Authority. In accordance with social distancing guidelines and directives provided by the governor's emergency proclamation due to the COVID-19 pandemic, we are holding today's public hearing virtually on Zoom. The Zoom link details were included in the public hearing notice. Therefore, members of the public are welcome to join us on Zoom.

(Brief interruption.)

CHAIR WHALEN: I'm sorry. Please, whoever you are, mute your microphone.

This meeting is also being live streamed on HCDA's YouTube page. The HCDA communication staff is hosting this Zoom meeting, and once this public meeting/hearing begins, everyone will be muted for clear audio. Board members, if you have any comments or questions, please unmute yourselves to speak.

This is the virtual hearing, open to the public. So to prevent any distractions, if you are not a board member, staff member or HCDA's attorney general, please turn off your video during the meeting. If you are providing verbal, public

1 testimony, your name will be called accordingly. 2 If -- so please turn off -- your video on, please state your name and, affiliation, and proceed with 3 your testimony. When you have finished, please turn 4 off your video. Thank you for your cooperation. 5 6 I'd like to call to order the March 3, 7 2021, public hearing of the Hawaii Community 8 Development Authority. The time is now 11:12 a.m. 9 Let the record reflect that the following 10 Kaka'ako board members are present: Daniel Ikaika 11 Ito, Craig Hirai, David Rodriguez, Wei Fang, Jason 12 Ishii, Phillip Hasha and John Whalen. 13 Board members, if I do not -- did not call your name, please let me know that you're 14 15 present. I don't see your --16 MEMBER SAKODA: John, I'm not sure if you 17 called my name, Kevin Sakoda. 18 CHAIR WHALEN: Kevin, no. Yeah, but you 19 were on a different page. We have a lot of people 20 present at this hearing. 21 MEMBER OKUHAMA: I'm here, John. 22 CHAIR WHALEN: And Jason Okuhama. Yes. 23 Okay. Thank you. 24 Individuals from the public who want to provide verbal, public testimony will be permitted to 25

provide testimony following the applicant's presentation. If you have not already signed up to testify, please submit your name and affiliation to the host, using the chat function in Zoom.

Would counsel for the applicant make your appearances at this time.

MR. KANG: Good morning, Chair Whalen, members of the Authority and the HCDA staff. Brian Kang, Douglas Ing and Summer Kaiawe, appearing on behalf of Victoria Ward, Limited on both applications, KAK 21-001, Ulana Ward Village, and KAK 21-002, The Park Ward Village.

CHAIR WHALEN: Okay. Thank you. Good morning. So today's hearing on development permit numbers KAK 21-001 and -002 are -- is being held in accordance with Hawaii Revised Statutes, section 206E-5.6, Administrative Rules, Chapter 15-219, and the vested Hawaii Administrative Rules, Chapter 15-22.

The nature of today's public hearing is to allow the applicant to present the proposed project and to provide the general public with the opportunity to present oral and written testimony. The applicant is Ward -- Victoria Ward, Limited, a wholly-owned subsidiary of the Howard Hughes

Corporation.

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The development -- there are two development permits, as we mentioned. The first is KAK 21-001, Ulana Ward Village. The tax map key is 2-1-53, portion of parcel 1. The project location is at 520 [sic] Auahi Street, 81 -- 831, 841, 851 Pohukaina Street, Honolulu, Hawaii. And the request is for a development permit application for a proposed residential project located at those addresses, consisting of approximately a 400-foot tower with approximately 697 residential units qualifying as reserved housing units, and a 75-foot parking and mixed-use podium consisting of 1,235 parking stalls, approximately 6,916 feet of commercial area, and approximately 34,501 square feet of light industrial area.

The Ulana Ward Village project also includes approximately 26,597 square feet of open space, approximately 40,708 square feet of recreation space, and a 30,000-square-foot neighborhood park.

The application is requesting a modification from the requirements of the applicable vested Mauka Area Rules, HAR Chapter 15-22, in order to increase the height of the podium, meaning the structure located at the base of the proposed tower

that will house parking stalls, commercial spaces and a portion of the residential units, from 45 feet to 75 feet, with an additional 12 feet of height for accessory uses, with a total area less than 15 percent of the parking and mixed use of podium roof area and 15 -- 18 feet of height for structures housing elevator machinery on the parking and mixed-use podium roof.

The application was filed on -- or accepted on December 20, 2020.

The second permit is for The Park, which is KAK 21-002, which was The Park Ward Village. The tax map key is 2-3-2, parcels 2 and a portion of parcel 59. The project location is at 333 Ward Avenue and 940 Auahi Street, Honolulu.

The development permit application is for a proposed residential project located at those addresses, consisting of approximately a 400-foot tower with approximately 546 residential units, and a 75-foot parking podium consisting of 960 parking stalls and approximately 37,236 square feet of retail area. The Park Ward Village project also includes approximately 22,198 square feet of open space and approximately 75,659 square feet of recreation space.

The applicant is requesting a

modification from the requirements of the applicable vested Mauka Area Rules, Chapter 15-22, in order to increase the height of the podium, which would house the parking stalls, parking — the commercial spaces and a portion of the residential units, increase the height from 45 feet to 75 feet, with an additional 12 feet of height for accessory use structures, with a total area of less than 15 percent of the parking and mixed-use podium roof area and 18 feet of height for structures housing elevator machinery on the parking and mixed-use podium roof.

The application date for that was the December 20, 2020.

The public hearing notice was published in the Honolulu Star-Advertiser, Maui News, Garden Isle, Hawaii Tribune-Herald and West Hawaii Today on Friday, January 15, 2021.

Let me briefly explain our procedures for today's public hearing. HCDA staff will present its report summarizing the development permit applications. Following the presentation, we will receive the presentation of the applicant, then testimony from the public. Only members of the HCDA Authority and the executive director will be permitted to ask questions of the staff, applicant or

individuals providing testimony. I will be acting as the presiding officer for this hearing.

Since the two planned development permit applications are part of the Ward Village

Neighborhood Master Plan, and Ward Village, Limited is the applicant for both, as provided by HCDA's rules of practice and procedures, Hawaii

Administrative Rule 15-219-30, this public hearing is conducted as a consolidated hearing for the two applications.

Are there any questions about these procedures? Okay.

First thing, in accordance with Hawaii

Administrative Rule 15-219-49, interested parties

were provided an opportunity to intervene to

participate as a party in this hearing by submitting

a written request to HCDA by 4:30 p.m., Thursday,

February 4, 2021. For the record, there were no such

motions to intervene received by HCDA for both

applications. We will now begin your proceedings.

I'll proceed with the HCDA staff report, which will

summarize the development permit application. I

believe is it Deepak or Carson who will be -
MR. NEUPANE: Chair, I'm asking the

director of planning and development, Carson Schultz,

to provide the staff report.

CHAIR WHALEN: Okay.

MR. NEUPANE: Carson, you are on.

MR. SCHULTZ: All right. Aloha, HCDA
Chair and Kaka'ako members. You were previously
provided the full written HCDA staff report, and in
the interest of time, I'll provide a summary of the
staff report for both projects.

Aside from the individual project details, the information provided up-front in both staff reports are consistent between the two projects. Both projects went through a completeness review and are indeed complete. The applicant was notified of the automatic approval date and the required filing fees.

Referencing section 3 of the staff report, the public hearing notice was published on January 15, 2021. A copy of the hearing notice and a link to the project application documents were provided to the president of the Senate and the Speaker of the House of Representatives, surrounding landowners and businesses, and they included -- were provided to the individuals and organizations that show an interest in development in the district.

As of yesterday's submittal deadline, we

received the following written, public testimony.

Testimony received in support was -- testimony in support from Albert C. Kobayashi, Inc.; Bernyce

Peplowski, a Ward Village resident; Bank of Hawaii; Chamber of Commerce Hawaii; Colby Takeda, a Ke

Kilohana resident; Central Pacific Bank; First

Hawaiian Bank; Hawaii Construction Alliance; Hawaii

HomeOwnership Center; Hawaiian Dredging Construction

Company; Collin Hoo, a Ke Kilohana resident;

Interstate Restoration Hawaii; J. Kadowaki, Inc.;

KCAA Preschools of Hawaii; IBEW 1186; Merriman's;

Pacific Resource Partnership; Plumbers and Fitters UA

Local 675; Retail Merchants of Hawaii; UFC Gym;

Vernco Properties, Inc.; Yun Kim, area resident; and

Ohana Kupono Consulting.

So we received all 23 of those in support for both projects. And in addition to the written testimony received for both projects, we received the following from Dana Morita, a Kaka'ako resident, in support specific to Ulana, and D. Kobayashi, a former area resident, in support specific to The Park Ward Village project.

In addition, we received two written testimony in opposition; one from Martin and MacArthur and one from Ron Iwami, opposing

modification. And so for both projects, we received a total of 24 testimonies in support and two in opposition. Please note that any testimony that we received after yesterday's deadline will be collected and distributed prior to the next public hearing. So you will get it.

Referencing section 4 of the staff report in regard to the Ward Neighborhood Master Plan, the applicant proposes both projects under and to be consistent with the Ward Neighborhood Master Plan.

Referencing section 5 of the staff
report, HCDA staff reached out to government agencies
and utility companies that service the area for
comment on infrastructure capacity as it relates to
the project. For both projects, HCDA staff received
comments from City and County of Honolulu, Department
of Transportation services; the Honolulu Fire
Department; the Honolulu Police Department; Honolulu
Board of Water Supply; Honolulu Authority for Rapid
Transportation; Hawaii State Department of
Transportation; and Hawaiian Electric Company, Inc.,
HECO. And in addition to the comments we received
from agencies and utility companies for both
projects, we did receive comments specific to The
Park project from the City and County of Honolulu,

Department of Planning and Permitting and Hawaii Gas.

Referencing section 6 of the staff report, both projects have completed the necessary historic property review from the State Historic Preservation Division, SHPD, and HCDA received written documentation from SHPD confirming that the applicant has complied with the requirements of Hawaii Revised Statute section 6E-42 and HAR Chapter 13-284, and that the permit issuance process may proceed.

And then the remainder of the -- both staff reports provide a detailed project description and a review of the project compliance with applicable vested rules for both projects. And since the applicant will be providing a thorough project description and in the interest of time, I'll stand on the information provided in the written HCDA staff report, but I will note that aside from the rule modifications being requested, the applicant proposes to comply with all other vested rule requirements. And so, Chair and board members, then I complete my summary. Thank you.

CHAIR WHALEN: Thank you, Carson.

Members, do you have any questions for the staff on the report and presentation?

Okay. We can now proceed by asking the applicant to describe the exhibits that they wish to have admitted to the record.

MR. KANG: Good morning again, Chair Whalen. Victoria Ward, Limited moves into evidence for Ulana Village its exhibits in its first amended exhibit list filed February 26, 2021, and that would be exhibits U, as in Ulana, dash 1 through U dash 40.

And for The Park Ward Village, again, for the first amended exhibit list filed February 26, 2021, Exhibits P, as in park, dash 1 through Exhibit P dash 36.

CHAIR WHALEN: Members, do you have any objections to the exhibits being offered by the applicant? Hearing no objections, the applicant Howard Hughes Corporation's Exhibits U-1 through U-40 for Ulana Ward Village project and P-1 through P-36 for The Park Ward Village project are admitted to the record.

(Applicant's Exhibits U-1 through U-40 and P-1 through P-36 are admitted for the record.)

CHAIR WHALEN: Will you be establishing any of your witnesses as experts in a subject area, and if so, if you'd please make your presentations at

this time?

MR. KANG: Yes. Thank you, Mr. Chairman. We request to qualify certain witnesses as expert witnesses in their respective fields of expertise, as stated in Victoria Ward, Limited's witness list for Ulana Ward Village and The Park Ward Village. In order to save some time, we incorporate by reference the areas of expertise for each of our expert witnesses as stated in our witness list, and unless the board has any questions, we request that those witnesses be so qualified as experts in their respective areas.

CHAIR WHALEN: Members, do you have any objections to the qualifications of expert witnesses offered by the applicant?

Does staff have any objections to the expert witnesses offered by the applicant?

MR. NEUPANE: Chair, staff has no

objection.

CHAIR WHALEN: Okay. Hearing no objections, the list of experts offered by the applicant is hereby accepted and qualified in their various subject areas.

With receipt of all exhibits and list of experts being entered into the record, let us proceed

1	with the hearing. So thank you.
2	Applicant, you may call your first
3	witness.
4	MR. KANG: Thank you, Mr. Chairman,
5	Victoria Ward calls Mr. Race Randle as our first
6	witness.
7	THE WITNESS: Aloha, Chair Whalen, HCDA
8	board and staff for the opportunity. Thank you for
9	this, to present both projects today, Ulana and The
10	Park Ward Village.
11	CHAIR WHALEN: Race, would you affirm
12	that you will tell the truth on your presentation.
13	THE WITNESS: I do.
14	CHAIR WHALEN: Confirmed. Thank you.
15	MR. KANG: All right. Thank you,
16	Mr. Chairman.
17	CHAIR WHALEN: You didn't raise your
18	hand, but that's fine. All right.
19	MR. KANG: Thank you, Mr. Chairman.
20	
21	RACE RANDLE,
22	having been called as a witness
23	by the Applicant, affirmed to tell the truth
24	and was examined as follows:
25	

DIRECT EXAMINATION 1 2 BY MR. KANG: 3 Mr. Randle, please state your name, place of employment and position, please. 4 5 Yes. My name's Race Randle, senior vice president of planning and development for Howard 6 7 Hughes, here operating under the entity Victoria Ward, Limited. 8 9 Let's start by discussing Ulana Ward 10 Village. Please briefly summarize the proposed Ulana Ward Village development, please. 11 If possible, I prepared a short slideshow 12 13 presentation containing excerpts of the PDP 14 application that I think would be best in helping 15 efficiently walk through the key components of the

MR. KANG: Mr. Chairman, is it acceptable for Mr. Randle to share his screen for the presentation?

CHAIR WHALEN: Yes, it is.

MR. KANG: Thank you.

project for the board.

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THE WITNESS: Okay. Can I just confirm that my screen is visible for the Ulana Ward Village project?

CHAIR WHALEN: Yes, it is visible. Thank

you.

THE WITNESS: Thank you. And again, thank you again. In addition to the application documents that were submitted for both projects, we prepared a short presentation containing mostly excerpts from those applications, to quickly walk the board through those key components that make up each of them.

We'll start today with the Ulana Ward
Village project. And I'll start by noting today
we're 11 years into the development of Ward Village.
We've completed key neighborhood commercial spaces,
such as a grocery store, drugstore. We've completed
two district parking garages, a new public park at
Victoria Ward Park, along with four mixed-use
residential projects, which represent approximately
1,400 homes there today. Over 27 percent of them are
workforce housing under the HCDA's reserved housing
guidelines.

We have three more projects in the center portion of Ward Village that are under construction at this time, which represent over 1,600 homes, along with the completion of Victoria Ward Park on the mauka side between Auahi Street and Ala Moana Boulevard.

about today, Ulana and The Park Ward Village, represent our eighth and ninth high-rise developments in the neighborhood, and they bring with them not only homes, but commercial spaces, industrial spaces, more district parking for the area, and a significant increase in open space and public space. They're really keystone projects for Kaka'ako, as has been discussed, as bringing forth elements that help to create a desirable neighborhood for people to live, work and play in Honolulu.

Starting with Ulana and the location, it's in a prime central location, and the name itself, Ulana, means to weave. And the idea here is that the project will contribute to weaving together the neighborhoods, the east and the west sides of Kaka'ako, into a cohesive, larger community. It's within a half mile from, and walking distance from, most of the neighborhood amenities that have been developed under HCDA's guidance within Kaka'ako, including Salt, Ward Entertainment Center and the grocery and pharmacies that I mentioned before, in addition to playgrounds and the beach.

What's important about Ulana is it not only satisfies the reserved housing requirements for

the projects that have already been completed and are under construction in Ward Village, but it also satisfies the needs for future market rate projects and homes that will be developed at Ward Village through the complete buildout of the neighborhood.

And this is at a time when there's very strong demand for housing in the urban core. So Ulana, with 697 homes, is an ideal opportunity to bring those homes in the center of Kaka'ako for local families and our workforce, and pricing them at prices below market rate under the reserved housing program.

What this image does -- and this is, again, an excerpt from the application -- is it really helps to articulate how the site is being planned. The parcel that we have to work with is bounded by three streets on three sides, Auahi Street, Kamani Street and Pohukaina, and really you can break down the project into four key elements.

The first is approximately 30,000 square feet that will be created as the new public park. In the master plan, there is a goal of creating the Ewa Plaza. In this case, the name that we've chosen for it in working with our cultural consultants and cultural descendants is Ka La'i o Kukulua'eo Park,

and that name brings back the memories of the stillness, the calmness and kukulua'eo in this area decades and decades ago. And the goal there is through landscaping and trees to create a new opportunity for calm and stillness in Kaka'ako.

In addition to that space, about 40,000 square feet of the site is used to create a mixed-use platform, with commercial space, industrial space and district parking for both residents and the public.

About 15,000 square feet of the site will be used for the residential tower component, which is adjoined to the parking garage and the ground floor by a covered walkway.

And the remaining part of the site, about 31,000 square feet, will provide outdoor recreation space for the residents living in the residential tower, including barbecue areas and cabanas, along with a community garden.

As the site plan that's in the documents articulates really well, that careful planning and efficient land use have allowed this particular site to have the majority of it be either open space, park space or improved pedestrian-friendly environment, including new sidewalks and street tree areas that I'll walk you through.

And it's important to note, because today the site -- as the landscape plan shows, in the future, it will be a lush planted area with lots of shade and shade trees. This was a plan that was done with our local design team at PBR Hawaii. Today it's predominantly asphalt and concrete on all three acres of this site. So a big transformation from what's there today to what will be in the future.

The circulation plan is also included in the documents, and one thing to note on this, as you review, is we've identified the circulation paths for both vehicles, bicycles and pedestrians in this mixed-use project. A lot of effort by the design team goes into ensuring that it's both accessible, but also it's able to be secured for the user groups, including residents, who will be living in this area.

I'll walk you through the project itself.

I'll start with the ground floor, and we'll go up quickly, like a -- we call it a layer cake. We'll start with the base. And on this level in the documents, we use a color coding to really help to delineate between the different uses that are happening on each floor.

On the ground floor here are those key components that I mentioned previously. This blue

area here with two different colors, this is the residential tower. And on the ground level in light blue are residential indoor recreation space, rooms that can be reserved by residents to entertain and have guests over, also fitness areas that will be programmed for residents to maintain a healthy lifestyle.

In the darker shade of blue are the backup house components for residential use. Those are the offices for staff, the mailroom, and other facilities used by the building staff to support the building's operation.

In the platform on the left here -- on the left-hand side, you see the colors that help to delineate between the commercial use and the industrial use. We designed a strip of commercial space along Pohukaina Street, and we've additionally added an overhang of the parking structure to help provide a covered walking area, and for potential use by the commercial tenants as outdoor dining.

Behind that, shown in a light purple, is the industrial space. And that obviously is a new one for us, to build new industrial space, and we see it as a key component to creating that live-work-play environment in Kaka'ako.

And then as I mentioned before, one thing again to note is between the two structures, both the platform and the tower, is a connecting element of a covered walkway that will provide weather protection for residents coming from the parking structure to their homes.

Moving up now to the second floor, homes in the tower start on the second floor and go up from there.

In the platform structure, the light industrial space is actually designed to include a mezzanine level, either for tenants that may need additional height like fitness users with climbing walls and those sorts of tenants, or perhaps for other industrial tenants that may see the opportunity to build out an additional mezzanine level in their space.

District parking continues from that level, level 2 and level 3. And then beginning on levels 4 up through 8 are residential parking levels that continue in the efficient parking structure, up to the top of the building, which is at 75 feet, for the parking structure on level 10.

Additionally, we've included the required element of the trellis that's required under the HCDA

rules on this top level of the parking. And as noted in the application, we will be exploring the opportunity as well for potential kiwi installation on this roof here.

From there, continuing to move up, the tower goes up from that level up to level 42 of the residential tower. And in the application there's a series of architectural elevations that help understand the finishes and the look and feel of the tower.

A couple of key things to note is as -- as mentioned under the master plan, a big focus of ours is on orienting the towers in the mauka and makai direction. And you can see the thin nature of the towers for the views from both mauka and makai looking across Ward Village.

Also, I mentioned the platform itself will be 75 feet tall, plus rooftop elements that we mentioned, including the trellis and elevator overruns.

The tower itself is actually less than 400 feet. While we know there's a 400 foot limit, we've been able to design this particular tower to be approximately 371 feet, plus mechanical equipment and elevator overruns.

And another last key thing to note is very unique for this site. Because of the gracious setbacks of the site between property lines and the building, we've been able to install and fit what they call the root balls and the canopies of large shade trees on most sides of the property.

The architects, to really help visualize the ground-level experience, have created these great series of before and afters of kind of what it looks like today, so you can georeference or geolocate yourself. And then an image or a rendering on the right of what it will look like when the project is built out.

So starting with Auahi Street, if you go down today to the dead end of Auahi Street, you'll see how that transformation predominantly has changed from the asphalt and concrete to a larger shaded, grassed area. This is the recreational space for the residents with the mixed-use platform behind it.

The thing to note is currently this is a dead-end street on Auahi, and we continue to work with Kamehameha Schools and others to support its opening. When it's open, the efficient land use here is a prime reason we're able to fit these large canopy trees, which will allow for a nice, shaded

connection point down Auahi to the outer Kaka'ako and Salt component within the Kamehameha Schools master plan area.

Turning around in that same location and looking in the Diamond Head direction, similarly, we've provided an image to help visualize that transformation from the current condition, which from a structural standpoint is a series of three one-story industrial buildings, to in the future, that recreation space behind it being the mixed-use platform.

Also as well, we provided this image to visualize that look and feel along Pohukaina Street. And you know, it's a good one for us as a reminder of that transformation and streetscape, right? Today you walk down the street on a sidewalk with overhead power lines and no barrier between really the sidewalk and the vehicles. You know, as we look into the future, a big transformation, right?

As we plant landscaping between the vehicles and the pedestrians, we'll be adding bike lanes behind Pohukaina Street as part of the improvement. And as required under the flood elevations, we'll be raising the grade of the buildings themselves. And as support, the footfall

and the retail use along this street-front commercial space, we'll also be elevating the sidewalk and providing a covered area as pedestrians walk down in front of that component.

And then last, we'll go over to the other corner. This is on the mauka/Diamond Head corner of the property at Kamani Street shown here, and Pohukaina. Today it's that industrial space with a service parking lot. In the future, this will become the public park. So it might be the biggest transformation kind of from current to future, where we're literally peeling back 30,000 square feet of asphalt and concrete to create that green space shaded by monkey pod trees.

And as you'll notice in here, one key point was this idea of having residences looking down on the park, providing visibility and activation of the park space, which will have a playground as one of its key components to help welcome family not just from Ulana, but also from the area to enjoy.

You know, at the end of the day, Ulana, the 697 homes that are in it, are really based on the feedback that we've received from the HCDA as well as elected officials and stakeholders. And that feedback has been, you know, we need more workforce

housing and we need it sooner.

Today, to give you a frame of reference, the projects in Ward Village that are completed and under construction require that we provide 108 reserved homes to meet the demand or the requirements of what we've already been approved for. Instead, we found an ideal site and created an opportunity to construct almost 700 new homes for qualified local residents.

So it's a big opportunity. We take a lot of pride in having this opportunity to provide over six times as many homes today as is required, and really to front-load those at a time when there's such a critical need for housing, and to do it in the urban core in an extremely livable and beautiful environment for those residents.

At the same time, we've talked about it a few times, but you know, it's a huge opportunity to replace a parking lot with a public park and a playground for Honolulu to enjoy.

And you know, last but not least, the economic impacts, I know they're noted in the package, but you know, this is a big opportunity for stimulus coming out of the COVID pandemic, and the effects it's had on our economy. We're talking about

over 500 construction jobs in this building alone at its peak; a capital investment of over \$400 million to construct all the elements.

And the timing of that is also looking to come online as we complete construction on other projects that I mentioned, like A'ali'i and Ko'ula. Construction is intended to begin on Ulana around late 2022, which would bring the homes online just a few years after that and well in advance of the delivery of the remaining projects at Ward Village.

And then the last thing I'll note -- you know, thank you again for the time on this -- is you know, as part of the reserved housing program and delivery of these, we've experienced with HCDA a profound opportunity to generate ongoing revenue for HCDA in the form of shared equity that comes from the sales of these homes that the HCDA is proactively using to help develop additional reserved and affordable housing in Kaka'ako.

As a kind of estimate, this project alone may generate over \$50 million to the HCDA in the form of shared equity as those homes are priced in working with HCDA to price those and bring them to market.

And that's in addition to over \$30 million of shared equity from Ke Kilohana and over 20 million that will

come from the A'ali'i project's reserved housing. 1 2 So while it's an opportunity to bring a large amount of reserved housing to Kaka'ako, it's 3 just as important to note that it also sets up that 4 5 ongoing cash flow stream to support HCDA's other 6 efforts to bring affordable housing into the region. 7 So thank you for that. I'll defer to 8 counsel and Chair on next steps with moving into a 9 presentation of The Park Ward Village. 10 MR. KANG: Thank you very much, Mr. Randle. 11 12 And for the record, Mr. Chairman, 13 Mr. Randle was showing and referring to Exhibit U-35. 14 (By Mr. Kang) Mr. Randle, let's move on 15 then to The Park at Ward Village. And my understanding is that for the record, you'll be 16 17 referring to Exhibit P-31. If you can please 18 describe The Park at Ward Village. 19 Sure. And please bear with me a moment Α 20 as I switch screens to make this work. Okay. 21 hoping that works now. 22 Great. Well, thank you again. So to 23 move forward and appreciate the consolidation of the two projects, I'll note that from a timing 24

standpoint, Ulana project, as the reserved housing

25

component, is the leading project. There is a requirement that we have as part of the Victoria Place approvals, that we move forward with the Ulana Ward Village project to provide reserved housing to get that project under construction, prior to approvals to start construction.

The Park Ward Village, as I mentioned before, represents the ninth residential project to be developed under the Ward Master Plan. What's very notable about it, and we'll go through, is it also represents a significant completion of the major public elements of the Ward Village Master Plan overall. It not only brings homes and commercial use and off-street district parking, but as this image shows that's in your application package, it also completes a lot of the key infrastructure elements and transportation connectivity through the area.

On the mauka side of the project, it will bring the Halekauwila Street connection, which will connect through from its current terminus in front of A'ali'i, all the way through to Ward Avenue.

On the makai side of the project, this will also effectuate the realignment of Auahi Street. If you look at this image here as it's shown today, where it crosses Ward Avenue and dead ends just past

Kamani, when we build out The Park Ward Village, we will trigger the realignment of Auahi Street, the shift of its intersection at Ward Avenue and its connection to Pohukaina.

And this is a key element that was envisioned not only under the Mauka Area Plan and the master plan, but it's been in coordination with the city agencies as we've reviewed not just the alignment, but also the width and the elements that are contained within the street sections that it serves, both vehicles, pedestrians and bicyclists.

Another key element that we'll talk about in this project is by virtue of its efficient footprint we're able to increase the size of the Victoria Ward Park on the mauka side, so much so that we will actually be going back and refinishing the landscaping through the entire park. Because the increase is over 65 percent of additional area that will be added to the park.

Like Ulana, I think it's easiest to start with the site itself to talk about the how the land has been planned, and then we'll move up through the project like a layer cake, starting on the ground level.

The project's name, The Park Ward

Village, is because we've effectively found a way to wrap the project with landscaping, to make it feel like a park surrounds the project site. When we started, we had -- after taking away land for the realignment of Auahi Street and the extension of Halekauwila, we were left with about four acres of land in addition to the current park.

As we worked through the planning for the podium, the tower elements and all the components of the district parking and so forth, we were able to squeeze down to a 72,000 square foot, approximately, footprint site. So if you start with four acres, which is about 160,000 square feet, we're left with about 72,000 square feet of footprint. Effectively less than half of the site is taken up by the footprint, leaving the majority of the site to become this expanded park space, a much wider Auahi Street promenade than, you know, initially intended, a much more gracious space for pedestrians, and as I mentioned, the ability to actually plant shade trees and canopy trees around most of the project area.

Starting on the ground floor, the efficiency is easy to see through its shared uses.

In blue is the residential use. In this case the lobby area, it's tucked back and away from the

street. And what you predominantly see shown in kind of a salmon color surrounding the project, is a commercial component. This project site is highly visible. It's surrounded by key streets on three sides. And it's going to be surrounded by the active use of Victoria Ward Park on the mauka side. So to complement that and to complement the neighborhood, this has become the keystone commercial element, really, on all four sides.

So we have created these four quadrants that surround the project of commercial space, that are sized and the depths designed to be very flexible for a variety of users long term, whether it's a large commercial tenant to take a larger space or if they're to be divided up in order to support a series of smaller tenants.

One thing I'll note in here is that there's a diagonal line that shows a hatching area to allow for future flexibility, in the event that some of these commercial tenants need to build out mezzanine space to support storage or other uses within the space.

And a big element of this project, as we've learned most recently due to the COVID impact, is the need for protected outdoor space so that

businesses can function outdoors. So if you'll see very slightly on this image -- and in your packet, it's probably a little clearer -- is a dash line that indicates the covered area outside of that ground floor commercial space on all four sides of the building, to allow weather protection and functionality, especially for food and beverage retail tenants that need the ability to function outdoors, as we've seen during COVID.

Similar to Ulana, the package includes a detailed map of the circulation plan for a variety of the mix of users that will be visiting this building. Because it's -- it's adjacent to the public park, a big focus of ours has been on how the building can be porous and accessible by the public who will be coming here to shop, to dine, to park, to take advantage of the play areas next door in the park space.

Residents at the building will predominantly access from the Auahi Street side, both by vehicle, by bike and also on foot. Members of the public and customers will access predominantly from the Halekauwila Street side if they're coming by vehicle or, as I mentioned, from any of the four sides if they're walking or biking.

And as we move up on the second floor,

I'll just note -- and again, this is in your

package -- we have approximately 128 district parking

stalls on this entire level that have been designed

to serve the public as they come into Ward Village,

so they have easy access to the park and the

commercial spaces on the ground floor.

One really key thing we did as we laid this out is, because of the size of the parking deck, we actually added elevators for the public on both sides. So there's an elevator here and here. So if someone's coming with their family just to play in the park, they can drop down to the park on this side. If they're coming to see a tenant on Ward Avenue, they can drop down on this side. Just making it very convenient for members of the public that are coming in to visit the project.

Homes start on level 2 and are predominantly located along the park facing side heading up from there.

Starting on level 3 is residential parking, including guest parking, to ensure that we have spaces available for guests that are visiting families living in the building. And we've also added a protected dog run on the third floor that's

on the leeward side of the platform. We've seen, as
I'm sure you have as well, a large number of pet
owners who are moving into the urban core, and we
want to make sure we have allowances for those
late-night journeys to take the dogs out.

The building continues up similarly, up to the eighth floor, where it transitions to a roof deck on top of the podium structure. And that allows for outdoor recreation space for the residents along with indoor recreation space. That includes the fitness centers, communal areas and also outdoor exercise and recreation spaces on the deck itself.

And similar to Ulana, there's a series of architectural elevations to help visualize all four sides of the building. Also like Ulana, the building is oriented in the mauka-makai direction, so that the skinny side of the building is facing both the mountains and ocean and helping to provide wider view corridors from the mountain to sea.

In this case, on the image on the upper left, this is the elevation looking mauka from Auahi Street. Ward Avenue is on the left. The park is on the right. And a key thing to note is this blue line here is actually the required setback of the view corridor along Ward Avenue, which is 75 feet. We're

actually able to -- in the design of the building, to shift it over and achieve a setback of about 180 feet, more than double what's required. And this image is -- actually all of them, also helps to articulate that ability to create a canopy tree space on all four sides of the building.

On Auahi Street -- this image here on the right-hand side here is Auahi Street. We're looking at the building, looking towards Diamond Head.

Another thing to note is the setbacks we've been able to achieve to create that Auahi promenade. We're averaging over 38 feet of setback, much greater than the required 15, in order to create that wide pedestrian experience.

So last I want to walk you through, you know, ground level, which is where most people will interact with this building in Ward Village, and some before and after images to help visualize how it's going to transform when it's constructed.

We'll start with the image the architects have created. This is looking in the makai direction on the back side of the old Sports Authority building. On the left here is a construction barricade, and just beyond it are the trees within Victoria Ward Park as it stands today. And if you

could -- if you were a few feet taller, you'd see Kewalo Harbor in the distance.

And what this image helps to articulate well, I think, is that transformation. This is an area where the park will get wider. The pedestrian experience will be complemented not only by shade trees from the park, but this shaded structure that we're adding on all four sides, over the commercial space around the building, to make it be a truly walkable 360-degree block.

The retail here is also designed to complement the matching retail across on the other side of the park at Ko'ula that's now under construction, and is intended to open in late 2022.

One other thing we added, and you'll see it in the plans as you go through it as well, is we've added public restrooms for members of the public that are coming here primarily to use the park and visit the commercial spaces. Just off this image on the right-hand side will be a series of public restrooms that are along the pathway from the parking structure down to the park and back, to make it very convenient.

This is an image looking in the Ewa direction, from the back of the current Victoria Ward

Park. You can see Ke Kilohana in the distance here, in the back side of the former Sports Authority. On Halekauwila Street today, it's just on the makai side of Ke Kilohana, that runs along that path. So in order for us to connect through and build this project, we will need to connect the road through the existing building as shown here, and make that connecting point work. As I mentioned, the residential homes will begin on the second level. You can see that covered walkway space that will surround the ground floor commercial within The Park Ward Village.

One other element that's unique here, and we appreciate working with the city on this, is we've added vehicular drop-off zones on both the mauka side of the park and on the makai side. So on Auahi Street and Halekauwila, we've added these little bump-outs that will allow for people that are riding in the park for the retail, either by taxi or car share or a friend dropping them off, just so it's really convenient to get in and out of cars, whether they're riding, on foot, or in the case of car share.

And then last I'll show you an image here that articulates that transition from the current Auahi Street experience to the future. So today I

actually took this image myself, walking on Auahi Street. You know, it's that same feeling I showed you before at Ulana, where you have a sidewalk adjacent to the street, you know, no barriers, not much shade, overhead power lines. And so a great opportunity to make it much, much better.

As we deal with the increase in the flood heights, we'll be raising the grade of this building as well and also bringing the sidewalks up away from the street, to help bring pedestrians and footfall in front of those commercial spaces. A lot of opportunity here because of setbacks, to provide those large tree canopies and a very similar experience to what you see today that we built down in front of the South Shore Market on the Diamond Head end of Auahi Street.

These two images also help to articulate the look and feel of the building both from afar and up close. The Park Ward Village project is specifically designed to meet the demand that we've seen for market rate homes, and as evidenced most recently by the release of our sales levels at Ko'ula and A'ali'i, where we're 77 percent sold at Ko'ula and over 85 percent sold already at A'ali'i, on both projects, which aren't even yet completed, and still

have months if not a few more quarters to go before they're completed and moved into. And they present a huge economic impact, positive economic impact in the community, during this COVID time.

In The Park Ward Village, we anticipate it to develop and generate almost 800 jobs, about 789, and over \$600 million of economic output. In addition, as I think we've talked about, a lot of public infrastructures is going to come from this project, with new streets and new park spaces that create an outdoor experience that really is unlike what's there today.

A big part of this project is really about completing the master plan and completing those key elements, as we've had to do it piecemeal in order to deal with leases and other constraints that we've had to work through to build out and effectuate Ward Village and to fulfill HCDA's vision for Kaka'ako's vision.

These really demonstrate our efforts, being now the eighth and ninth project in 11 years to bring forth that master plan, and complete it, as indicated by the original approval within its timeline. We're seeing the neighborhood come to life, and we see these as key elements to build upon

1	that momentum and really activate Ward Village and
2	Kaka'ako.
3	So thank you so much for the opportunity
4	to walk through these. I'll turn it back to Brian at
5	this time.
6	MR. KANG: Thank you very much,
7	Mr. Randle.
8	Again, for the record, Mr. Chairman,
9	Mr. Randle was referring to Exhibit P-31. At this
10	time, Mr. Chairman, we have no further questions for
11	Mr. Randle, and he is available for any questions
12	from the board.
13	CHAIR WHALEN: Questions?
14	MEMBER HASHA: Hey Race, I have a
15	question for you.
16	(Reporter clarification.)
17	CHAIR WHALEN: This is Phillip Hasha.
18	CROSS-EXAMINATION
19	BY MEMBER HASHA:
20	Q My understanding is the rail line is
21	coming along Halekauwila, and it's going to be coming
22	right next to this project. How are you guys
23	factoring in the rail and how that's going to impact
24	this project?
25	A Yeah, good question. Easiest for me, if

I'm permitted to, I can show one of the slides on the 1 2 screen earlier. Is that possible? CHAIR WHALEN: Yes, certainly. It helps 3 4 explain. 5 THE WITNESS: Yeah. Let me -- let me give that a shot. Okay. So -- and I'll try to 6 7 annotate it a bit here. So this -- this is the 8 master plan area, showing full build-out of Ward 9 Village. And the rail alignment and guideway and 10 station actually do come down Halekauwila Street, as 11 we understand it, and then it transitions up Queen 12 Street along this alignment, if you can follow my 13 cursor. 14 MR. KANG: I'm sorry to interrupt, 15 Mr. Randle. Just for the record, you are referring 16 to Exhibit P-31. Thanks very much. 17 THE WITNESS: Thanks. This is, yeah, 18 page 15 of the plan development application. And I 19 can't see my own mouse. Bear with me for a moment. 20 Okay. So the project, The Park Ward Village, effectively is on the makai side of this 21 22 Halekauwila Street alignment that we'll build out. 23 The rail guideway and the rail station, the future 24 eventual rail station, will be built on the mauka

side of another project that we've yet to design and

25

permit. So effectively, you know, the rail is mauka of what we're doing with this project, and it does not abut it on its property.

MEMBER HASHA: Thank you.

CROSS-EXAMINATION

BY CHAIR WHALEN:

Q I have some questions related to the 2005 rules that are part of the vested master plan. Specifically, starting with the reserved housing or affordable housing rules, section 15-22-115 requires a mixing of reserved housing units and market rate units in the same building. It does say that the Authority -- if the Authority so determines, it may use -- may allow certain alternatives.

And you might require -- you might recall when we were reviewing the A'ali'i project, it initially started as an entirely market rate building, and as part of the board's decision, we required 50 units to be included in the A'ali'i building.

And I hear you saying that the sales have gone very well in A'ali'i, and it doesn't seem like there's any sort of market reason necessarily to preclude reserved housing units in a building that is primarily market rate, and in some cases I would even

call luxury housing. Victoria Place, I think the board, at least in my view on the board, was not required to include -- physically include reserved housing units, because it was a reconfiguration of previous projects that had been approved by the board, and the units -- reserved housing units were designated for Ke Kilohana project.

So it's really good to see Ulana being proposed for reserved housing, but I'm wondering if you have considered including reserved housing units in The Park project, Ward Village?

A Yeah. I mean, it's a great question.

The approvals for the master plan of Ward Village, and specifically the development agreement that followed it, outlined a number of options that Victoria Ward, Limited has to meet the reserved housing requirements under the 2005 Mauka Area Rules. And in addition to the ability to build it onsite within the community, it also lays out options for the developer to build those homes off-site. It also lays out an option to satisfy that via in lieu fees or the contribution of fees.

You know, as we looked at those options and what ultimately we think is best for the community, we've come up with this great opportunity

at Ulana to front load and build onsite and construct in a low interest rate environment what's likely to be all of the reserved housing that's required under the Ward Master Plan.

And what's also unique in the master plan too is we made that additional commitment to provide homes at and below 100 percent of the area median income, in addition to the HCDA requirement that they're priced under 140. And so that's the key component of Ulana, where we'll see at least 10 percent of those homes not only below 140 percent of the area median income, but at or below 100 percent.

I note today we have experts on our expert witness list that will talk through kind of the variables at play with understanding the benefits of designing homes that have the amenities and the infrastructure to support workforce housing and potentially to support a longer-term price of those homes remaining a workforce level.

And they're including Ann Bouslog who's looked at this and really trying to understand the long-term likelihood of homes remaining affordable and the difference at which that happens when homes are in buildings that may have more market rate or luxury amenity spaces or maintenance fees, versus in

buildings where they have amenities and services that are more aligned to a lower income level that is needed in order to afford those long term.

MEMBER FANG: May I interject with a question, if that's okay?

CHAIR WHALEN: Yes, certainly.

CROSS-EXAMINATION

BY MEMBER FANG:

Q Approximately what's the ballpark that you're estimating the monthly maintenance fees would be? I know it's different depending on the size of the unit or whatever, but can you just give us a real ballpark range?

A Yeah. I mean, the bottom line is the maintenance fees have yet to be -- budgets for these buildings that generate the maintenance fees will be created by an expert, a property management group.

So -- and we haven't yet gotten to the stage where they can do the takeoffs. Those are typically done by a later set of architectural drawings and the condominium maps that are done effectively, you know, a few months from now in the process, as we get closer to sales. That estimate is done --

In the past, we've worked predominantly with Hawaiiana Management Group, that's done those

estimates for each project, and they certify the budget. For the A'ali'i example, is -- you know, we're targeting there an estimate of maintenance fees of approximately one dollar per square foot for maintenance fees for that building. And you know, that's comparable to other buildings. It's higher in some and lower than others.

And I know our experts, including Ann,

have looked in that in depth as it relates to reserved housing and workforce housing in the buildings and the amenities that come from those and more -- and buildings that have additional amenities, which often have a much higher staffing rate and maintenance fees that may be well over a dollar per square foot.

MEMBER FANG: Thank you.

MEMBER SAKODA: Chair, it's Kevin Sakoda.

CHAIR WHALEN: Yes.

MEMBER SAKODA: I have a couple of questions for you in regard to maintenance fees.

(Reporter clarification.)

CROSS-EXAMINATION

BY MEMBER SAKODA:

Q So with regards to the buildings, the new buildings that are coming up, one of the issues that,

you know, we're faced with at Anaha is sort of the mix of residential and commercial spaces and the payment of the maintenance fees associated with that. When I look at Ulana, I get a little nervous for the affordable housing folks when I see light industrial space and commercial space mixed together.

So are you doing anything -- are you planning anything different in terms of separating the cost of maintaining those spaces? Because it seems like the residents will ultimately bear a heavier weight of those shared common spaces expenses, you know, down the path. So are you looking at those things any differently or trying to separate them or delineate those spaces separately, so the costs are sort of commensurate with the ownership?

A Yeah, we are. Great question.

Obviously, technology has been a big help in helping to bifurcate the operating costs of mixed-use buildings. As most of our completed buildings are looking at, you know, some metering, it's one key thing that we're planning for up-front in all of our projects, so that, you know, say, for instance, on a given level where there's different users, they're clearly metered so that the industrial use and the

lights that support it and the utilities that support it are on one set of meters, and the areas that are shared are on a different set of meters, so that can be shared.

I think just for Ulana specifically and the parking platform, that supports all those different uses. It's one key reason that, you know, we kind of separate where the residential parking occurs where that can be easily, you know, attributed — the costs attributed to just the residential component. You know, the dedicated parking areas of that building, the elevators that serve them, the lighting and controls for those levels, will be billed to the residential component of the project.

And on the lower levels, where you have the industrial components, commercial, and the parking that they share, we have the ability to separately meter those spaces so that the costs attributed to those spaces can be billed towards those user groups.

The one unique thing at Ulana that we've done -- and this is based on lessons learned from other projects in Kaka'ako -- is also with trash service. I mean, it's an intricate one, but as you

know, it's where, you know, mixed-use buildings, you know, all the trash goes to one area, and it's picked up, and that's where there's often conflicts.

We actually design an area where the trash trucks can drive through the site on Ulana between the parking structure and the tower. And our hope is that they will effectively be able to utilize the larger trucks to unload the trash, without having to be moving them in and around the site and out to the area streets for pickup by those vehicles.

MEMBER SAKODA: Great. Thank you, Race.

CHAIR WHALEN: Members, any other questions of Race Randle?

 $$\operatorname{MR.}$ NEUPANE: I have a question. I have a few questions.

CHAIR WHALEN: Yes, Deepak. Go ahead.

MR. NEUPANE: Thank you, Chair.

CROSS-EXAMINATION

BY MR. NEUPANE:

Q Mr. Randle, could you give a little bit more insight into the reserved housing project, the Ulana project? Have you given some thought to, say, the average AMI that we are targeting? If I heard you correctly, you said that, you know, 10 percent of the units will be priced at 100 percent or below; is

that correct?

A That's correct. And that's -- I think that's continuing with the commitment that was made years ago in the master plan, that 10 percent of all the reserved housing that we do onsite would be priced for incomes below -- at or below 100 percent AMI, which we've done already to date at Ke Kilohana and with A'ali'i.

We still have to work through the pricing of the homes, and as I think as recently reflected in the press as well, ultimately the prices of the reserved homes will be at prices well below the market price of the same home, and that's because these homes come with significant constraints on resale, right?

Buyers buying these, you know, have owner-occupant requirements, and they need to own them between two to five years, right, under the HCDA rules. Plus, there's the shared equity requirement. Those constraints — in order for us to feel confident in the ability to sell the homes and to attract buyers with those constraints, we work with our sales teams to price those homes well below market prices. And then, as often works out, you calculate the AMI levels as we work with you, on what

those prices really mean.

At Ke Kilohana, if my memory serves me, the average price was in the 120 percent range or 125 percent. And going through that same methodology based on the formula that HCDA uses -- I can't recall A'ali'i's off the top of my head, but I recall it was also much lower than 140 percent -- when you go through that analysis of making sure that the homes that have those reserved restrictions are priced at a significant discount to the market price to attract those first-time buyers.

Q Thank you. And just following up on Member Fang's question on the maintenance fee and all, you said that you will be doing a reserved study by Hawaiiana Management or some professional entity, right? Would it be fair to ask that you share that study with HCDA?

A I don't see any reason not to. I mean, it's a public document that we do in preparation of the condominium documents for the certified budget. For Ulana, we will be working with, I believe, an associate for that project, and I see no reason not to share that. Again, these are experts that are managing dozens of buildings and bringing that information in, looking at the specific layouts and

the staffing needs of these buildings, in order to come up with the budget.

And as I mentioned, I think, previously with Director Sakoda's question, we're also looking at opportunities for some metering, you know, to ensure that owners are really paying for the utilities that they need and they use, and to help with overall efficiency in the building and consumption of less, you know, electricity and water usage.

Q I have one more question of Ulana, just one. Looking at the parking garage from the elevations in the application and your presentation, I couldn't quite tell whether the parking garage was screened from outside. Do you have plans to screen the parking garage, or is it going to be basically open?

A Yeah. So Ulana garage is unique for us, because the Ewa side of the garage faces Kamehameha Schools property, and as a requirement under the rules, it must be completely, you know, enclosed on the side that faces that property. So it's -- it's basically concrete CMU block to finish that face.

O Is that because of the fire code?

A I would defer that question to the

architects. I believe it has something to do with that; that there cannot be any openings of structures that are along the property line.

Similarly, on the side of the building, the parking structure that faces the residential tower, there are obvious acoustical and light protrusion concerns about headlights and the sound of cars coming from the parking garage to the tower. So along that side, you know, of the structure, similarly, we're looking to enclose it.

what that leaves us with is a design challenge, because we want to ensure that the main parts of the garage remain low and we are allowed to use fresh air to go through the garage. And so on both the mauka and the makai side of the garage, we're leaving them as open as possible, to allow that flow of area through those sides, so that we don't need to trigger the need for mechanical ventilation or the fans that you often see in some of the garages that are fully enclosed.

 $$\operatorname{MR.}$ NEUPANE: Chair, if I may, one last question to --

CHAIR WHALEN: Certainly.

MR. NEUPANE: -- Mr. Randle on Ulana.

Q (By Mr. Neupane) I notice that the

parking garage, you know, because it's independent of the tower, looking at the plan, looks like everyone in the building will have to take the elevator in the parking garage and come down to the ground floor, and then from there, transition over to the tower. And given that there are close to 700 units, I would like to make a suggestion that, you know, the project create connections at more than just one level, so that people are not just stuck, so to speak, in traffic, you know, off the elevator and just waiting for them to get down and go over and then, you know, people are carrying groceries and things like that.

So I would like to make a suggestion that you really think about creating a few more connections between the residential tower and the parking, understanding that even the floor level of the parking and the residences are going to be at different levels, so you may not be able to create a link at every single floor. But maybe there should be more than just one entry from the parking to the tower.

So thank you, Chair. That was my last thought.

CHAIR WHALEN: Actually, now that you brought up parking, Deepak, I have one more question.

CROSS-EXAMINATION

BY CHAIR WHALEN:

Q As you're aware, there were controversies over parking at Ke Kilohana, because while the rules allow 50 percent of the parking spaces to be compact stalls, the people buying the units are not necessarily aware of, you know, what the parking stall dimension is going to be, and the bit of compact space that doesn't meet the needs of whatever vehicle they own.

So has there consideration been given to matching parking -- a standard size parking stall with each unit -- with each reserved housing unit; say, they have at least one standard stall? And that's actually all the rules require, is one standard stall per unit or one parking space per unit. So it seems like that might be possible to do. Because the complaints came to HCDA staff, probably. They even showed a video about the difficulty of accessing the vehicle with the very constrained size of the compact parking stall, given columns and other incursions into the parking stall.

A Yeah. I mean, I'll say on that one, you know, if any of you have lived in a building that's been built with a tower around a podium, whenever you

have the structural supports of the tower coming through the parking structure, you have much larger columns coming through a parking structure than are otherwise required that simply hold up the parking structure.

Ulana is a great example of where when we're able to bifurcate the tower structure from the parking structure, we're able to have much smaller structural elements in the parking garage that permit for, you know, ultimately less structural obstructions coming into the parking spaces.

We can't do that on every site, because of the intricacies of how the site is laid out. But at Ulana, we are able to do that, and as you go through the plans, you'll see the parking stall dimensions are noted kind of on every level of the parking garage. And for Ulana in particular, we have a unique ability to design stalls that have very few structural elements interfacing with, them, except for in the front of the stall where the car pulls into, which is more typical as you would see in other structures around town that are built separate from the tower elements.

So yes, there is a much greater opportunity for us to have stalls that not only are

more standard size, but have less structural interface happening within the stalls themselves or within the aisles.

CHAIR WHALEN: Board members, are there any more questions for Race Randle?

MEMBER OKAMURA: John.

CHAIR WHALEN: Yes.

MEMBER OKAMURA: Jason.

CHAIR WHALEN: Oh, Jason, hi, yeah.

CROSS-EXAMINATION

BY MEMBER OKAMURA:

Q Just to kind of continue on with what John brought up and what you said, Race, and living in a condo, I agree with you that parking structure and parking spaces is -- it can be pretty interesting, especially when you have smaller stalls like that. But I just wanted to ask, when you sell these units, especially on the first-time sales like you folks, a developer, do the -- this might be really minor, but do the buyers understand the spaces -- the parking spaces they're acquiring? Do they sign off on it? Or do they --

Because that's -- you know, surprisingly, even resales, like even where I live, sometimes people don't even look at the parking stalls when

they buy a unit. So I mean -- as crazy as that sounds, because it's existing too. So you can see exactly what you're buying, but some people actually -- they're not actually even going down there and taking a look at what they're buying. And then later on, you know, once they get the unit and then they see what they got, you know, then they grumble that the space in that stall --

I was just kind of curious if that was brought up. Do the buyers understand what they're buying, especially when it comes to spaces?

A You know, I can't speak for every buyer.

But you know, our process is pretty robust, in which

buyers often will pick their home based on the stalls

that come with it, that are pertinent to it. So

there is a lot of that where buyers are looking at,

if they have an option between multiple homes that

they have afford, at picking one that has the right

parking that supports their lifestyle.

when they look at the condo map as an example and they sit down with one of our sales executives, right, they're clearly shown kind of the unit that they're looking at, you know, the floor its on, how far it is to the elevator, the trash room, and they make those decisions. And then also they

have the ability to look at the parking stall plans, see the stalls in the condo map view, and understand kind of what -- the same thing. How far it is to the elevator, whether it's on the ramp or a flat surface, if there's any structural elements within that area; as much information we can provide in the condo maps when the condo goes to market.

I think what you both pointed out and something we'll definitely take into account to make sure that continues to be part of our process as we walk buyers through, especially first-time home buyers, so it clearly articulated, kind of what they should expect. But that is yes, part of that process, when we walk them through the condo map that shows them what they're buying and where the parking is that's pertinent to that home.

CHAIR WHALEN: Any other questions for Race Randle?

Okay. Brian, I guess you can move to your next witness.

MEMBER KANG: Thank you, Mr. Chairman.

MR. NEUPANE: Chair, sorry for

interrupting, but maybe the court reporter needs a break.

Laura, you need a break?

1	THE REPORTER: Just a five-minute break
2	would be great.
3	MR. NEUPANE: Okay.
4	CHAIR WHALEN: Great. Probably for all
5	of us. Thank you.
6	(A recess was taken from 12:40 p.m.
7	until 12:48 p.m.)
8	CHAIR WHALEN: Okay. We're back on. I
9	think I don't know if all the board members have
10	rejoined, but it looks like they're checking in for
11	the most part. Thank you.
12	MR. NEUPANE: Chair, it looks like we
13	still have a quorum.
14	CHAIR WHALEN: We still have a quorum.
15	Okay. Brian, you can bring on your next
16	witness.
17	MR. KANG: Thank you, Mr. Chairman.
18	Victoria Ward's next witness is Kimi Yuen.
19	THE WITNESS: Aloha Kakou.
20	CHAIR WHALEN: Aloha. Kimi, would you
21	please raise your right hand and affirm that you
22	will your testimony will be telling the truth?
23	THE WITNESS: Yes, I do, Chair.
24	CHAIR WHALEN: Thank you.
25	///

1 KIMI YUEN, 2 having been called as a witness by the Applicant, affirmed to tell the truth 3 and was examined as follows: 4 5 DIRECT EXAMINATION 6 BY MR. KANG: 7 Good morning. Please state your name, 8 place of employment and position, please. 9 My name is Kimi Yuen. Aloha. 10 principal and planner with PBR Hawaii. 11 And Ms. Yuen, what was PBR's role with 12 respect to both Ulana Ward Village and The Park Ward Village? 13 14 PBR Hawaii was retained by Victoria Ward Α 15 to prepare and process the plan development permits for both Ulana and The Park. 16 17 We're going to go through just some Q 18 highlights, and just to summarize your written 19 testimony, can you please describe the requirements 20 of HRS section 206E-5.6 and how these projects meet 21 those requirements? 22 Sure. HRS or Hawaii Revised Statutes 23 206E-5.6 are basically the rules that set up public 24 hearings and the approval, either by the Authority or 25 the board, for development projects. Subsection J

goes into the criteria which the Authority or the board uses to determine whether they will approve a development proposal within the district.

Q And my understanding is that the statute essentially groups these criteria into three major groups. What groups are those?

A Yes, that's correct. The three major groups involve the consideration of the extent that the project advances the applicable district plan and important state policies; the impact the project — the impact of the project on aspects of urban design; and the impact of the project on various areas of state concern.

Q And briefly, what are the major ways that these projects advance the goals of the Mauka Area Plan and the important state policies?

A Just for some background within this

first set of criteria, they cover whether or not the

project fulfills the district plan goals and policies

and objectives; whether it provides desirable

desirable neighborhood characteristics that are in

compliance with the rules and standards of the

district; whether the proposed project will be

compatible with the existing planned character of the

community; and the housing opportunities provided for

all income groups.

And so first starting with Ulana Ward Village, from the housing perspective, Ulana Ward Village will add and prioritize nearly 700 reserved housing homes to a severely supply-constrained market in the urban core. It will also provide extensive open space and recreation space both in the adjacent Ka La'i o Kukulua'eo Park — that's about 30,000 square feet — as well as in the private, residential indoor and outdoor recreational spaces.

Ulana Ward Village also is highly compatible with the surrounding areas in Kaka'ako, including the Ward neighborhood that's being built out and that is planned within the master plan, as well as areas further Ewa, where Kamehameha Schools is also building out their vision for Kaka'ako and connecting to areas downtown, and then in the broader areas Diamond Head towards Ala Moana and Waikiki.

Ward Village is really coming together and fulfilling the vision of the Ward Neighborhood Master Plan in creating a mixed-use community in a key infra area of urban Honolulu.

So in going to The Park Ward Village project, similarly, The Park Ward Village will include an expanded portion of the existing Victoria

Ward Park mauka, adding over 37,000 square feet to the existing 55,000 square feet of Victoria Ward Park. It has extensive open and recreational space onsite, including over 22,000 square feet of ground floor open space and over 75,000 square feet of indoor and outdoor recreation space.

The Park Ward Village is also highly compatible with the surrounding areas in Kaka'ako, again within the existing Ward neighborhood areas as well as other areas of Kaka'ako and broader to Honolulu -- downtown Honolulu and Ala Moana. And similarly, this portion of the Ward Village property is really coming together in that it's connecting both the east and west sides of the Ward Neighborhood Master Plan.

Q Thank you. With respect to the second group of criteria in subsection J, what are the major impacts of these projects on the designated areas of urban design?

A Okay. In this section of the criteria, it covers pedestrian-oriented, transit-oriented development, as well as providing community amenities. So for both at Ulana and Ward Village projects, they are both within walking distance of the proposed rail station, as well as existing bus

transit stops along Ward. It is also providing extensive open and recreational spaces and convenient access to both an expanded Ward Village -- I mean, sorry -- Victoria Ward Park and Ka La'i o Kukulua'eo Park that will be adjacent to Ulana.

Q Thank you. And with respect to the third group of criteria, if you can please summarize the impact of these projects on the areas of state concern identified in this third group.

A Okay. So we'll start with Ulana Ward Village first, and the criteria include six different groups of criteria, the first being preservation of important natural habitats and systems, and actually for both the Ulana Ward Village site as well as The Park Ward Village site. Right now there isn't much of any natural habitat existing.

As Mr. Randle mentioned, they're converting a lot of areas that are covered by asphalt and concrete into, you know, landscape, like, with trees and plants rooted in the ground, landscaping at the street level to really create these places of calm and green within this area of the neighborhood.

Let's see. The second criteria includes protection of cultural and historic resources. And for both Ulana Ward Village and for The Park Ward

Village, the projects are designed to avoid a substantially adverse effect on the area's archaeological and cultural resources. All the spaces will be at grade or above, avoiding the need to go subsurface except for structural elements. And as mentioned earlier, SHPD has reviewed both the AIS or archaeological inventory surveys as well as the archaeological monitoring plans that will be implemented for construction for both projects.

The third set of criteria -- and there are three of them -- involve maintenance of state economic resources, the use of state funds, and employment opportunities. And for both projects, there are no state funds that will be required for the projects. Again, as mentioned, both projects are coming at a time where under COVID, the state is experiencing severe economic distress and will support the construction industry in rolling into two new projects.

In terms of employment opportunities,

Mr. Randle summarized some of the economic benefits

from both projects, and I'll restate them here.

In summary for Ulana, the project will include over 400 million in development and construction output, over 25 million in state taxes

during construction, and will create an average of 246 jobs annually during construction, with approximately 512 jobs during the peak of construction in approximately 2023.

There are also long-term economic benefits for Ulana, including over \$337 million in economic input for operation and maintenance of the building, \$5.5 million in retail and industrial uses, 20.8 million in state taxes, 41 jobs for building and -- for building maintenance and operations, 35 jobs in light industrial and retail.

For The Park Ward Village, the estimated economic stimulus includes 620 million in development and construction output and nearly 42 million in state taxes during construction. The development will create an average of 441 jobs annually during construction, with approximately 789 jobs during the peak of construction in approximately 2023.

Long-term benefits include 33.7 million in operation and maintenance output, 15 million in annual retail operations, 30.8 million in state taxes, 49 jobs in building operation and maintenance and an estimated 127 retail jobs.

The last criteria has to do with maintenance or improvement of education, and the both

projects are within the State Department of 1 2 Education's Kalihi to Ala Moana state school impact fee district, and both projects will be paying their 3 share of those fees. 4 5 So in summary, both projects meet all of the criterias required in HRS 206E-5.6, subsection J. 6 7 MR. KANG: All right. Thank you very 8 much, Ms. Yuen. 9 Mr. Chairman, we have no further 10 questions of Ms. Yuen at this time, and she is 11 available for questions from the board. 12 CHAIR WHALEN: Board members, are there 13 any questions you have for Kimi Yuen? I guess not. 14 Thank you, Chair. Thank THE WITNESS: 15 you, board members. 16 CHAIR WHALEN: Thank you. 17 Brian, you can call your next witness. 18 MR. KANG: Mr. Chairman, our next witness 19 is Sumner La Croix, and Ms. Kaiawe will be handling 20 his direct examination. 21 CHAIR WHALEN: Okay. 22 MS. KAIAWE: Good afternoon, Chair Whalen 23 and board members. My name is Summer Kaiawe, and I'm 24 co-counsel for Victoria Ward. 25 Victoria Ward calls as its next witness

for KAK 21-001, Ulana Ward Village, Dr. Sumner 1 2 La Croix. 3 CHAIR WHALEN: Okay. Dr. La Croix, would you raise your right hand and affirm to tell the 4 5 truth in your testimony? 6 THE WITNESS: Yes. 7 8 SUMNER LA CROIX, PH.D., 9 having been called as a witness 10 by the Applicant, affirmed to tell the truth 11 and was examined as follows: 12 DIRECT EXAMINATION BY MS. KAIAWE: 13 14 All right. Thank you. 15 Dr. La Croix, for the record, would you 16 please state your name, place of employment and 17 position? 18 My name is Sumner La Croix. I'm an 19 emeritus professor of economics at the University of Hawaii Manoa, and I'm also a research fellow with the 20 21 University of Hawaii Economic Research Organization. 22 Thank you, Dr. La Croix. 23 Dr. La Croix, can you describe for us 24 what you've been retained to do for this project, the 25 Ulana Ward Village project?

A Okay. So I've been retained to provide an analysis and conclusions regarding the Ulana Ward Village project and whether it's likely to contribute to short- and long-term benefits of Hawaii's economy.

Q And today can you share with us your analysis and conclusions with regard to the Ulana Ward Village project?

A Sure. The Ulana Ward Village project, which includes 697 reserved housing homes as well as 41,000 square feet of commercial and light industrial space, it's going to generate substantial short-term benefits for the Hawaii economy by bolstering the economy during this time when the economy is in a deep recession. We would almost call it a depression, except for the fact that it's not expected to -- we're expected -- they're already in the process of recovery. But we're in a deep recession, and this project will contribute to recovery from that recession during its construction phase. And then in the longer run --

I'm just calling the longer run the period after the construction is over and people have moved into the project.

-- that it will increase the Honolulu stock of housing. It will increase Honolulu income

and employment, state tax revenues, city and county tax revenues.

So why is it that the economy is having problems? We all know the answer to that. The main reason why it's having problems is the COVID pandemic has cut off the flow of tourists from the U.S. mainland and from international destinations. It's also caused some people in Hawaii to restrict their economic activities.

As case counts -- as case counts both domestically and internationally have started to fall -- at least in some places have started to fall, here in Hawaii, we've seen a revival of the local economy as more Hawaii residents have resumed economic -- have resumed economic activity. But the tourism industry and specifically the tourism industry on Oahu, it's been recovering slowly since its sharp decline in spring -- almost a year ago, in spring of 2020. During the month of March, tourism declined by approximately 90 percent. I mean, we went from almost full in February to almost empty in April.

Today we've seen a significant recovery, but we're still far from a full recovery. If we look at -- if you look at tourism numbers over the last

week for Honolulu, there's just a few hundred international tourists coming here per week, and that's down from 7,000 per day that we would typically have for this period. If we go back to 2019 and we look at -- or even 2020, we look at how many people were coming in during this period, you know, we had 7- or 8,000 people. That's a lot, and a move down from 7- to 8,000, down to just a couple hundred, is, very significant. International tourists are high spenders. Honolulu is lucky that it attracts a large proportion of the international visitors that want to come to Hawaii.

Domestic tourism has recovered a bit more. Domestic tourism now, we're back to -- we're back to over 40 percent of previous levels.

Somewhere around 55 percent, depending on the day -- on the day that you happen to look at. It's -- it's gone up a bit during the month of February and early March, really, since President's Day weekend. It's stagnated a bit since then.

We're really not sure where it's going to head, but certainly an optimistic scenario where we'll see large numbers of people on the U.S. mainland and in Hawaii receive the vaccine.

President Biden has announced that he expects every

U.S. adult to be able to get the vaccine by -- for at least there be to a stock of vaccine for everybody to get a shot by the end of May. If that happens, we could see an unexpectedly good revival of tourism, and we might see a spurt of activity in the second half of 2021.

On the other hand, as we all know, there's variants out there of the COVID-19 virus, and those variants have been causing havoc in other parts of the world. It's unclear whether the vaccine will be protective against them, how this will affect people's propensities to travel. You know, we're still in a very uncertain situation.

The last UHERO forecast, basically in its optimistic scenario, didn't have us getting back to 2017 levels of tourism on Oahu until 2026. I think since then, the prognosis has improved slightly, and that maybe we get back to that somewhere late in 2024 or 2025. We're still talking several years, though, in which tourism levels are well below normal. And tourism — tourism in the state is a little less than a quarter of the state economy. It's a little bit less than that on Oahu. It's the biggest — it's the biggest driver of our economy.

One may ask then, okay, if tourism is

going to be a little bit slow in recovery -- and again, we've lost so many Japanese tourists.

Japanese tourists, after a crisis, tend to come back slowly. You know, they tend to wait and see what's happening with the market, what's been the experience of the first round of Japanese tourists to come. I expect even if the mainland has a fast recovery, the recovery from Japan might be much slower.

So are there other industries that could fill the gap? I think it's very hard to have other industries fill the gap at this point. I mean, there's other industries, certainly, that have the potential in Hawaii to expand. I've written recently on the potential of the state to revive its agriculture industry, but that's a small number of jobs, and it's going to take -- it's going to take numerous years to do that. We're not going to see any impact from that soon.

The technology industry is another one we could be doing better. We certainly can have jobs in the technology industry, but it's going to happen slowly over time. You can't just create new industries out of thin air overnight.

One place where there is a potential, though, is to have more jobs in the residential

construction industry, and it stands out as about the only industry that I see to be really elastic in this potential to respond immediately to Honolulu's economic downturn. This is particularly the case here in late winter 2021, given the record low interest rates that we see, which are allowing for low-cost builder financing and cheaper mortgage financing for potential home buyers.

You know, Honolulu labor markets are far from full employment. This would help to facilitate rapid expansion of new projects, you know, if all parties can act to ensure the appropriate government approvals, and permits are processed and obtained in a timely manner. That just means that we're working hard to make sure projects get approved following all the conditions that they have to satisfy, and we're trying to do it in as expeditious a manner as possible.

The additional construction spending in Honolulu could generate additional output income of state and county taxes when it's most needed over the next -- over the next several years.

So let me just continue on with -- let me continue on with the analysis. So I had five -- five points to make about the -- about the short-run from

the projects.

Okay. The first note is that spending on the Ulana Ward project would offset some but not all of the decline in spending on public projects that we expect to see in fiscal year 2022 and 2023 and further down the road. The state -- the decline in state spending on public construction projects would in and of itself, if not offset by something else, it would lead to a decline of Hawaii's gross domestic product and a decline in construction industry jobs.

The State of Hawaii's capital improvement budget has fluctuated substantially during the 2010 decade, and it recently declined from a little over \$2 billion in fiscal year 2020 to 1.48 billion in fiscal year 2021, which ends at the end of June this year. That's a large decline right there. That's about \$500 million of decline. There's already — there's already a deflationary tendency built into the decline over this fiscal year.

when I looked at the budgets that the state administration had submitted to the legislature — and again, these are just budgets. So we don't know what's going to come out of the legislature, but there would be a further decline from 1.48 billion in spending this year to 1.24 billion in fiscal year of

2022. The year starts on July 1, 2022 and goes through to June 30, 2023. And then further down to -- down to 1.12 billion in fiscal year 2023. That's down \$240 million the upcoming fiscal year and down another \$120 million in fiscal year 2023. That's a significant deflationary tendency. It's coming from the state trying to -- trying to figure out ways to balance its various budgets. State construction has taken a hit.

Okay. Honolulu City construction, just yesterday, the city came out with its budget. For fiscal year 2021, this current fiscal year, the city had \$1.27 billion in spending. Fiscal year 2022, the mayor, Rick Blangiardi, is recommending just \$1 billion. So that's down \$270 million. So we're talking about -- we're talking about quite large -- between the city and the county alone, just the upcoming fiscal year, we're talking about declines in spending of almost \$510 million.

Again, we have an economy that roughly -roughly -- roughly, if you go back to the 2019
levels, is a little below \$100 billion. Still we're
talking about one half of 1 percent of GDP. It's
quite a bit.

With the city, we would note, too, that

the \$770 million plus to remodel the Blaisdell district has been shelved for now. That's additional construction spending the industry might have expected because the plans are so far along, but it doesn't seem likely to happen anytime soon.

Potential changes coming to HART construction that could reduce the scope or the scale of the HART project or maybe not. It's really an area of uncertainty. It's an area of uncertainty with Honolulu city -- city and county construction.

When we look at the whole point, though, from the perspective of government, we're seeing that -- we're seeing there's likely to be large falls in government construction spending over the next few years, and just given the slow recovery of the Hawaii economy, we may well see a muted recovery from those falls over the next few fiscal years to 2024 and 2025.

The second point here is that the value of Honolulu residential building permits has been --

So I guess my point about the state and city construction is this project could help to fill that gap. The money being spent on this project, which is considerable -- it's a hundred -- 198.2 million in direct spending over the next -- that's

been budgeted for 2018 to 2025 and another 177 1 2 million from 2021 to 2025. When you're adding all 3 the indirect spending and multiplier effects, it's a substantial amount of spending that could help --4 5 that could fulfill the gap by declined state 6 construction. 7 0 T --8 The second point is that in general --9 Sorry. 10 Dr. La Croix, would it be fair to say in 11 a nutshell that the Ulana Ward Village project 12 provides significant economic benefit, particularly 13 at a time where Hawaii's economy and its people need 14 it? 15 Α Yes. Yes, it does. Thank you. And Dr. La Croix, to confirm, 16 17 you have submitted written testimony and a written 18 report that details your findings? 19 I have. Α 20 And those documents have been received 21 into evidence? 22 Α Yes. 23 Thank you, Dr. La Croix. Let's go ahead 24 and move on to discuss -- because it's so important, 25 let's go ahead and also discuss KAK 21-002, The Park

Ward Village. And similarly, Dr. La Croix, would you share with us what have you been retained to do with respect to that project, The Park Ward Village?

A The same thing as with the Ulana project.

I've been retained to provide an analysis and

conclusions regarding whether The Park Ward Village

is likely to contribute short- and long-term benefits

to Hawaii's economy.

Q Thank you, Dr. La Croix. And could you highlight for us some of the key economic benefits that The Park Ward Village will deliver to our economy and people? Just a few of the highlights.

We're talking -- the scenario is very similar to that for the -- for the Ulana Ward Village project, in the sense that The Park Ward Village project will help to fill the gap in state construction spending. At the same time, the last three years we've seen a decline in res- -- we've seen a decline in residential building benefit permits in the state, and this will potentially help to -- help to stem that decline.

We've seen -- we've seen Honolulu construction jobs stagnate over the last five years. They peaked in 2016, and even though they went up again in 2020 --

Last year was not a terrible year for construction, despite the fall in the economy. But they basically stagnated over the last five years, and this will help -- this will help essentially to provide more work for workers in the construction industry.

When we take into account all of the -- all of the jobs that would come out via direct, indirect and multiplier spending would be 400 -- an average of 441 new jobs per year over the next five years, which is a considerable -- a considerable -- a considerable increase.

The multiplier spending, too, it's not just workers in the construction sector or in the construction spending sector — in the planning sector that's helping with the project, but it would also be other workers that will benefit, because people who benefits from direct and indirect spending, they go out and they spend money, and those people have additional income in their pockets, and that's the multiplier effect.

And so the multiplier effect is not trivial on The Park project. This is a bigger project than the -- this is a bigger project than the Ulana project. You know, there's \$302.6 million in

direct spending over the 2018-2025 period on \$620 million indirect output. So it's a bigger output that yields more jobs -- that yields more jobs both from direct and indirect spending and from the multiplier effect.

Q Thank you, Dr. La Croix, for your testimony here today. And may I also confirm that you've submitted a written report and written testimony as well for this project, The Park Ward Village?

A I did, yes.

MS. KAIAWE: And Chair Whalen and board members, for your ease of reference, Dr. La Croix's written testimonies and reports can be found as Exhibits P-9 and P-10. With regard to the Ulana project, those exhibits will be U-9 and U-10, all of which have been received into evidence.

At this time those are all the questions that we have for this witness, Dr. La Croix, who I will now open for questions to the board.

CHAIR WHALEN: Thank you. I apologize for the wood chipper in the background. One of the limitations of having a meeting by Zoom.

THE WITNESS: It is.

CHAIR WHALEN: In any case, so do board

1 members -- I'll mute myself after I ask board members 2 if they have any questions. MEMBER RODRIGUEZ: Yes, Chair. 3 David 4 Rodriguez with a question. 5 THE WITNESS: Sure. CROSS-EXAMINATION 6 7 BY MEMBER RODRIGUEZ: Dr. La Croix, thank you for your 8 presentation on the benefits of the construction 9 10 statements that's provided to the state. My question is regards to, you know, with the pandemic, it's 11 12 brought about a smart workforce and telework has been 13 part of that. I know the tourism industry has 14 brought about marketing telework to their hotel for 15 those kinds of people, and there are people from the mainland here that are coming here to telework. 16 17 I think one of the disadvantages -- I 18 mean, one of the advantages at the hotels is at least 19 they have a business center. 20 Α Right. 21 I'm not sure in the Ward Village complex, 22 whether a business center would be, you know -- would 23 aid in teleworking and whether the broadband 24 infrastructure in the area.

MS. KAIAWE: If I may --

25

1	THE WITNESS: Yes.
2	MS. KAIAWE: Board Member Rodriguez,
3	thank you very much for your question. We do have
4	other witnesses available that can speak to aspects
5	of the project, such as community spaces as well.
6	MEMBER RODRIGUEZ: Thank you.
7	CHAIR WHALEN: Any other questions, board
8	members?
9	Okay. I think that
10	MS. KAIAWE: Those are all the questions
11	that we have for this witness, Chair Whalen. May we
12	excuse this witness, Dr. La Croix?
13	CHAIR WHALEN: Okay. Yes.
14	THE WITNESS: Thank you.
15	CHAIR WHALEN: You can call another
16	your next question. I'm not sure if it's you,
17	Summer, or Brian who
18	MS. KAIAWE: Yes, that will be me. Thank
19	you.
20	Victoria Ward will call as its next
21	witness for KAK 21-001, Ulana Ward Village, Dr. Paul
22	Brewbaker.
23	And Dr. Brewbaker is
24	THE WITNESS: Yes.
25	MS. KAIAWE: present.

1 THE WITNESS: Good afternoon, Summer --2 Summer and Dr. Whalen and the board. 3 CHAIR WHALEN: Hi, Paul. Raise your right hand and affirm to tell the truth in your 4 5 testimony. 6 THE WITNESS: I do affirm to tell the 7 truth in my testimony. 8 CHAIR WHALEN: Okay. Thank you. 9 10 PAUL BREWBAKER, having been called as a witness 11 12 by the Applicant, affirmed to tell the truth 13 and was examined as follows: 14 DIRECT EXAMINATION BY MS. KAIAWE: 15 For the record, Dr. Brewbaker, will you 16 17 please state your name, place of employment and 18 position? 19 My name is Paul Brewbaker. My place of Α 20 employment is right here in my office as a 21 consultant, private consultant, dba TZ Economics. 22 And Dr. Brewbaker, to confirm, you've 23 provided written testimony, a report and a copy of 24 your CV in connection with the application for this 25 project; is that correct?

That is correct. And it's been cited 1 Α 2 three times. So I'm out of here. 3 Thank you, Dr. Brewbaker. We'll go ahead and rest on this witness's 4 5 written testimony that has been received into 6 evidence, and we'll go ahead and move on to The Park 7 Ward Village, KAK 21-002. 8 Dr. Brewbaker, may I also confirm that 9 you have provided written testimony, a report and a 10 copy of your CV in connection with the application 11 for this project, The Park Ward Village, as well? Yes, I have. 12 13 MS. KAIAWE: Chair Whalen, board members, 14 that's all the questions that we have for this 15 witness. We'd be glad to make Dr. Brewbaker 16 available for any questions at this time, if any. 17 CHAIR WHALEN: Okay. Thank you, Summer. 18 Board members, do you have any questions 19 for Dr. Brewbaker? MEMBER SAKODA: It's Kevin Sakoda. 20 Ι 21 have questions. 22 CROSS-EXAMINATION 23 BY MEMBER SAKODA: 24 Hi, Dr. Brewbaker. So my question, you 25 know, in all this testimony, we're hearing a lot

about sort of the economic power of developing these condos in the Kaka'ako area, a lot of numbers, a lot of numbers coming from models, UH models, estimates, graphs, everywhere.

One of the things that I've been trying to look at or trying to figure out is how to measure is sort of what's the true impact — the impact that's coming through. You can look at construction spending. You can do all that. But one of the other issues I would like your wisdom on is sort of how to measure sort of the overall economic impact of Ward Village, the concept of Ward Village, and when it's really coming to life and when it's really driving economic — the economy of the Kaka'ako area and economy of, you know, Honolulu and the district.

So do you have any advice or ideas on how to measure that?

A Yeah. I'll take a shot at it. I do

limit my own quantitative analysis to the tools that

are commonly used, in particular, the state's

published input-output model. It's calibrated to the

census of industry every five years for Hawaii. And

so the parameterization affects the Hawaii economy's

structure as Sumner points out. Dependence on

tourism is our principal export and so on.

It was recently updated, the model, the state's model, published one month after I wrote my report. So next time I'll use the new model. And in fact, I've used the evolved form of the same model twice already. But as you point out, it allows us to quantify fairly conventional impacts with respect to output and employment, earnings, tax revenues.

We try to go a step beyond and think about the present values of the future benefits of the capital formation represented by the delivery of these -- of these structures and the development of the -- redevelopment of the urban area as a whole. Those are -- those are outside the model. And so you've heard a lot about, for example, operations and maintenance outlays, which literally use the repair and maintenance multipliers that in are in the state's model, to think about that.

You've heard a lot about commercial space being created, light industrial or retail space of which I have incorporated in the analytics.

Although, this time partly because of the nature of the creative destruction unfolding as either accelerated by the pandemic or as a consequence of the destructions attributable to the pandemic, I chose to limit statement of the retail and commercial

activities' quantitative economic impacts in initial year terms, rather than thinking about as I did with property tax revenues or with operations and maintenance associated with the buildings. You know, a 30-year path.

And that's because in those areas, in the commercial space areas for reasons other people have brought up as a result of from remote work and, you know, the changing nature of the way many kinds of businesses are now being conducted, we're not -- you know, we're in a period of uncertainty and it's not entirely clear how these commercial spaces ultimately will be used. Although, it's gratifying that they're being created because to get to your question, part of the vision of the urban redevelopment in this area is to integrate commercial and residential, activities, so that the, you know, live-work-play aspiration can be achieved.

In addition, there are changes, many of which I've heard for the first time. I work on this project in the abstract. So a lot of what Race was describing in his slides today, I have never seen. I have never seen what the buildings look like and so on. It was all abstract to me. So that part was really cool for me. But for example, I have made no

calculation regarding the value to the community, not just in the urban area we're talking about, but more broadly of additional park space that's being created this --

Hey, I live on the windward side, and we go down there, you know, to enjoy some of those amenities.

The setbacks that Race described in some detail, the conceptual integration of the master plan itself with the long-term objective of delivering urban rail transit through that area set aside and planning around the expectation that that corridor -- transit corridor ultimately will be delivered.

Ans so I think -- as I say, I have not incorporated those aspects of the economic impact into the calculation. And that does get us into nuances. And if I thought we were even going to have a discussion about this, I might have suggested to my client that I spend more billable hours doing the analysis on things like the value of agglomeration externalities that arise -- positive agglomeration externalities that arise from having -- from locating workers in proximity to one another, where they're --

So for example, I'm thinking maybe some of that commercial space ultimately will evolve from

retail and light industrial use into

collaboration-type spaces which take advantage of --

You know, there's a vintage thing going on here. There's going to be the best technology, the fastest and broadest bandwidth that's available in a place where the latest infrastructure is being put in place here.

So those kinds of things that we're thinking about, maybe you mentioned remote work. But there is -- there's a spatial redistribution or dispersion of economic activity occurring as a consequence of the pandemic, but probably persisting after we return to the new normal, which may de-emphasize somewhat conventional downtown spaces or campuses, corporate and academic campuses.

And so given the choice of, you know, where one could live if one is also working in their home some of the time in a hybrid arrangement, let's say, the amenities that are a part of the vision of the Ward Village redevelopment will make it a very attractive place to live as opposed to the place where we already live and suddenly find or discover that we're going to also be working from there, except that there's no plate lunch place around the corner, which means we have to make lunch every day.

So it's not just the fact that the economy has changed suddenly, and as I say, a mix of acceleration of things that were already occurring -- you know, we all discovered Zoom, for example, but it was already there -- and bona fide disruption.

- Q Can I stop you there? I'm looking for --
- 7 A Yeah, sure.

- Q I'm looking for, like, really tangible metrics --
 - A That's what I'm saying.
- Q -- like a common person likes, you know, vacant -- commercial vacancies in the space in the area, you know, all of those things.

A Sure. But what I'm saying is we can actually hang values off of some of these, right, the transformative aspects of the urban redevelopment if --

They are more nuanced because they're -you know, people, politicians maybe, want to hear
about the jobs and so on. But what we're talking
about is a reconfiguration of the use of urban space
in the urban core of Honolulu, to make it not just
more productive as an urban space, but to, you know,
make it more integrative.

So little things like the -- just the

1 idea that Auahi Street will wrap into Pohukaina and 2 provide a continuous, you know, corridor for vehicular and bicycle and pedestrian mobility. I 3 mean, think about that for a second. What's the 4 5 value of that? The fact that they're -- there's --6 if you think about the design parameters, there's 7 elevation to build in resilience to the potential 8 future effects of climate change and sea rises also. 9 You know, there's probably a lot of stuff we can get into and --10 11 Right. Let's leave it at that before we 12 go on. 13 MS. KAIAWE: And Board Member -- Board 14 Member Sakoda, if I may. 15 MEMBER SAKODA: Yes. 16 MS. KAIAWE: -- thank you very much for 17 your very good questions. Dr. Brewbaker's, for your 18 ease of reference, can be found at Exhibits P-13 as 19 well as U-13, and there he has handily described direct economic benefits --20 21 MEMBER SAKODA: Yes. 22 MS. KAIAWE: -- including jobs and 23 others. 24 MEMBER SAKODA: Yes. Summer, I read 25 that. I read that. That generated my question,

1	actually.
2	MS. KAIAWE: Thank you.
3	MEMBER SAKODA: Thank you.
4	CHAIR WHALEN: Can I assume, then, that
5	was all the board's questions of Dr. Brewbaker at
6	this point? Okay.
7	So Summer, we can move to the next
8	witness that you'd like to call.
9	MS. KAIAWE: Thank you, Chair Whalen and
10	board members.
11	CHAIR WHALEN: I'm not sure who's calling
12	the witnesses.
13	MR. KANG: Thank you, Chair Whalen. Our
14	next witness is Ann Bouslog.
15	THE WITNESS: Good afternoon. You
16	know
17	CHAIR WHALEN: Good afternoon. Sorry. I
18	was muted, because there's this noise background
19	noise.
20	THE WITNESS: Okay.
21	CHAIR WHALEN: Ann, would you raise your
22	right hand and affirm to tell the truth in your
23	testimony?
24	THE WITNESS: I do.
25	CHAIR WHALEN: Thank you.

1 THE WITNESS: Thank vou. 2 3 ANN BOUSLOG, having been called as a witness 4 5 by the Applicant, affirmed to tell the truth and was examined as follows: 6 7 DIRECT EXAMINATION 8 BY MR. KANG: 9 Good afternoon, Ms. Bouslog. Can you 10 please restate your name for the record, your place 11 of employment and position, please? 12 My name is Ann Mikiko Bouslog. I am 13 project director, and I work at PBR Hawaii. 14 Can you please briefly describe your 15 educational background and experience? 16 Sure. I believe my resumé is marked as 17 an exhibit. I have over 30 years of experience in 18 market and economic assessment as well as land use 19 entitlement and strategic planning for large or 20 complex developments and landholdings throughout

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I've been associated with various

Hawaii and the Pacific. I have a Ph.D. in demography

sociology and an MA in sociology with a minor in city

and regional planning from Cornell University. And I

also earned a BA in urban studies from Stanford.

community and professional groups over the years, including serving on the boards of the Community

Housing Fund at the Hawaii Community Foundation, the Urban Land Institute, Kamehameha Schools, many for-profit entities and the East-West Center

Foundation. Currently, I'm serving on the City and County of Honolulu's Rates Commission.

Q And what has PBR been retained to do for the Ulana Ward Village project?

A So my work, in contrast to what Kimi described earlier, was focused entirely on Ulana Village. And I was asked two questions. One is, is this an appropriate location for Ulana? Should it have been in the western half of Ward Village? And secondly, what are the pros and cons of Victoria Ward's meeting its reserved housing requirements, both present and future, in a dedicated reserved housing building such as being proposed at Ulana. And I'm calling that today a dedicated housing model.

The alternative would be to develop their reserved housing requirements or to satisfy their requirements incrementally, constructing and spreading those reserved housing units under multiple market-oriented buildings over time, and I'll call that the distributed model today.

Q Ms. Bouslog, you prepared a report and written testimony with respect to Ulana Ward Village, correct?

A Yes.

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Q And that is marked for the record -- your written testimony is marked Exhibit U-15. And your report is marked as Exhibit U-16.

I did want to ask you a couple of Chair Whalen asked Mr. Randle about questions. having reserved housing within Park Ward Village, which is the other development being considered by the board. Chair Whalen did cite HAR 15-22-11 --15-22-115, subsection C, with respect to the placement of reserved housing, and our position is that Victoria Ward does have a right to place reserved housing off-site, based on the master plan approval and other provisions. But to address his specific question on placing reserved housing units within Park Ward Village, can you please summarize the considerations that would be relevant to the issue of reserved housing within a market development such as Park Ward Village?

A Sure. And this is a good question. I appreciate it, because it gives me a chance to kind of recap my study, and it goes to the heart of what I

looked at. And as noted in my report, there are many successful examples in Hawaii of what I call the distributed affordable housing. And that is where affordable housing or reserved housing is mixed in with market housing.

I did a number of interviews in our study of developers of both market and affordable housing as well as bankers, finance people, attorneys, operators of projects and brokers selling projects, and they all agree that that model is great. Many people actually prefer to develop in that way, but they say it becomes very strained and difficult to implement when the income range is at more variations.

So in other words, Ke Kilohana itself is an example of a mixed income project. It has some market housing in it. But when you try to mix the reserved housing with a higher-end project, you get into a number of other issues. And many of these issues will hold with any mixture.

So first of all, a key finding that all my contacts and my training will tell me is the most efficient and cost effective way you can develop in a multi-floor development -- multi-story development is to have standardized floor plates. Once you have

floor plates that differ, so different types of units on different floors, some different sizes, some smaller, some bigger, you get into load transfers, different finishes. You need to move the plumbing runs. All of these things are very expensive from a construction standpoint and would drive up the cost of the reserved housing units.

You know, also when you look at a high-end market housing project such as Park at Ward, it needs to have some substantial amenities in order to compete in its marketplace. And it's an important marketplace that it's competing in. It's important to the state of Hawaii that we have products such as Park on Ward.

But in order to compete in that

marketplace, they need some substantial amenities.

You were looking at the plans that Mr. Randle shared.

They've got tennis courts. They've got pickleball

courts. They have two pools, cabanas, a spa, a

fitness center. All these are wonderful, but they

lead to much higher HOA charges per square foot.

And all those costs of operating those wonderful amenities, together with the higher cost of developing the reserved housing, will directly reduce the amount of budget that a reserved housing buyer

can put towards paying their mortgage, and that's defined by state rules.

So in other words, if you have a certain income and a certain amount is already allocated to HOA costs, there's less for you to spend on paying down your mortgage. So those buyers then would get less housing for the same income.

Another issue I learned is there's concerns about governance and equity. In a project that is all or mostly reserved housing, those owners get a strong say in how these costs, such as managing your operating costs, will get managed. And sometimes they'll be difficult decisions — an improvement or maintenance or an upgrade that you want to put off or desire to finance rather pay outright. If those reserved housing owners represent only 20 percent of the whole, they'll have a very difficult time making their interests heard and considered at the board.

And then as Race raised, though, at the end, when you have a lot of amenities in a project, as soon as the shared appreciation period expires for those reserved housing units, it really raises the likelihood that they go to straight market-type units and that their values go up considerably.

So I think, you know, all together you've 1 2 got some serious cost issues. You've got some governance equity issues. And you've got the public 3 concern about the supply of affordable housing going 4 5 forward. And it's my view that a model such as Ulana 6 best represents the interests of those reserved 7 housing buyers. 8 MR. KANG: All right. Thank you, 9 Ms. Bouslog. 10 Mr. Chairman, that's all the questions we 11 have for Ms. Bouslog at this time. She's available 12 for any questions from the board. 13 MEMBER HASHA: I have a question. 14 CHAIR WHALEN: Okay. Who's that? Oh, 15 Kevin. 16 MEMBER HASHA: It's me. 17 CHAIR WHALEN: Oh, no, Phil. Okay. 18 CROSS-EXAMINATION 19 BY MEMBER HASHA: 20 So I recognize your statements about why 21 it's your belief that -- kind of the point you made 22 out of the centerization, high amenities, governance, 23 equity, the market types, such as that. But my 24 question is are you familiar with the original intent 25 of why the 20 percent was supposed to be in the

original buildings versus being separated out and kind of put into one of their own towers?

A I don't know the history of that policy, no.

Yeah. So my understanding is that while, yes, it's better for the developer to kind of separate them out, for a lot of the reasons that you mentioned, the intent is really for the betterment of the community by putting those that are in socioeconomic disadvantage with other people in the same building. So they're at the pool together. They're having barbecues together. They're doing certain things together that's allowing them to interact with other people of different socioeconomic backgrounds, to help lift up the whole community, not just put them in their own building just to communicate with those that are their same socioeconomic class.

I just want to make it at that point that it really was about preserving the impact for the community, not just for the betterment of the developer, right, as far as why the original intent was to put them in the same building and not put them in their own building of like economy?

A Yeah. I could respond to that. First,

the point I was trying to make is not that keeping a dedicated housing model benefits the developer.

Developers are happy to build anything that can sell, you know, and that's interesting. I really felt what I was trying to explain is I think it benefits the reserved-housing buyers.

But more specifically to your question about maybe social equity, you could describe it as. I did do quite a bit of review of national literature on that issue, and there's been quite a bit of discussion about that lately. Generally, the types of issues that are raised have to do with whole neighborhoods being segregated.

Certainly, when you get into red-lining, they talk about asset-rich neighborhoods versus non-asset-rich neighborhoods. They go to different schools. The kids play in different parks. They don't have access to the same quality of food or jobs. That's a significant issue. And certainly, there's a social equity issue there when this is occurring by neighborhood.

In this case, though, we're all in one neighborhood. The Park, the Ka La'i o Kukulua'eo Park, is a park that's common to everybody in Ward. The other parks in Ward will be available to the

owners at Ulana. Of course, we all go to the same schools. It's all one school district. But anybody in Ward would be at the same school as anybody who lived in Ko'ula or anybody else in the area.

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So there's still mixing in the neighborhood, plenty of opportunities to do so. And maybe even better ones, because they get organized by special interest. Are you at the dog park because you like dogs? Are you at the farmer's market because you like to cook and so on. So -- so I think that happens anyway.

One other thing that the developer, who I don't think wants to be named, but he developed, managed and actually owns a unit in a project that is 20 percent affordable and 20 percent market, a rather higher-end market. And he said, you know, the truth is that during the shared appreciation period, these two groups of buyers, they do get to know one They get to be friends. But you have to another. appreciate that they're operating under -- literally operating under different sets of rules. They are different -- they are different universes in how they can occupy that place. One has rules about how many people can live in their unit, what will happen when they resell, who they can resell to. And the other

doesn't. So he said it really helped him to appreciate that there are those divisions created by our affordable housing rules. And when you have a project where everybody's kind of in the same boat, there's a lot -- there's sort of a camaraderie there. And you know, the excitement is everybody being, you know, in most cases, first-time home buyers.

And that makes it -- he did say that, you know, once you're living there and you're at the pool or wherever, nobody knows who the person is living in the reserved housing unit versus someone else. As you said, they make friends. I think in the case of Ward, that can all happen organically throughout the community. A good concern, though.

CROSS-EXAMINATION

BY CHAIR WHALEN:

Q Ann, you mentioned in your testimony that the -- the idea of mixing units is more of an issue -- you have people of different socioeconomic circumstances is a bigger issue when there's a lot of disparity in income. And I think that's come up in some -- some projects, you know, other places. But in this instance, the reserved housing rules apply to people who's household incomes are up to 140 percent of AMI. There isn't as much of a disparity in income

between market rate (sic), unless it's really a luxury building, and market rate buyers. So I'm not sure it's really comparable to some of the situations that have been encountered in other places. I mean, that might have been analyzed in national circumstances.

A Yeah, that's a good point, and I also think that, you know, we tend to talk about affordable housing sometimes like it's them, and really when you get up to 140 percent, that's better than the average one of us. So it is us. If it's not you yourself, and if it's not me, it's your kid's teachers, your friends and so on, or your own kids when they're starting out.

So I think we are all connected already, but if you just look, for instance, at Park on Ward, as I mentioned, the types of amenities it has there. Those, I believe, are there because that is what developers, the marketing people, those experts have determined they need to put in that building in order to make it competitive. And the folks at Victoria Ward told me that, you know, they often get shopped against luxury resorts for the types of amenities that they have.

So you know, you do have the pickleball

court. You do have the tennis courts. You do have a lap pool as well as a dipping pool. You've got a spa. All those things are very expensive to support. And, you know, it speaks to a buyer who can afford those luxuries, who wants those luxuries. And one who is struggling to buy your first unit, even if you might be above median income for Honolulu, it's not a good use of your funds to be supporting that.

What we're finding in some of the other reserved housing projects in Honolulu now is they're forgoing even a pool. The residents at Kapiolani did that. Several other projects are looking at that. That used to be considered kind of normal, but people are starting to recognize the development costs and the operating costs and the long-term maintenance costs of a pool are considerable. And some of the buyers, I think smartly, would rather use those funds to build equity for their future and go to the beach, rather than have a pool in their building.

Q Well, there's also -- I don't know whether you looked into these situations where there might be an opt in or opt out of some of the amenities in the building, especially because they're usually located in a particular place that is, you know, with limited access. You know, there's a

doorway in or out.

A Uh-huh.

Q So that people who do not want -- they're not interested in those amenities, don't opt into those, and those costs aren't attributed to them.

A I can't say I'm an expert on the rules here. And, you know, maybe Brian or Summer could chime in as well. But my reading of the rules for that, you cannot have different amenities for reserved housing owners and the market housing owners, nor do I think that Victoria Ward wants to do that. And that is the sort of thing I think people are concerned about, start to -- start to erode the sense of community between residents, if some can use the pool or the spa and some not.

EXAMINATION

BY MEMBER HASHA:

Q Ann, isn't that essentially what we are doing when we're putting them in their own building with no amenities?

A I don't think people are unhappy to be in a building. I mean, from what I understand, for instance, I was told that Ke Kilohana, even before it opened, there was communication between the people who have been approved to buy. They started getting

together over social media. People started meeting each other's kids, started going to farmer's markets together, and friendships were formed. There was a great bond in the fact that they all knew they were going on a —— embarking on a similar adventure, you know, the excitement of the purchase and having people of similar age and demographics of yourself.

Was, to your point earlier, where it's going to be a building with no amenities. We're going to keep the HOA fees down to a minimal. So it would help them, right? The problem is once these people moved in, inside of a year, the HOA fees doubled. So it was hard, because their expenses more than doubled in what was the reserved housing unit. So that's the challenge we have in this other building. Is there going to -- is that going to be the same situation where you have no amenities or no access to that, right?

A You know, maybe that's something you want Victoria Ward to speak more to. But I think probably Ke Kilohana was underestimated, initially. You know, what Victoria Ward has done in Hawaii was mostly —before that were higher-end projects. But I think their rates have now stabilized in the range of what

we're seeing for other affordable housing projects.

And they have a pool, and, you know, this project may not have a pool.

So I think these are kind of lessons learned as you build affordable housing. And you know, it's being learned not just Victoria Ward.

It's being learned across the whole development community in Honolulu; that you really can pare down these amenities, and the buyers are happy.

I talked to the developer of residents -Kapiolani residents, and they're thrilled to be
there, and you know, without a pool. They're happy
because they are building equity, and that's more
important to them than certain amenities.

Q But the point earlier, where you said that the challenge would be after the affordable regulations go up, that there would be a huge market increase for those units, right? And that was one of the challenges, is that you were saying in a negative way that it wouldn't stay market rate. It wouldn't stay affordable. It would be moving to a market rate. The unit which would provide these tenants that ended up paying a higher rate over the course of 30 years, a drastic increase in their equity, correct?

A I'm sorry. Could you repeat the question?

Q Well, you were listing out your benefits, right, that were going on? One of the things you said was -- one of the challenges that -- with it being an affordable rate unit and keeping the price at an affordable rate. And then once it goes away, if it's in a market rate building, that those units would then move to a market rate valuation, right? And there would be a huge equity jump for those owners in that unit; is that correct?

A Well, yeah. Any unit, once you remove all the various restrictions, will migrate to market price. I think my point was just if you've got a unit that has a pool and a pickleball court and the cabana and all of that, it's going to start collecting value associated with that. Whereas a unit in a building that has fewer amenities is less likely to get picked up as somebody's second home in a very high-end unit.

Q Those will stay at a market rate -- I mean at a reduced -- affordable rate for a longer period of time?

A Well, I mean, they'll be market, but it will be a much more affordable market. It will be

1 market meaning what the market bears, and 2 unrestricted by HCDA rules. I quess my point being is that I agree 3 that their monthly fees may be higher, and I think 4 5 there are certain different ways you can offset that. But there is a big jump for those that would win in 6 7 the building that was in, say, this project at the 8 park. If they were in reserved housing, after 30 9 years, their equity would build much higher, right? 10 If you stayed in the building, you mean? 11 Correct. Yes, in theory you could accumulate more 12 13 equity. 14 MEMBER HASHA: That's all I have. 15 CHAIR WHALEN: Are there any other 16 questions for Ann Bouslog? 17 MEMBER SAKODA: I have one, John. It's 18 Kevin Sakoda. 19 Ann Bouslog, I should say. CHAIR WHALEN: 20 CROSS-EXAMINATION 21 BY MEMBER SAKODA: 22 Hi, Ann. This is Kevin Sakoda. 23 know, just based upon all the interviews and all the 24 research you've done, I'm more concerned about the 25 first-time home buyers in the sort of reserved

housing market. Is there anything that we should be looking at, really, to help or to protect those buyers, in terms of, like, we just went through? We don't want a shock to the maintenance fees, you know, but is there anything that I'm sort of missing or we're missing as far as policy-wise that we can do to support that first-time buyer?

that need to be done at HCDA's level. I do know that the companies such as Associa and Victoria Ward realize that you need to support these buyers. For instance, you qualify to buy a unit before it's built, and then there could be two years between then and the time you're actually going to close. So you know, especially if these are first-time buyers, you need counseling on how to maintain your finances in a good way, maybe even improve your credit rating and so on. So that's the sort of thing that developers and brokerage firms and the maintenance association firms have learned how to do.

Another nice thing I learned from Associa is during the operations when they have a reserved housing project, they might have classes, you know, or offer sessions on how to serve on a board of a condominium, how to be effective. As Ms. Kacher told

me, who's the chief building officer there, that when these guys are 20 percent of the owners in a mixed-income, project, and generally, if it's a high-income project, those other guys, this is not the first time they've bought a unit. They may have served on boards before. They're very experienced owners.

So the first-time buyers are intimidated to serve on a board, whereas what they've done in the dedicated housing models is to offer classes on, you know, how boards operate, how governance operates, how to look at financial statements. And that's the sort of thing to help coach people become more knowledgeable and better represent their own interest going forward. And that wasn't something I'd been aware of before, but I think it's a really wonderful way to help these buyers become more functional on their own and more capable of operating in the open marketplace.

MEMBER SAKODA: All right. Thank you.

CROSS-EXAMINATION

BY CHAIR WHALEN:

Q I have just maybe a question or maybe even a suggestion from you. Hawaii Homeownership Center has in fact actually submitted testimony

today, but we've talked in the past about what HCDA 1 2 might be able to do in terms of preparing buyers of reserved housing units to give them the kind of 3 training or background that you just talked about. 4 5 Uh-huh. 6 That might be a role for HCDA, is to 7 enter into an agreement with Hawaii Homeownership on 8 how do that and provide what financial support would 9 be necessary to do that? 10 There's financial support that can Yeah. 11 be provided to those sorts of efforts. I think it 12 can be very well spent. Anybody who remembers the 13 first time you bought a home, or maybe you haven't bought a home yet, it's an intimidating process. 14 So 15 there's a lot to be learned and can be shared. 16 CHAIR WHALEN: Okay. Members, are there 17 any other questions for our testifier? 18 Okay. I quess, Brian, you can call your 19 next witness. 20 MR. KANG: Mr. Chairman, if there's no 21 other questions from the board, I do have just a 22 couple of follow-up questions for Dr. Bouslog, based 23 on the board's questions. 24 CHAIR WHALEN: Oh, okay. /// 25

REDIRECT EXAMINATION

BY MR. KANG:

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Q The first question, Dr. Bouslog, is in analyzing the dedicated model versus the distributed model as you did in your report, did you find any other benefit for the dedicated model in terms of the timing of the delivery of the reserved housing units?

Yeah. Yeah. We didn't get to that, but yeah, that's a big, obvious benefit. In this case, you're going to get 700 units even before Park on Ward, far more than Victoria Ward would have to produce to do its entire buildout. If they were distributed, they will come in over time. And the challenge is not only that they come in over time, but each market unit, if you know anything about financing condos -- I'm sure all of you do -- you need to have presales there. Presales of reserved units usually go really fast. At Ke Kilohana, I understand they went in 24 hours. And even the market units at Ke Kilohana took over two years to finally close. So you get your presales really fast. The lenders are happy to work with you. You're off to development.

In a market project, you're subject to all kinds of things that we don't control in Hawaii.

The economies of Japan and other countries and the mainland, the ability of somebody who might want to move from a single-family home in Honolulu to move here, their ability to sell that other home, and so on. It's much more difficult and slow to finance. So yes, it's more certain and it will be — the provision of the reserved housing would be far accelerated.

Q And to touch a little bit on your discussion with respect to the resale of the units, is it your understanding that when a reserved housing purchaser then decides to sell the unit within, you know, the permitted time frame, that the HCDA does get the shared equity from the unit from that resale?

A Yes, yes. I think as Race said, that provides another big — a tool that HCDA can use for promoting more affordable housing. Maybe it's something I overlooked. It's what HCDA can do. As Race said, maybe \$50 million off this project and another 50 million off the last two projects in shared appreciation, as Race cited.

So if HCDA has land, it has some capital,

I think there are things that it can do very

productively to promote even more affordable housing
to be developed.

MR. KANG: Thank you, Dr. Bouslog.

Chair Whalen, that's all the questions we

3 have.

RECROSS-EXAMINATION

BY CHAIR WHALEN:

understanding of what Ms. Bouslog just described is that the timing is. The timing of the two projects is -- are different, you know. In the Ulana project, they were required actually to build the Ulana project first in order to satisfy reserved housing requirements. The Park at Ward Village was going to be developed later necessarily, because of that requirement that they have to fulfill. So in other words, there seems to be enough time to go through the preparation for the marketing program for The Park at Ward Village, because the Ulana project will already be under construction or close to being under construction; is that right?

I mean, it doesn't seem like the time factor in terms of marketing units is much of an issue, simply because the decision at Ward Village has been made for them that they have to proceed with Ulana first.

A I guess what I was trying to compare is

what I call the distributed versus the dedicated models. Ulana is a dedicated model because Ward has to put out -- I'm not exactly sure of the rules, but maybe to satisfy a certain share of its affordable, reserved housing needs before it breaks ground on the next project. In this case, they'll put out all, you know, nearly 700 units at once.

If alternatively, they were to distribute those units over four or five projects going forward, then, you know, maybe they do their first chunk that's required, but the rest of the units will come in slowly over time and only as market projects are able to be financed and sold. So you wouldn't get the 700 units. You'd get something substantially less. And I'd defer to someone else to answer you if that's a question, of how many units that would be. But that's what I meant. It would come more slowly if it were developed in several market projects going forward, as opposed to all at once in one affordable or reserved housing project.

Q Well, maybe I didn't really state it correctly, because I really meant like Ulana is a dedicated -- say if Ulana were dedicated to reserved housing, and you know, The Park at Ward Village were a distributed model, that the Ulana project could be

developed right away because it would be easy to sell 1 2 the units -- easier to sell the units. And while that's taking place, The Park at Ward Village could 3 be developed by a different schedule? 4 5 The question is, should you put more reserved housing in Park at Ward Village --6 7 More reserved housing, yeah. 8 -- even after you build Ulana? 9 0 Right. 10 I mean, that's theoretically possible. 11 don't think it's called for in the rules, and then 12 let me defer to someone else who understands these 13 rules better than me. 14 Did I answer your question this time? 15 Yeah, as far as you can. 16 Α Okay. 17 CHAIR WHALEN: So that -- are there any 18 other questions for Ann Bouslog? 19 Okay. I guess you can call your next 20 witness then, Brian. 21 MR. KANG: Thank you, Chair Whalen. 22 MR. NEUPANE: Sorry for interrupting, 23 Chair, but I think probably Laura needs a five-minute 24 break. 25 CHAIR WHALEN: Okay. Laura?

1	THE REPORTER: That would be great.
2	Thank you.
3	CHAIR WHALEN: Yeah, okay. We'll take a
4	five-minute break and come back.
5	(A recess was taken from 2:12 p.m.
6	until 2:21 p.m.)
7	CHAIR WHALEN: All right. Not everybody
8	has returned, but I expect Craig will be here
9	shortly. One, two, three, four
10	Either Kevin oh, yeah, there's Craig.
11	MR. NEUPANE: We have a quorum, Chair.
12	CHAIR WHALEN: Yeah, we do now. Okay.
13	All right, Brian, I think you can call
14	your next witness.
15	MR. KANG: Thank you, Mr. Chairman. Our
16	next witness is Frederick Hong.
17	CHAIR WHALEN: Frederick Hong. Okay.
18	Aloha. Would you please raise your right hand and
19	affirm to tell the truth in your testimony?
20	THE WITNESS: I do.
21	CHAIR WHALEN: Thank you.
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23	FREDERICK HONG,
24	having been called as a witness
25	by the Applicant, affirmed to tell the truth

and was examined as follows: 1 2 DIRECT EXAMINATION 3 BY MR. KANG: Good afternoon, Mr. Hong. Can you please 4 5 restate your full name and place of employment and 6 position, please? 7 Yes. My name is Frederick Hong. 8 employed at Architects Hawaii, Limited, also known as 9 AHL, and I'm an associate and project architect there. 10 11 And Mr. Hong, you prepared written 12 testimony with respect to Ulana Ward Village, 13 correct? 14 That is correct. Α 15 MR. KANG: Mr. Chairman, we rest on 16 Mr. Hong's written testimony, and Mr. Hong is available for any questions for the board. 17 18 CHAIR WHALEN: Members, are there any 19 questions concerning the architecture for Ulana, I 20 quess? 21 CROSS-EXAMINATION 22 BY CHAIR WHALEN: 23 Well, I just wanted to ask about the 24 question that was raised earlier by Deepak Neupane 25 about the parking garage on the Ewa side. The Ewa

side wall is a solid wall. Is that because of the fire code or some other reason?

A Yes. Hi, Chair Whalen. Due to the building code fire rating and also there's no openings allowed based on the distance from the property line, that is why we're designing a solid wall at the Ewa property line facing the other property.

Q Okay. I think that comes up with parking garages in particular.

As far as the ventilation of the parking garage, we'll have a hearing on the modification request. I could wait until then to ask that question, but I might as well now since you're there. Is the ventilation — there will be some form of mechanical ventilation for the garage, I suppose, because there will also be the solid wall on the Diamond Head side of the parking garage?

A Yeah, that's correct. So the parking structure is designed as an open parking garage, which requires a 20 percent open perimeter at each level of parking. We're not able to achieve that at levels 1 and 2. So there will be mechanical ventilation there. At levels 3 and above, we are able to achieve that.

So on the west facade, as we just talked about, we're adjacent to the neighboring property.

So we have a solid wall there. And then on the east facade, facing the tower structure, we're providing mostly a solid wall to provide visual, audio and nuisance light privacy to the units across the way.

So that leaves the north and south facades as areas where we have the opportunity to provide the openness required for it to be considered an open parking garage at those levels.

Q Okay. So some form of screening would be possible along the mauka and makai facades, right?

A Yes. We are planning on providing some architectural screening, and we have to balance that with maintaining that 20 percent openness.

Q Right.

A So that is currently being designed, yes.

Q Yeah. So similar to -- I think Symphony has a screen that is able to screen the lights from vehicles in the parking garage, but still not solid, right?

A Yeah. That's correct. Where we are able to apply the architectural screen, we are -- we are planning on designing something where no direct light or visibility can go through, but it's designed so

1	that airflow can still go through that portion of the
2	screen.
3	CHAIR WHALEN: Okay. Thank you. Deepak,
4	does that kind of address your question and, Carson,
5	about screening for the parking garage?
6	MR. NEUPANE: It does, Chair.
7	CHAIR WHALEN: Okay. Members, are there
8	any other questions for Mr. Hong?
9	Okay. That completes the questioning.
10	Brian, would you like to call your next witness?
11	MR. KANG: Yes. Thank you, Chair Whalen.
12	Our next witness is Joseph Ferraro.
13	CHAIR WHALEN: Joe, would you raise your
14	right hand and affirm to tell the truth in your
15	testimony?
16	THE WITNESS: I do.
17	CHAIR WHALEN: Okay.
18	MR. KANG: Thank you, Chair Whalen.
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20	JOSEPH FERRARO,
21	having been called as a witness
22	by the Applicant, affirmed to tell the truth
23	and was examined as follows:
24	DIRECT EXAMINATION
25	BY MR. KANG:

1	Q Mr. Ferraro, please state your full name
2	again for the record, and place of employment and
3	position.
4	A My full name is Joseph Ferraro. I am
5	part-time employed at Ferraro Choi and, Associates,
6	where I am chairman of the board.
7	Q Mr. Ferraro, you prepared written
8	testimony with respect to The Park Ward Village; is
9	that correct?
10	A That's correct.
11	MR. KANG: All right. Mr. Chairman, we
12	rest on Mr. Ferraro's written testimony, and he is
13	available for any questions from the board.
14	CHAIR WHALEN: Members, are there any
15	questions you have?
16	I would say your timing is great. We're
17	probably worn down.
18	THE WITNESS: I knew there's a reason to
19	be last. Thank you, John Chair.
20	CHAIR WHALEN: Okay. Brian, you can call
21	your next witness then.
22	MR. KANG: Thank you, Mr. Ferraro. Thank
23	you, Mr. Chairman.
24	Our next witness is Lee Cranmer.
25	THE WITNESS: Aloha, Chair Whalen and

1 board and Deepak. 2 CHAIR WHALEN: Would you please raise your right hand and affirm to tell the truth in your 3 4 testimony? Thank you. 5 THE WITNESS: I do. CHAIR WHALEN: Okay. 6 7 8 LEE CRANMER, 9 having been called as a witness 10 by the Applicant, affirmed to tell the truth 11 and was examined as follows: 12 DIRECT EXAMINATION BY MR. KANG: 13 14 Good afternoon, Mr. Cranmer. Can you 15 please state your full name again for the record, your place of employment and position? 16 17 Aloha. My name is Lee Cranmer. I'm Α 18 senior director of development with Victoria Ward, 19 Limited, at Ward Village. I've been with Victoria 20 Ward, Limited for a little over five years now. 21 Mr. Cranmer, let's talk about Ulana Ward 22 Village first. Did you review the comment letter 23 from the City Department of Transportation Services 24 dated February 22, 2021, relating to Ulana Ward 25 Village?

Yes, I did. 1 Α 2 Several of those comments in the letter What are Victoria Ward's 3 relate to parking. 4 responses to those comments? 5 As new parking counts, Brian, is that the reference? 6 7 Yes, that's correct. 8 Okay. Thank you. 9 So I believe as others have testified in 10 their written testimony and some of their verbal 11 testimony, parking counts at both projects, Ulana and 12 The Park Ward Village, are set by market demand; 13 market demand for residential housing and market 14 demand for commercial spaces as well. The reality is 15 we have to sell the units and lease the spaces in today's reality, not with a potential future that 16 17 could include rail. 18 What are Victoria Ward's responses to the 19 other comments in the DTS letter? 20 The DTS comments on The Park Ward Village included comments specific to The Park Ward Village 21 22 about vehicle access and a recommendation to perhaps 23 eliminate vehicle access to the project from Auahi

Street. We did study that during our early phases of

concept design, and it was detrimonious to try to mix

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residential traffic with commercial traffic all coming off of a single access point from the Halekauwila or the mauka side of the project.

So we segregated those two flows, and to reduce conflicts of potential traffic accidents within the garage between a mixture of residential and commercial uses from the same ramps. And in so doing, on the Auahi frontage with the building being set so far back, there are very ample sight lines between -- at the crossing between the pedestrian crossing and the driveway.

There's a change of pavement materials.

There's bollards that are put in place to delineate the pedestrian versus vehicular zones; a lot of visual cues about that area of mixing. Again, it's just a residential driveway at this time, not a commercial driveway as well, or a driveway that will be used for a loading dock at that area.

Q Let's talk a little bit more about The Park Ward Village. Did you review the comment letter from the City Department of Planning and Permitting for The Park Ward Village? And that letter was dated February 18, 2021.

- A Brian, yes, I did.
- Q And there were several comments relating

to The Park Ward Village. If we can go through those very briefly. The first comment requested the relationship between The Park Ward Village site and the planned Kaka'ako rail station be addressed. Do you have any comments on that?

A So there were two aspects of the question, if I recall it. One had to do with a wayfinding program. The other had to do with the connectivity between the planned rail station and the planned project. I handled those separately. So I want to let the board know that we have engaged the design firm of 212 Design, who recently did the wayfinding master plan for HART, to also provide a wayfinding strategy and implementation plan for Ward Village. They'll be working on that this year. So those designs will get incorporated into The Park at Ward Village as we progress design.

They'll be considering the potential transit mode. The potential HART transit mode is one of the ways to access the neighborhood or for residents of the neighborhood to transit to other locations. That will just be one of the wayfinding modes of transit that they'll study.

Pedestrian connectivity between The Park
Ward Village and the rail, I think Race Randle showed

the relationship between the two projects in the earlier exhibit. It will be via the ample sidewalks along Ward Avenue. They're in close proximity to each other, but they are separated by another property. So the access will be via the sidewalk along Ward Avenue.

Q Okay. Comment No. 2 related to the incorporation of more public benches, and comment No. 4 suggested a more direct path for the dog run in the building. And is it correct that my understanding is that those will be studied during design development?

A The comments are appreciated. We're always open to constructive feedback. We're moving, you know, from concept design into design development, and we'll be studying those options as well.

Q And comment No. 5 related to street trees. Did you have any response to the comment to submit the street plan -- street tree plan for review?

A I noted that the city reviewer was perhaps unaware of the fact that we have an approved street tree master plan that was approved by the HCDA in 2016, and that the species of trees being selected

for the project are consistent with the Ward Village Street Trees Master Plan of November 2016.

Q Okay. Comment No. 6 suggested that deeper eaves and setback storefronts be constructed on the Diamond Head side of the building. What is Victoria Ward's response to that comment?

A I do recall that during Race Randle's testimony, he specifically pointed to an exhibit that showed the eaves on all four sides of the building, and it provided very deep overhangs for shading and weather protection of those commercial frontages on all four sides of the building.

Q Comment No. 7 suggested adding an additional Bikeshare station on the project's makai boundary, and is it my understanding that Victoria Ward just continues to coordinate with Bikeshare Hawaii on that issue?

A That's correct. We have an open dialogue with Biki Bikes. It's very market driven on where they place their bike corrals. For instance, we're under discussions with them about adding a bike corral as the A'ali'i project opens and those new residents become a potential market for their users.

So open conversation, and again, we're a very bike friendly neighborhood. Included in the

application package is a bike access plan for the project itself, and incorporated in that are the current plans for bicycle parking as well as locations. But we're always open, again, to positive feedback on that and an increase in that choice of mode of transportation by our residents and our patrons.

Q And comment No. 8, along similar lines, requested bicycle parking on all sides, and my understanding is Victoria Ward will continue to study that issue, correct?

A Correct. Yeah. Basically, the same response from the last question.

Q Okay. Comment No. 10 addressed the loading zone; that the loading zone should be entered and exited in a forward manner. Do you have any comment on that?

A The loading zone is actually off of a private driveway, far removed from the public street. So we are in compliance with code requirements for loading zone traffic to enter and exit the public streets in a forward-moving direction.

Q And finally, comment No. 11 relates to the proposed Auahi Street pullout in front of The Park Ward Village. What is your response to that?

A It was back in November, prior to the finalization of the traffic impact report with the DPP chart rotation management board lead, Lance Watanabe. We had conversations with DTS's acting director, Jon Noguchi -- Nouchi, rather, I'm sorry, and the acting DPP director at the time, Kathy Sokugawa, to make sure that both DPP and DTS were onboard with the notion of a pullout that can be used for the ride-share mode of travel, to encourage, again, less car ownership by encouraging good access to retail into the commercial frontages through these ride-share drop zones.

So we have two of them associated with The Park Ward Village project; one off of the private driveway that's on the mauka side of the project, but also one -- actually, mostly on private property just off of Auahi Street, near the commercial entry there.

One of the notations that was included in the TI report is that we would continue to work with DPP staff, however, on the details of design, to make sure we accommodate any of their concerns through design, and that we would actively manage those zones through either building operations or Ward Village security forces, to make sure that people didn't stay in those zones too long or use those zones, like has

been the experience on some of the other projects in town that have been held out as bad examples.

MR. KANG: All right. Thank you,
Mr. Cranmer.

Thank you, Mr. Chairman. We have no further questions of Mr. Cranmer at this time. He is available for any questions from the board.

CROSS-EXAMINATION

BY CHAIR WHALEN:

Allekauwila Street extension, or is it the private portion of it that would be adjacent to The Park at Ward Village site. And even though it is a private street, I think the connection will likely create more through-traffic on that street and in those internal streets or those internal private streets than are now experiencing.

And even since the development of A'ali'i and that segment of the street that was extended into the superblock that's part of the -- where The Park at Ward Village is located, people will be more inclined to use those streets. That's what connectivity is about. So given that -- and I think probably DPP looked at that or their traffic review branch, looked at that, and that might have been one

be designed so that it doesn't have trucks backing out into the street even though it's a private street, just because of the increased traffic that might experience. And it's sort of related to those bump-outs, which is probably a good idea to get vehicles that are picking up passengers off the travel lane that's in the private street.

So do you have -- does the traffic impact report -- I think you mentioned a TIR. Is that a traffic impact report you're referring to?

A (Witness nods.)

Q Okay. They're looking at that in terms of the increased, expected additional traffic that those private streets are going to get?

A Yes. The traffic impact report for The Park at Ward Village specifically models localized traffic movements using and taking advantage of the private driveway that links up with Halekauwila Street at Ward Avenue as one of the ways to distribute traffic within the neighborhood and to open up and improve traffic conditions at intersections within the neighborhood. That's correct.

Q Okay. And this would be like the

intersections in other places where those private

lanes or driveways occurred. You won't be able to -
like, the driver won't be able to distinguish when

they're leaving a public street and then onto a

private street?

A Chair Whalen, actually, if you'll notice, there's a public -- there's a private driveway that exits out onto Queen Street right now, adjacent to the Whole Foods building. When that was designed, TRB actually had us put in a curb ramp there, to clearly signal that that was not a street but a private driveway. The street design for the extension or the east-west private drive has not been finalized yet. So we're not sure at this point in time if the City is going to require us to use a curb ramp at that location or it will be a flush intersection.

CHAIR WHALEN: Okay. All right. Thank you.

Any other questions?

Okay. Thank you.

THE WITNESS: Thank you, all.

MR. KANG: Thank you, Mr. Cranmer.

Mr. Chairman, our next witness is Kevin

25 Goto.

1	CHAIR WHALEN: Okay. Kevin, would you
2	please raise your right hand
3	THE WITNESS: Hi.
4	CHAIR WHALEN: Hi. Your turn. Raise
5	your right hand and affirm to tell the truth in your
6	testimony.
7	THE WITNESS: I do.
8	CHAIR WHALEN: All right. Thank you.
9	
10	KEVIN GOTO, P.E.,
11	having been called as a witness
12	by the Applicant, affirmed to tell the truth
13	and was examined as follows:
14	DIRECT EXAMINATION
15	BY MR. KANG:
16	Q Mr. Goto, can you please state your name,
17	place of employment and position, please?
18	A My name is Kevin Goto. My place of
19	employment is Wilson Okamoto Corporation, and my
20	position is director of civil engineering.
21	Q Mr. Goto, how are you involved in the
22	Ulana Ward Village project?
23	A I am the civil engineer of record on the
24	project.
25	Q Did you review the comment letter from

1 the Honolulu Fire Department for Ulana Ward Village 2 dated February 10, 2021? 3 I did. And what is Wilson Okamoto Corporation's 4 5 response to the Honolulu Fire Department's comments? 6 So when we received the comments, we did 7 reach out back to them again. And the fire department did confirm that we are in compliance with 8 9 their requirements, the comments for standard 10 language, and that we are in compliance with the 11 requirements as stated. 12 All right. And that correspondence with 13 the Honolulu Fire Department is marked for the record 14 as U-37, Exhibit U-37. 15 All right. Thank you, Mr. Goto. Mr. Chairman, we have no further 16 17 questions of Mr. Goto at this time, and he is 18 available to answer any questions from the board. 19 CHAIR WHALEN: Staff and board members, 20 do you have any questions of Mr. Goto? 21 THE WITNESS: Thank you. 22 CHAIR WHALEN: Thank you. 23 MR. KANG: Mr. Chairman, our next witness 24 is Brett Kuamoo. 25 CHAIR WHALEN: Okay. Brett, would you

1	please raise your right hand and affirm to tell the
2	truth in your testimony?
3	THE WITNESS: I do.
4	CHAIR WHALEN: All right. Thank you.
5	
6	BRETT KUAMOO, P.E.,
7	having been called as a witness
8	by the Applicant, affirmed to tell the truth
9	and was examined as follows:
10	DIRECT EXAMINATION
11	BY MR. KANG:
12	Q Mr. Kuamoo, can you please state your
13	name again for the record, your place of employment
14	and your position?
15	A Sure. My name is Brett Kuamoo. I work
16	at Wilson Okamoto Corporation.
17	(Reporter clarification.)
18	THE WITNESS: Sorry. My name is Brett
19	Kuamoo. I work at Wilson Okamoto Corporation. I'm a
20	private manager in the civil engineering department.
21	BY MR. KANG:
22	Q And Mr. Kuamoo, how are you involved in
23	The Park Ward Village project?
24	A I am the engineer of record for that
25	project.

1	Q And similar to Mr. Goto, did you review
2	the Honolulu Fire Department letter regarding The
3	Park Ward Village dated February 10, 2021?
4	A Yes, I did.
5	Q And what is Wilson Okamoto's response to
6	the Honolulu Fire Department letter for The Park at
7	Ward Village?
8	A As mentioned by Kevin in his testimony,
9	he reached out to HFD to confirm the status of that
L O	comment letter and to determine that the comments
L1	were standard language and that his project was still
L2	in compliance. The Park at Ward Village would fall
L3	under that same circumstance. So we determined that
L 4	The Park at Ward Village is also still in compliance.
L5	MR. KANG: And for the record, that
L6	correspondence is marked for The Park Ward Village as
L7	Exhibit P-33.
L 8	All right. Thank you, Mr. Kuamoo. We
L9	have no further questions.
20	Mr. Chairman, Mr. Kuamoo is available for
21	any questions from the board.
22	CHAIR WHALEN: Board members or staff, do
23	you have any questions?
24	Okay. Thank you, Brett Kuamoo.
25	THE WITNESS: Thank you.

1 MR. KANG: Mr. Chairman, our next witness 2 is Pete Pascua. 3 CHAIR WHALEN: Would you please raise your right hand and affirm to tell the truth? 4 5 THE WITNESS: I do. 6 CHAIR WHALEN: All right. Thank you. 7 Brian. 8 9 PETE PASCUA, P.E., having been called as a witness 10 11 by the Applicant, affirmed to tell the truth 12 and was examined as follows: DIRECT EXAMINATION 13 BY MR. KANG: 14 15 Good afternoon, Mr. Pascua. Can you 16 please restate your name for the record, your place 17 of employment and position, please? 18 My name is Pete Pascua. I am senior vice Α 19 president and director of traffic engineering at 20 Wilson Okamoto Corporation. 21 Mr. Pascua, let's talk about the Ulana 22 Ward Village project first. How are you involved in 23 the Ulana project? 24 We were retained by Victoria Ward, 25 Limited to prepare a traffic impact report. I

1 oversaw the preparation of the TIR or traffic impact 2 report. 3 Let's talk about the agency comments with the traffic issues. Did you review the comment 4 5 letter from the State Department of Transportation 6 for Ulana Victoria Ward dated February 11, 2021? 7 Α Yes, I did. 8 And with respect to that letter and the 9 DOT's comments, let's discuss Wilson Okamoto's 10 responses to those briefly. Comment No. 1 requests a 11 copy of the update to the Ward Village transportation 12 master plan, and is my understanding correct that 13 that has been provided by Wilson Okamoto? 14 Yes, correct. Α 15 And comment No. 2 discusses -- it notes 16 that the project would not directly impact traffic 17 conditions on Ala Moana Boulevard, and is it my 18 understanding that Wilson Okamoto has noted this 19 comment for its records? Yes. We acknowledge DOT's concurrence 20 21 with that analysis. 22 Comment No. 3 requests the TIAR study 23 area to include Cooke Street and Coral Street 24 intersections with Ala Moana Boulevard. What is 25 Wilson Okamoto's response to that comment?

Boulevard and Cooke Street was included in the overall field investigations for the TIAR, but it was for the purpose of identifying traffic distribution in the region. Certainly the analysis -- the level of service analysis associated with that intersection is included in the overall TMP, which now -- which DOT has now, because that TMP, the transportation master plan, looks at the overall regional roadway network and not specifically the impacts associated with a specific project like the Ulana project in this case.

So the Cooke Street as well as Coral Street intersections along Ala Moana Boulevard was not considered as part of the primary distribution route associated with the project. Yes, vehicles may use it, but it's -- its level of influence to change the level of service is minimal, such that it was not documented as part of the primary intersections that is studied as part of the Ulana project as well as The Park Ward Village project.

Q And similarly, comment No. 4 requests revisions to the TIR to analyze certain Ala Moana Boulevard intersections. Is your response and analysis similar with respect to comment No. 4?

A Yeah, absolutely. The analysis that we included in the traffic studies are based on the level of influence such project would have on the surrounding roadways. To put it in perspective, Ala Moana Boulevard traffic, while it handles quite a bit of traffic, this project — the amount of traffic this project, the Ulana project, as well as The Park project, cumulatively will be less than the daily fluctuations that will occur in traffic demands along Ala Moana Boulevard. So from a day—to—day basis, the influence wouldn't even show up in terms of a differing level of service, if that makes sense.

Q It does. Thank you.

Comment No. 5 requests that the TIR be prepared in a way that would include peak-hour trips generated by both projects. What is Wilson Okamoto's response to that?

A They are. One project's traffic generation is incorporated on the other's -- other project's TIAR. So both studies looked at the cumulative effects of both projects. They're obviously prepared as separate documents, but the reason for that is because the City had requested that each block prepare its separate document, so we could identify specific mitigation measures that

would be site-specific to that specific project.

Q And comment No. 6 discusses the number of off-street parking spaces at Ulana Ward Village. Do you have any comments on that?

A Yeah. Well, from a traffic impact standpoint, parking is really a supporting amenity and really doesn't generate traffic. But I can tell you that, you know, Ward Village has an area-wide parking strategy -- Ward Village as a district has an area-wide parking strategy based upon specific land uses. Parking for residential uses are provided by each development block with parking for commercial provided within not only the localized block, but also regional district parking areas. So what that does is really you have parking support -- supporting complementary uses as the need arises.

So really, to put this in perspective, right now the Ward Village district has approximately 4,100-some units -- -some parking spaces. After the completion of Ulana Ward Village as well as The Park Ward Village, there will be a total district parking reduction by several hundred spaces. If you look at the entire build-out from a regional perspective of the Ward Village district, the ultimate -- the ultimate build-out, the

parking numbers would even decrease even further down to about 2,700-plus parking spaces.

So you know, the whole point is try and foster multimodal travel by utilizing the concept of park once -- you know, the park-once concept. You park, you go shopping, you go have dinner, go to lunch, you go to the movies, or whatever. Just park once and use various different modes of travel, whether it be the enhanced Biki bike system, the enhanced bike lanes around the area, enhanced pedestrian walkways to get from one use to another use.

You know, obviously, not everybody is going to park once. Those that didn't want to walk -- I mean, those that don't want to walk may park elsewhere. But at least it captures some of the users to park once and utilize multiple uses within the district.

Q All right. Thank you. Let's continue with the Ulana Ward Village project. Did you review the comment letter from the City and County of Honolulu Department of Transportation Services dated February 22, 2021 for Ulana Ward Village?

A Yes, I did.

Q And that letter also had several comments

relating to traffic. First, DTS commented on a statute requiring parking stalls and electric parking charging stations, and is it my understanding that Wilson Okamoto is aware of that requirement?

A Yes, that's correct.

Q And DTS also supported the traffic impact report, but had several comments. First, it stated that the TIR should identify an appropriate speed limit for Ward Village. Do you have any comment on that?

A Yeah. I think the comment is really to provide a safe speed study in the region, but you know, speed is really -- speed really shouldn't be looked at just based on an isolated roadway. It should be looked at -- looked at from a regional perspective within a roadway network. It's supposed to be complementary -- speeds will be complementary between different roadway types, different roadway hierarchy or levels.

So -- but nevertheless, in response to DTS's question or request, we'll be conducting a speed study anyway of the region, and included in an updated transportation master plan, where it should be within the region as opposed to an isolated roadway.

1 DTS also requested that the plan show the 2 location and approximate storage capacity for proposed bike storage areas and racks, and is it 3 correct that Wilson Okamoto will be updating those 4 5 figures? 6 Yes, that's correct. We'll be working 7 with the architect to identify those locations and provide recommendations to enhance the system. 8 9 And DTS had a comment on the loading 10 zones, and that they should be actively managed and 11 monitored, and is it my understanding that Wilson 12 Okamoto will consider that comment in the planning? 13 Yes, absolutely. It's actually a 14 recommendation already. So it's already covered. 15 The reviewer must have missed it. 16 A couple of other comments. DTS 17 requested a street usage permit as required, and is 18 it my understanding that Wilson Okamoto is aware of 19 that and will comply as required? 20 Yes. As typically required, yes. 21 And DTS also requested that the area 22 representatives, the neighborhood board and other 23 constituents be informed, and is it Wilson Okamoto's 24 regular practice to do so?

Yes, absolutely.

Α

25

1	Q And DTS also requested that the plans be
2	approved by the Disability and Communication and
3	Access Board, and is it my understanding that Wilson
4	Okamoto will do so?
5	A Yes, that's correct. DCAB review is
6	covered under HRS 103-50. So it's a typical
7	requirement.
8	Q Let's move on to The Park Ward Village.
9	Did you review the comment letter from State DOT for
10	The Park Ward Village dated February 11, 2021?
11	A Yes, I did.
12	Q And with respect to the comments from
13	State DOT relating to the TIR for Park Ward Village,
14	what are Wilson Okamoto's responses to those?
15	A Well, the comments are identical to the
16	Ulana Ward Village comments. So those responses
17	would apply to this project's response as well, or
18	comments as well.
19	Q And did you review the comment letter
20	from the City and County of Honolulu Department of
21	Transportation Services for The Park Ward Village
22	dated February 22, 2021?
23	A Yes, I have.
24	Q And with respect to the comments from the
25	City DTS on The Park project, what are Wilson

Okamoto's responses to those?

A Likewise, comments are similar to the Ulana Ward Village project. So responses would be the same for The Park project as well, The Park Ward Village project.

Q And finally, did you review the City

Department of Planning and Permitting comment letter

for The Park Ward Village dated February 18, 2021?

A Yes, I did.

Q In comment 3 of the DPP letter, it requested the incorporation of multimodal design, particularly in the northwest and southeast corners of The Park Ward Village. What is Wilson Okamoto's response to that comment?

A Yes. I believe the design would incorporate these multimodal facilities, and you know, they include integration with bike lanes that are being proposed along Ward Avenue, pedestrian facilities -- cuing -- pedestrian cuing areas, connectivity to future rail stations or at least the ability to connect, and other types of multimodal improvements. I think we talked about it earlier. Bike share or Biki type of stations or enhancements in the area that can be incorporated to facilitate these types of multimodal transportation systems.

1	MR. KANG: All right. Thank you,
2	Mr. Pascua.
3	Thank you, Mr. Chairman. We have no
4	further questions of Mr. Pascua. He is available for
5	questions from the board.
6	CHAIR WHALEN: Okay. Are there any
7	questions from the board or staff?
8	Okay. I think you can I thank you,
9	Mr. Pascua.
10	We can call the next witness, Brian.
11	MR. KANG: Thank you, Mr. Chairman. Our
12	next witness is Robin Markle.
13	THE WITNESS: Hello.
14	CHAIR WHALEN: Hi. Robin Markle, will
15	you raise your right hand please and affirm to tell
16	the truth in your testimony?
17	THE WITNESS: I do.
18	CHAIR WHALEN: All right. Thank you. Go
19	ahead.
20	
21	ROBIN MARKLE,
22	having been called as a witness
23	by the Applicant, affirmed to tell the truth
24	and was examined as follows:
25	DIRECT EXAMINATION

1	BY MR. KANG:
2	Q Ms. Markle, can you please state your
3	name again for the record, your place of employment
4	and your current position?
5	A My name is Robin Markle. I work for
6	Locations, and I am the senior vice president of
7	development.
8	Q And Ms. Markle, you prepared written
9	testimony with respect to Ulana Ward Village; is that
10	correct?
11	A Yes, I did.
12	Q And you also prepared written testimony
13	with respect to The Park Ward Village; is that
14	correct?
15	A Yes, I did.
16	MR. KANG: Mr. Chairman, we rest on
17	Ms. Markle's witness testimony for both the Ulana
18	Ward Village project and The Park Ward Village
19	project, and she is available for questions from the
20	board.
21	CHAIR WHALEN: Okay. Thank you.
22	Board members or staff, do you have any
23	questions of Ms. Markle?
24	Okay. Thank you
25	THE WITNESS: Thank you.

1	CHAIR WHALEN: for appearing.
2	MR. KANG: Thank you, Ms. Markle.
3	THE WITNESS: Happy to. Thank you.
4	MR. KANG: All right. Mr. Chairman, our
5	next witness is Mike Hamasu.
6	CHAIR WHALEN: Okay. Mike, would you
7	please raise your right hand and affirm to tell the
8	truth in your testimony?
9	THE WITNESS: I do.
10	CHAIR WHALEN: Okay. Thank you.
11	Brian, go ahead.
12	
13	MIKE HAMASU,
14	having been called as a witness
15	by the Applicant, affirmed to tell the truth
16	and was examined as follows:
17	DIRECT EXAMINATION
18	BY MR. KANG:
19	Q Mr. Hamasu, can you please restate your
20	full name for the record, your place of employment
21	and position?
22	A Sure. My name is Mike Hamasu. I work
23	for Colliers International as their consulting and
24	research director.
25	Q Mr. Hamasu, you prepared written

1 testimony with respect to both the Ulana Ward Village 2 project and The Park Ward Village project; is that 3 correct? That is correct. 4 5 MR. KANG: All right. Mr. Chairman, at this time we rest on Mr. Hamasu's written testimony, 6 7 and he is available for any questions from the board. 8 CHAIR WHALEN: Board members or staff, do 9 you have any questions of Mr. Hamasu? 10 That was easy, Mike. Okay. MR. KANG: Mr. Chairman, I'm sorry. 11 12 have one quick question for Mr. Hamasu, as it turns 13 out. 14 CHAIR WHALEN: Okay. 15 BY MR. KANG: 16 Mr. Hamasu, can we just talk a little bit 17 about the public parking within Ward Village. You 18 know, I know Mr. Pascua kind of mentioned -- I'm not 19 sure if you were aware of his testimony, but he did 20 mention about the public district parking within the 21 development. Can you just summarize your testimony 22 with respect to the benefits of public parking within 23 Ward Village? Absolutely. In fact, I did overhear 24

Mr. Pascua's discussion about how the parking spaces

25

were reduced from 4,100 to, I believe he said, 20- -- 2,700. That is detrimental specifically for retailers and businesses in the area that rely on available parking spaces for their clients and their customers. We view it 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 proves to be very difficult -- I mean, it poses an inconvenience for the customer, but also reduces the likelihood of repeat business for the retailers and the industrial businesses in the area.

In addition to that, I believe, you know, from a recreational perspective, we view -- retailers view the Ward Village location as a destination. In addition to retail, the recreational amenities such as the parks located in the area should have available parking as well, because otherwise, if I took my little kids to play in the sun at the park and wanted to go get ice cream later on and there's no parking, you know, that retailer now loses my sale and I come back with a bad flavor in my mouth, thinking that I'm not going to go visit there because there's no parking.

MR. KANG: All right. Thank you,

Mr. Hamasu.

Mr. Chairman, thank you. No further questions for Mr. Hamasu.

MEMBER SAKODA: John, I have a follow-up question.

CHAIR WHALEN: Yes.

CROSS-EXAMINATION

BY MEMBER SAKODA:

Q So Mike, it's Kevin Sakoda. You know, one of the things that came up just with your conversation there was that, you know, Ward Village has the Ward Village Owners Association, which is a bigger entity kind of taking care of the public spaces. One of my concerns is that each resident within Ward Village is paying a monthly fee to really support the security and the maintenance of all the park areas and everything. From looking at sort of the economics of it, do you see that as a concern for buyers, residents in the area that --

It seems in the big picture of things like, "Hey, I'm paying to keep this park nice so some guy from Kaneohe can come with his kids and have a picnic in my park," right? Do you have any thoughts on how to approach that or how to --

It's almost like the residents are

funding public -- not -- well, public park space, right, which is essentially within Ward Village. Do you have any thoughts on that?

A I think the perspective should be adjusted to the point that the recreational activities are an amenity to the overall neighborhood. So what you also have is in addition to recreational activities that are retail, and you have all these businesses located there that by having all of those together, there's a synergy in regards to what makes the Ward Village such a vital and dynamic neighborhood.

Now, to answer your question whether or not if I had a unit there and my homeowner's association fees are going to pay to upkeep the park, I think it would be such a small portion of the overall homeowner's fees that would be allocated to that park. It would be more allocated to things like the swimming pool, the pickleball courts and all these other things, that the park maintenance is probably a very small portion of the overall budget allocated into the homeowner's association. I think it's more viewed as a positive that you have those recreational activities, such as the park versus not having a park there. So it benefits the resident in

1	that perspective.
2	Q Okay. Do you have any idea what the
3	monthly fee per unit is?
4	A I don't know the answer to that.
5	Q All right. Thank you, Mike.
6	CHAIR WHALEN: Any other questions of
7	Mike Hamasu? We can move on to
8	Thank you, Mike.
9	THE WITNESS: All right.
10	CHAIR WHALEN: And then Brian, you can
11	call your next question.
12	MR. KANG: Thank you, Mr. Hamasu.
13	Our next witness will be directed by
14	Ms. Kaiawe.
15	MS. KAIAWE: Thank you. Victoria Ward
16	calls as its next witness Mr. Matt McDermott, who is
17	here today.
18	CHAIR WHALEN: Okay. Matt would you
19	THE WITNESS: Good afternoon.
20	CHAIR WHALEN: Good afternoon. Would you
21	please raise your right hand and affirm to tell the
22	truth in your testimony?
23	THE WITNESS: I so affirm.
24	CHAIR WHALEN: Okay. Thank you.
25	MS. KAIAWE: Thank you.

1	CHAIR WHALEN: Go ahead.
2	MS. KAIAWE: Excuse me. Thank you.
3	
4	MATT McDERMOTT, M.A.,
5	having been called as a witness
6	by the Applicant, affirmed to tell the truth
7	and was examined as follows:
8	DIRECT EXAMINATION
9	BY MS. KAIAWE:
10	Q Mr. McDermott, please state your name,
11	place of employment and position.
12	A My name is Matt McDermott. I work for
13	Cultural Surveys Hawaii, where I serve as a project
14	director and principal investigator.
15	Q And Mr. McDermott, you provided written
16	testimony with both projects, that is the Ulana Ward
17	Village and The Park Ward Village projects; is that
18	correct?
19	A That is correct.
20	MS. KAIAWE: Chair Whalen and board
21	members, for your ease of reference, Mr. McDermott's
22	written testimonies are marked as Exhibits U-30 and
23	P-27, both of which have been received into evidence.
24	And with that, Chair Whalen and board members, those
25	are all the questions that I have for this witness,

1	and he's now available for any of your questions.
2	CHAIR WHALEN: Okay. Thank you.
3	Staff and board members, do you have any
4	questions for Mr. McDermott?
5	Okay. Thank you for appearing. No other
6	questions. So Summer, you can
7	MS. KAIAWE: Great. Thank you.
8	CHAIR WHALEN: call your next witness.
9	THE WITNESS: Thank you.
10	MS. KAIAWE: Victoria Ward calls as its
11	next witness for KAK 21-001, Ulana Ward Village
12	project, Dr. Malia Kaaihue.
13	THE WITNESS: Aloha.
14	CHAIR WHALEN: Aloha. And as long as you
15	have your right hand up, would you please affirm to
16	tell the truth in your testimony?
17	THE WITNESS: I do. Thank you, Chair.
18	CHAIR WHALEN: Thank you.
19	Summer.
20	
21	MALIA KAAIHUE, PH.D.,
22	having been called as a witness
23	by the Applicant, affirmed to tell the truth
24	and was examined as follows:
25	DIRECT EXAMINATION

BY MS. KAIAWE:

Q Aloha, Dr. Kaaihue. For the record, could you kindly state your name, current place of employment and position?

A (Speaking Hawaiian.)

My name is Malia Kaaihue. I'm the po'o and president of DTL Hawaii, a Hawaiian strategy studio located on Cooke Street.

Q And Dr. Kaaihue, could you please tell us a little bit about your company, DTL Hawaii, and what it does?

A DTL is a Hawaiian strategy studio focusing on design, communications and branding. We do everything through kanaka malinas (phonetic). So we use culture and community to create frameworks and approaches in which we see different projects through and solve critical issues.

Q And Dr. Kaaihue, can you share with us a bit about your involvement with this project, Ulana Ward Village?

A Yes, absolutely. Howard Hughes asked the DTL Hawaii to provide some naming solutions for the property. So we were responsible with coming up with researching and talking and engaging community members and coming up with the name Ulana, which

means plaited, woven, and actually comes from the makaloa plant that traditionally grew on the Ward Village property historically. We've also done face making and cultural integration into the space as well.

Q And Dr. Kaaihue, can you share with us more about your history and your involvement with the master plan, going back to the beginning?

A Yeah, absolutely. When DTL was founded about seven years ago, it was similar to the time frame in which Howard Hughes started their work at Ward Village. So I spent many days and nights in the archives of the Bishop Museum, actually, with Nick Vanderboom who was, you know, of Howard Hughes Corporation, going through all of the old documents of Victoria Ward and her estate and coming up with kind of the foundational, cultural elements that make up really what the cornerstones are for the property today. We know that the property ran from mauka to makai over a hundred acres, and with that all of the traditional and cultural properties included and the stories of mo'olelo that were there.

So I've had the privilege and honor of working with Ward Village for the last seven years on different parts of their projects and touching it in

different ways. But in general, I was responsible for creating the genealogy of yesterday, today and tomorrow for Ward Village.

Q Thank you, Dr. Kaaihue. And can you share with us about your thoughts on this project's consideration of culture, specifically with regard to its connectivity and the benefits therefrom?

A Yeah. So the name Ulana, you know, we believe that names and inoa have mana. They take on a spiritual power of their own. So the name Ulana means to weave or woven, plait or plaited. It actually is a noun or a verb in our language, and we believe that this property is going to be a piece that really weaves together different parts of the Kaka'ako. So it really is a connector and a bridge for different areas in Kaka'ako.

Aside from that, it's connected to Ka

La'i o Kukulua'eo, which we've also been discussing

today, and the -- you know, the housing that we're

talking about is mixed from studios to three

bedrooms. So it takes into account the ohana system

and the different needs of ohana today in the

contemporary living environment, and allows for

interaction indoor and outdoor.

And then I would say lastly, you know,

the thoughtfulness in and around the mauka to makai corridors are very relevant, because we look to not only Kewalo Harbor as a connecting point to the ocean and the channels and the Pacific Ocean, but also to the mountains and the connection to Nuuanu and Pali and mauka. So the mauka to makai corridors are also something that were very thoughtfully planned around as well.

Q And Dr. Kaaihue, is it fair to say that your comments regarding maintaining a sense of culture and connectivity, those comments that apply to Ulana Ward Village, would you say that those also apply to The Park Ward Village project as well?

A Yep, absolutely. And the park Ka La'i o Kukulua'eo takes into account the traditional and circle place name of Kukulua'eo, which we know is related, you know, to the Ae'o bird, the stilt bird. And Ward Village has used that reference before in other properties that they've developed, but also brings back the mana of that name back into the space.

The names were given with collaboration with lineal and cultural descendants from the area, as well as cultural practitioners that specialize in this type of work. So it was vetted through a very

rigorous process culturally. And to have those names in these places brings mana and brings connectivity between aina and kanaka. So I would say yes, that everything that I mentioned for Ulana also applies for Ka La'i o Kukulua'eo. But the park also brings in, you know, green space and thoughtful, indigenous design done by Kim and others at the firm, with plantings and enlarged, open space area.

Q And Dr. Kaaihue, thank you for sharing your mana'o on these subjects. As a final closing question, would it also be fair to say that your comments and what you shared applies equally among the Ulana Ward Village, the Ka La'i Park as well as the project, The Park Ward Village, that is also before the board today?

A Yes.

MS. KAIAWE: Thank you.

Chair Whalen and members of the board, those are all the questions that I have for this witness, Dr. -- excuse me -- Dr. Kaaihue, who is now available for questions.

CHAIR WHALEN: Board members or staff, do you have any questions for Dr. Kaaihue?

MEMBER SAKODA: I have a question. It's Kevin Sakoda.

CHAIR WHALEN: Kevin, yes.

CROSS-EXAMINATION

BY MEMBER SAKODA:

Q Hi, Doctor.

A Aloha.

Q So when I look at the Ward Village project as a whole, I mean, you've been involved involved with it for, you said, seven years. What's your thoughts on the progress of it? I mean reaching from, you know, the edge of south shore and going Ewa towards Ulana and what we're talking about now, how is that progressing from sort of a cultural standpoint? Are things kind of going according to what you envisioned, or what could we improve upon?

I'm very impressed with with the overall property area are the inclusions of public spaces. I can tell you that. Lots of my colleagues -- you know, my firm is housed in Kaka'ako as well. So I consider it my second home. Lots of my colleagues as well as myself use all of the park areas, use the sidewalks, use the restaurants, use the grocery store. So there's accessibility that's been opened up to the community which previously was not available to us. So that's something that we really appreciate.

I've always been impressed by Howard
Hughes' rigorous consultation with lineal and
cultural descendants. I mean, at a time when
Kaka'ako was really opening up, I've had, you know,
three different landowners that are all developing in
Kaka'ako as my clients, and really the most
progressive was Howard Hughes in terms of really
leaning into the lineal and cultural descendants and
the practitioners of the place. And that's why
really in our buildings you can see that really come
to life in -- whether it's Waiea, Ae'o, Ke Kilohana,
so the Hawaiian language implementation I think is
good there.

Some things that I'm excited moving forward to is more integration of educational pieces. So as people actually walk the space, they start to begin to learn the history and the discourse of the area, because I think it's a tremendous opportunity.

I think Victoria Ward was such a hero.

We call her Me'e. She was such a hero to the

Hawaiian people, because she refused to fly the

American flag during the time of the overthrow, and

she was a staunch supporter of the monarchy. But she

was able to do that in a way that was very gracious

and still invited everybody into her home and really

1 created a pu'uhonua. So when I think of Ward Village 2 and the area from mauka to makai, I think of a 3 pu'uhonua, a place of refuge. My keiki surf at Kewalo's. We go across 4 the street. We get our food. We -- you know, all of 5 6 the things that we need are there. And I think if 7 Howard Hughes continues to lean into the pu'uhonua 8 kuleana that they've established by being a landowner 9 of this place, that this will be a vital place in 10 Honolulu for local people to gather and to really just bring back the mana of this aina. 11 12 MEMBER SAKODA: Great. Thank you. 13 CHAIR WHALEN: Are there any other 14 questions? 15 I also wanted to make sure we have our 16 reporter -- give her a break. But are there any 17 other questions for Dr. Kaaihue before we break? 18 Thank you, Doctor. 19 MS. KAIAWE: Thank you, Dr. Kaaihue. 20 THE WITNESS: Mahalo mai kakou. 21 CHAIR WHALEN: So Laura, you probably 22 need a break now, don't you? Or am I just -- how are 23 you doing? 24 THE REPORTER: I'm okay. Just, you know, 25 maybe another half hour to a break.

1 CHAIR WHALEN: Okay. How many more 2 witnesses are you calling? I think, Summer, are you calling them or is it Brian? 3 MS. KAIAWE: I'll go ahead and defer to 4 5 my co-counsel, Brian Kang. MR. KANG: Mr. Chairman, we don't have 6 7 any further witnesses to call at this time. 8 CHAIR WHALEN: Okay. All right. 9 right. So then I guess we would normally ask for 10 public testimony, but it's sort of --We've received a fair amount of written 11 12 testimony, and there was a summary of what we 13 received before. I don't know if we have anybody that asked to speak. 14 15 MR. NEUPANE: Yes, Chair, we have. 16 signed up to provide oral testimony, and Francine 17 will provide the names. 18 Francine, we have the names, right? 19 MS. MURRAY: The first person on our list 20 is Chris Delauney. 21 CHAIR WHALEN: Okay. How many people are 22 signed up to speak? I just wanted to see whether 23 this would be a good time to kind of take a short 24 break for people. 25 MS. MURRAY: We have five people signed

up, and they're allowed three minutes each.

CHAIR WHALEN: Oh, okay. Yeah, I think that would be about -- about right for like a half hour from now.

Okay. All right. So we can call the first testifier. I'm sorry. I forgot the name but --

MS. MURRAY: Chris Delauney.

CHAIR WHALEN: Chris Delauney.

MR. DELAUNEY: Aloha, Chair Whalen and members of the Hawaii Community Development

Authority. My name is Chris Delauney, with Pacific Resource Partnership.

PRP supports the Ulana and Park Ward Village projects. We think it will benefit the Kaka'ako community by providing more housing and services for Honolulu residents, economic benefits and job opportunities for local workforce and more connectivity throughout the neighborhood.

As we know, the city and county needs about 22,168 new homes over the next five years to satisfy its housing demand. Ulana Ward Village will provide approximately 697 reserved housing units for local residents and families with incomes between 100 percent and 140 percent of the area median income.

This project will also create a public park, light industrial and street-front commercial spaces. It will activate the neighborhood and serve as a connection point in bringing together Ward Village and the larger Kaka'ako community.

The Park Ward Village will add approximately 546 new homes to Honolulu's inventory and include a unique and walkable retail destination. These projects will help to stimulate Hawaii's economy, delivering economic benefits and jobs when they are needed the most. Projects will create 65 million new tax revenue to the city and county of Honolulu and to the state of Hawaii, and 687 construction and development-related jobs per year during construction.

Since Howard Hughes initiated its plan to transform Kaka'ako into Ward Village, a mixed-use community with residents, public open spaces, pedestrian and bike friendly streets, retail stores, restaurants and recreational fitness opportunities, we have seen the Ward Village community come to life with an influx of both residents and the broader Honolulu community. Ulana and Park Ward Village, like Ward Village residential properties before it, will further activate and transform the Kaka'ako

1	community by connecting people across Oahu.
2	Thank you for this opportunity to speak,
3	and like I said, we're in strong support of these
4	projects. Thank you.
5	CHAIR WHALEN: Okay. Thank you,
6	Christopher.
7	Any questions from the board?
8	Okay. Next person signed up to speak was
9	Colby Takeda. Colby Takeda?
10	MR. NEUPANE: Chair, I don't see him on
11	the list here.
12	CHAIR WHALEN: Okay. Nathaniel Kinney.
13	I see Nathaniel Kinney there.
14	MR. KINNEY: Yes, I'm here, Chair.
15	CHAIR WHALEN: Okay.
16	MR. KINNEY: Thank you. Nathaniel
17	Kinney, executive director of the Hawaii Construction
18	Alliance.
19	Chair Whalen and members, the Alliance is
20	in strong support of both projects, Ulana Ward
21	Village and The Park. You know, I think there's been
22	pretty a lot of extensive testimony by people that
23	are far more educated than I about the economic
24	benefits of this project of both projects. I do
25	want to note, though, and you have my written

testimony, but you know, one of the critical things about this project, I think, is timing.

We really do need the jobs right now, and one of the other things that we've noticed is people are pulling out of deals. Developers and outside money are actually unwinding deals, and anything that wasn't in title and financed before COVID hit in March of 2020, we're actually seeing people leave and cancel projects. So we really appreciate the fact that Howard Hughes and Victoria Ward is stepping forward and looking to invest in Hawaii right at a time when people are leaving.

And I think one of the things that really was important from some of the testimony that — or some of the witnesses that came before us is the recovery is uncertain at best. The threats of variants that are going to be spreading means that we really don't know. If you had told everybody here a year ago that the entire economy would shut down, they wouldn't have believed you, but we are in just that situation right now. We are starting to open back up. The cases are starting come back down, but there's really nothing set in stone saying that the cases are going to continue to trend downward, and again, with the variants, things might go right back.

So looking at people who are deciding to leave and then we have Howard Hughes and Victoria Ward who are looking to invest, I think we should jump on this chance right now and get these jobs while we can.

And another point that I'd like to make that is not in my testimony is that Victoria Ward is basically offering a front-loaded build six times the required reserved housing today. And I know there's issues about, you know, why is it all in one building and, you know. But the reality of it is, is housing is so tight that even if you -- you know, all of this reserved housing is a bonus for the community.

But even the market rate or so-called luxury tower, even building that in this low interest rate, low inventory environment, is going to free up potential units for other people. And as we all know, that housing is a ladder, and there's supply constraints on every point of that ladder even at the very top, all the way to the very bottom. So any amount of housing that is introduced at this point this time is going to ease some of the burden and the supply constraints that we're suffering under.

So we really appreciate that Howard Hughes and Victoria Ward are moving forward with this

1 project even in this uncertain economic time, and we sincerely appreciate that. And we also like the fact 2 that there's so much reserved housing that is being 3 built all at one time. That's it. Thank you. 4 5 CHAIR WHALEN: Thank you. Members, any 6 questions? 7 Thank you, Nathaniel. 8 Let's see. The next person signed up is 9 Pane Meatoga. 10 Hi, yes. Aloha, Chair MR. MEATOGA: 11 Whalen and members of the board. My name is Pane 12 Meatoga III. I'm with the Hawaii Operating Engineers 13 Industry Stabilization Fund, and our organization represents the 2,000 unionized members in heavy 14 15 engineering site work and the 500 general contractors that specialize in site work and total construction. 16 17 Our organization is here to support the 18 two projects, the Ulana Ward Village and The Park 19 Ward Village projects. As you know, previous 20 testifiers have mentioned we are truly grateful that 21 there are developers out there that will continue to 22 move forward with their projects, especially now in 23 the environment that we're in. 24 I think previously some of the questions,

"What is the true economic impact of the projects,"

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and representing my members, I can tell you that having them working and providing for their families and being able to sustain themselves and not have to go on UI is extremely great economic impact. The construction is still going. My members can work. They can provide for their families, and they can help be part of the economy and keep it stimulated by having economic activity.

I see these types of projects, especially now, as a way to keep people working, keep the economy going. In my former life, I was a tourism executive, and the companies that I worked for, they laid off a lot of people. A lot of them are on UI. They came asking me if there are opportunities in construction. And these are executives. But having that opportunity to keep this project and the economy going and moving strong is very important. And these types of projects need to continue to move forward.

I must say, this is my first time at an HCDA meeting, and you guys are very thorough. I must say that, very thorough. And I appreciate the conversations and the specifics that you folks get into, and from what I see, this is a very well vetted-out project, and I really look forward to seeing this project move through. Thank you.

1 CHAIR WHALEN: Thank vou. 2 Members, do you have any questions of 3 Pane Maetoga? Okay. The last person I have on the list 4 5 here is Reina Miyamoto. Reina? MS. MIYAMOTO: Hi, I'm here. Can you 6 7 hear me? 8 CHAIR WHALEN: Yes. Yes. 9 MS. MIYAMOTO: Thank you. Hi, my name is 10 Reina Miyamoto. I'm the executive director for the 11 Hawaii HomeOwnership Center. Thank you very much for 12 allowing me to testify in favor of the Ulana Ward 13 Village and The Park Ward Village project. 14 The Hawaii HomeOwnership Center is a 15 nonprofit organization, and we were founded to 16 provide support to local families to prepare for 17 first-time homeownership. The homeownership rate for 18 Hawaii has always lagged behind the national average 19 for many, many years. And so the HomeOwnership 20 Center was created with the thought, "How can we help 21 more local families become homeowners in the state 22 that they love so much?" 23 You know, our premise is that we think a 24 safe and stable home is really important for the

success of Hawaii families. I think the pandemic has

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probably reflected that or emphasized that quite a bit, with all of us staying at home so much more than we ever have probably. And we like -- what we do is we support first-time home buyers into homeownership or a stable home through classes about the purchase process, homeownership coaching, as well as what we call post-purchase services, because we want folks to get into homeownership successfully as well as be able to sustain homeownership for the long term.

So in terms of the Ulana Ward Village project, you know, we're very happy to hear that there's so many opportunities for new workforce development units. You know, I'll just echo or just gonna — you know, it's already been said today that, you know, there's a shortage for housing units. Housing inventory is a challenge in Hawaii. So while we can prepare a lot of buyers for the purchase process, get them what we call mortgage ready, it's important for them to have inventory or opportunities to be able to purchase in Hawaii as well, too. So I appreciate this opportunity for more of the local families.

And on a side note, I did hear about the home buyer education thought by HCDA. If we can be a partner in that discussion, I'd be happy to hear from

1 you. 2 Thanks again for allowing me to testify in favor of the Ulana Ward Village project. Thank 3 4 you. 5 CHAIR WHALEN: Okay. Your ears must have been burning, Reina. HomeOwnship Center came up 6 7 earlier. And I guess you've been sticking around for 8 quite a while to testify. So thank you. Board members -- any other board members 9 10 have questions for Reina Miyamoto? 11 Okay. I think that actually -- unless 12 there's -- Francine, unless you have other people who 13 have signed up, but I don't see any others. So I 14 have to get back to where --15 MR. SCHULTZ: Chair? 16 CHAIR WHALEN: -- we are. Yes. 17 MR. SCHULTZ: There is one additional 18 person, Myoung Oh, from Chamber of Commerce Hawaii, 19 who'd like to speak. 20 CHAIR WHALEN: Oh, okay. 21 MR. OH: Hi, afternoon. In the essence 22 of time, you know, just a brief comment. Myoung Oh, 23 testifying on behalf of the Chamber of Commerce 24 Hawaii. We absolutely support both applications, the

Ulana and The Park projects. I really appreciate

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what I've been hearing all day in terms of the economic revitalization that the state needs, and given the lack of housing, definitely eye opening for the Chamber.

As far as the Ward Village projects, we believe that as they continue to execute on the live-work-play vision, and you know, we've seen since inception, Ward Village community continue to catalyze the area into a thriving community, expanding entrepreneurship and small business.

The majority of our members, 80 percent of them, do represent less than 20 employees. So it is a substantial community in terms of how much small business represents Hawaii.

With that, you know, I'll just close with saying that we appreciate and welcome the completion of the mixed-use community and ask for your favorable consideration. Thank you.

CHAIR WHALEN: Thank you. Board members, do you have any other -- any questions of Mr. Oh?

If there's no further public testimony, then on behalf of HCDA Authority members and its staff, I thank you for your attendance and your endurance. The modification hearing -- there's modifications requested for both projects related to

1	the podium height primarily, and those hearings
2	for those two projects will be held on Wednesday,
3	March 10, 2021 at 10:00 a.m. That public hearing has
4	been scheduled and noticed. And the public hearing
5	on the applicant's presentation of its projects now
6	stands adjourned. The time is now 3:40 p.m.
7	(Whereupon, the hearing adjourned
8	at 3:40 p.m.)
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1	CERTIFICATE
2	STATE OF HAWAII)
3) ss. CITY AND COUNTY OF HONOLULU)
4	
5	I, LAURA SAVO, a Certified Shorthand Reporter in and for the State of Hawaii, do hereby
6	certify:
7	That the foregoing proceedings were taken down by me in machine shorthand at the time and place herein stated, and was thereafter reduced to typewriting under my supervision;
9	That the foregoing is a full, true
10	and correct transcript of said proceedings;
	I further certify that I am not of counsel
11	or attorney for any of the parties to this case, nor in any way interested in the outcome hereof, and that
12	I am not related to any of the parties hereto.
13	Dated this 7th day of March 2021 in Honolulu, Hawaii.
14	LAURA SAVO, RPR, CSR NO. 347
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