

Report of the Executive Director - Kakaako

July 6, 2022

I. Planning & Development

Approved permit applications that did not require HRS § 206E-5.6 hearings

Name of Applicant:	Project:	Action:
Darren Suzuki (AOAO Nauru Tower)	KAK 22-033 Install new electrical submeters	04/20/2022
Fred Mikawa (KAA Limited Partnership - Jeremy Long [Agent])	KAK 22-032 Alteration of existing restaurant (Phuket Thai)	05/02/2022
Electricians, Inc.; Racquel Kinningham	KAK 22-036 Fire alarm upgrades to existing fire panel	05/02/2022
Phuket Thai Restaurant	KAK 22-034 Interior tenant renovation of existing restaurant; plumbing electrical, mechanical	05/04/2022
Douglas Tam (HHC)	KAK 22-041 Interior renovation of existing space and new exterior windows and doors	05/17/2022
Gary Chen (HHC)	KAK 22-044 Interior alteration of existing space at the South Shore Market	05/25/2022
Sean McCready (HHC)	KAK 22-046 Interior alteration (Brew & Foam)	05/25/2022
Komohale 620 Coral LLC (HHFDC)	KAK 22-040 Construction Staging area for Iilani Project	05/27/2022

Ward Neighborhood Master Plan

The Kalae Ward Village project, by Victoria Ward, Ltd, is proposed at the former Ward Warehouse site on the southeast corner of Ward Avenue and Auahi Street. The presentation public hearing for the HCDA development permit approval was held on June 1, 2022 and the decision making hearing is scheduled for August 3, 2022.

Kaiaulu O Kakaako Master Plan

The Alia project, by the Kobayashi Group, LLC, is proposed on the southeast corner of Auahi and Koula Streets and will be considered by the HCDA under the Kamehameha Schools' Kaiaulu O Kakaako Master Plan. The public hearings for the HCDA development permit approval are scheduled for July 6, 2022, July 7, 2022, and September 7, 2022. The public hearing notice was published on June 1, 2022.

Developments Under-Construction

There are five (5) major projects under construction in Kakaako.

- The 803 Waimanu project's (KAK 13-091) front lobby security improvements are complete, and the developer still has plans to construct enhancements to the recreation deck amenities.
- The Queen Street Retail and Storage project (KAK 18-054) started exterior glazing installation and is proceeding with interior work.
- The Koula project's (KAK 18-038) exterior, interior, and site work is ongoing.
- Victoria Place's (KAK 19-069) vertical superstructure construction is ongoing.
- The Ililani project (an HHFDC 201H Project) has started foundation work.

Ordinance 16-21 Certification Requests

HCDA staff processed three (3) new requests related to infrastructure improvements pursuant to the City and County of Honolulu's Ordinance 16-21. To date, HCDA has received and processed seventeen (17) Ordinance 16-21 certification requests for the calendar year.

Mauka Area Rule Amendments

HCDA staff is working with the architecture firm Hi·arch·y to assist in amending the Kakaako Mauka Area Rules (HAR Ch. 15-217). Progress has been delayed as we await a final report from the University of Hawaii Community Design Center (UHCDC) who is completing a thorough analysis of the incentives proposed as a part of the rule amendments. An initial draft of the proposed rule amendments will be available following receipt of the UHCDC report.

II. Asset/Land/Property Management

HCDA American Brewery Building

A three-year contract with Narito Sheetmetal & Mechanical Corporation for Air Conditioning and Ventilation Systems Inspection, Maintenance and Repair Services for HCDA's offices at the American Brewery Building began on May 1, 2022. The board approved the contract at its meeting in March 2022.

Lot C and CEM Parking Lots

A three-year contract with Secure Parking Hawaii LLC to provide parking management, operations and maintenance services at the Lot C and CEM Parking Lots began on June 1, 2022. The board approved the contract in May 2022. New signage was installed advertising the \$1/ hour public parking rate, which is payable through mobile device.

Reserved Housing

From May through June 2022, five Subordinations of Equity Sharing Payment Agreements were executed to allow reserved housing unit owners to refinance their mortgages. Three additional requests for subordination were received and are pending further action. All three of those pending requests are for a second mortgage. Due to the recent increase in interest rates, we have seen a sharp decrease in the number of requests for subordination.

From May through June 2022, there were four requests to sell a reserved housing unit during its regulated term. The HCDA exercises its first option to buyback the units through our purchasing agent, the Hawaii Housing Finance and Development Corporation (HHFDC). However, HHFDC declined to buyback the subject reserved housing units, resulting in the HCDA waiving its buyback option and allowing the owner occupancy restriction to be lifted from those units.

From May through June 2022, four Releases of Unilateral Agreement were executed, generating a total of \$331,776 in shared equity payments to the HCDA. None of this represents a prepayment of shared equity, which was made possible by the June 2021 Reserved Housing Rule Amendment that allows owners to pay their shared equity without selling or transferring their unit.

Four additional requests for Unilateral Release were received and are pending further action.

From May through June 2022, there were (147 inquiries relating to Reserved Housing Rules and Regulations.

Right of Entry Agreements

There were 12 active Right of Entry (ROE) and/or license agreements through June 2022. See Exhibit A.

Attachments

Exhibit A: List of Right of Entry Agreements

EXHIBIT A
HCDA Right of Entry List

	PROJECT/PARTIES	ROE #	SITE	START DATE	TERMINATION DATE	COMMENTS	FEE
1	C&C Honolulu Emergency Services Ocean Safety and Lifeguards	15-15	NOAA Lot/ Harbormaster Office	2/9/2016	2/8/2047	For Kewalo Basin lifeguard station	none
2	Bike Share Hawaii	7-17	Kolowalu Park	6/9/2017	5/31/2025	Biki station	none
3	UH JABSOM	13-18	Lot C	9/1/2018	8/31/2023	325 parking stalls	\$32,500/ month
4	KHLF	7-19	Kalaeloa Parcel 13073D	5/18/2019	11/17/2022	For maintenance of Heritage Park	none
5	Kupu	1-19	NOAA Lot (portion)	10/1/2019	9/30/2022	Supplemental parking and storage	\$1,232.50/ month
6	Reuse Hawaii	7-20	Portion of Forrest Driveway	6/1/2020	5/31/2023	For temporary storage container	\$564.30/ month
7	HK Management	1-21	Kalaeloa Lot 13073-C	5/1/2021	10/31/2022	For due diligence for development of Honokea Surf Village	none
8	Dept. of Transportation	2-21	Kewalo Basin makai landing site	3/30/2022	DOT project acceptance date	For construction of Ala Moana pedestrian walkway brdige	none
9	Kewalo Makai LLC	License 21-01	Kewalo NOAA Lot and Charterboat Building	7/1/2021	6/30/2024	Sublease office space	\$1,900/ month
10	DLNR DOFAW	5-21	Kalaeloa Heritage Park	12/15/2021	12/14/2022	Endangered seed collection	none
11	Department of Transportation	6-21	Kalaeloa Fort Barrette Road portion	12/1/2021	11/30/2023	Traffic light installation	none
12	Grace Pacific LLC	3-22	Kakaako remnant roads	5/4/2022	5/3/2023	Repaving/ road reconstruction	none