

Report of the Executive Director - Kakaako

August 3, 2022

I. Planning & Development

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

Name of Applicant:	Project:	Action:
Club Pilates (Waialae Capital Partners LLC)	KAK 22-043 Interior fit-out of GF tenant space; plumbing, elec, mech, cabinetry	5/20/2022
502 Keawe St, Unit H-127 (The UPS Store)	KAK 22-035 Interior renovations; interior partitions, cabinetry, electrical work	6/13/2022
One Archer Lane AOA	KAK 22-051 Exterior spall repairs, new paint and building sealants	6/29/2022
J5 Infrastructure Partners (AT&T)	KAK 22-054 Replace existing roof top telecom equipment	7/7/2022

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 hearing notice for the project was published on June 1, 2022. The presentation public hearing for the project was held on July 6, 2022 and the hearing for the proposed modifications was held on July 7, 2022. The decision-making public hearing is scheduled for September 7, 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) is completing exterior building finishes and is proceeding with interior and site work.

- The Koula project's (KAK 18-038) is nearing completion. Interior and site work for the residential tower is ongoing. The lower-level commercial unit storefronts and interior improvements will be installed when tenants are selected.
- 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 one (1) new request related to infrastructure improvements pursuant to the City and County of Honolulu's Ordinance 16-21. To date, HCDA has received and processed eighteen (18) Ordinance 16-21 certification requests for the calendar year.

Kolowalu Park

On July 6, 2022, HCDA's contractor installed a temporary crosswalk and refuge island on Queen Street, between the Kolowalu Makai and Kolowalu Mauka Parks. This is the first step toward a more permanent crosswalk with flashing beacons and a raised refuge island. The reestablishment of the crosswalk was a major concern for residents and elected officials, with state lawmakers appropriating \$1 million in the state budget toward the project.

II. Asset/Land/Property Management

HCDA staff has also used 250 pounds of cold patch to repair potholes on the HCDA owned portions of Queen Street near Kolowalu Park. Staff also spread 30 bags of topsoil in Kolowalu Makai Park to minimize tripping hazards caused by exposed tree roots.

HCDA American Brewery Building

Video surveillance at the American Brewery Building was upgraded. Cam Security installed eight new video cameras in and around the building as a security measure.

Kauhale Kakaako Parking Garage

Repairs to 13 sets of fire doors, in three (3) exit stairwells were completed. The fire doors in the exit stairwells in the garage were in various stages of disrepair for some time. The project was significantly delayed due to difficulties in securing a vendor that was willing and able to take on the extensive repair work required for this project, as well as shipping delays for new door hardware. Oshiro Door was procured for the project in April 2022, and repair work was finally completed at the end of June 2022. The total cost for these repairs was \$33,156.53, which were expensed from the garage revenue.

Kewalo Basin Harbor Diamond Head Parking Lot

Pursuant to Comptroller's Memorandum No. 2022-04 regarding Chapter 30 of Title 3, Administrative Rules, Governing Parking on State Lands, §3-30-8 Parking fees and rates, HCDA increased its hourly parking rates at the subject parking lot from \$1.00 per hour to \$2.00 per hour, effective July 1, 2022.

Reserved Housing

In July 2022, three subordinations of equity sharing payment agreements were executed to allow reserved housing unit owners to obtain a second mortgage, which are allowable

under certain conditions. No other requests for subordination were received and are pending further action. Due to the recent increase in interest rates, we have seen a sharp decrease in the number of requests for subordination.

In July 2022, there were two 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.

In July 2022, six Release of Unilateral Agreements were executed, generating a total of \$402,873.00 in shared equity payments to the HCDA. No other requests for Unilateral Release were received and are pending further action.

In July 2022, there were 71 inquiries relating to Reserved Housing Rules and Regulations.

Right of Entry Agreements

There were 13 active Right of Entry (ROE) and/or license agreements through July 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
13	GP Roadways	4-22	Queen St. extension	7/1/2022	8/31/2022	Installation of crosswalk at Kolowalu Park	none