



HAWAII COMMUNITY DEVELOPMENT AUTHORITY

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CRAIG K. NAKAMOTO
EXECUTIVE DIRECTOR

Ref. No.: KAK 22-076

October 20, 2022

Sent Via Electronic Mail to: kevink@stanfordcarr.com

Mr. Kevin Kasai
Kakaako Block C LLC
c/o Stanford Carr Development, LLC
1100 Alakea Street, Suite 2700
Honolulu, Hawaii 96813

Re: Block C (“Kahuina”) Development (a 201H-38 Affordable Housing Project)
Located at 461 Cooke Street on Tax Map Key: (1) 2-1-054: 001

Dear Mr. Kasai:

On September 27, 2022, the Hawaii Community Development Authority (“HCDA”) received a letter from Kakaako Block C LLC (“Developer”), dated September 23, 2022, requesting review and comment of its application requesting exemption and/or deferrals, pursuant to § 201H-38 (“201H-38”), Hawaii Revised Statutes (“HRS”), for the development of a mixed-use high-rise development (“Project”) known as Block C Development (“Kahuina”).

The Developer has been consulting with the HCDA staff prior to the September 27, 2022 submittal, for which the HCDA staff provided multiple comments. The latest copy of the Project’s proposal was submitted to the HCDA on October 5, 2022 (“Proposal”) and differs from the proposal received by the HCDA on September 27, 2022. As such, the below HCDA review and comments are based on the Proposal which is attached as Exhibit A:

I. FACTS

The Project is located within the Kamehameha Schools’ (“KS”) Kaiaulu O Kakaako Master Plan (“KKMP”) area – Land Block C. The Project site is bounded by Coral Street to the west (“Ewa”), Pohukaina Street to the north (“Mauka”), Cooke Street to the east (“Diamond Head”), and Auahi Street to the south (“Makai”). The Project is located in the Mauka Area of the Kakaako Community Development District (“KCDD”) [Tax Map Key No. (1) 2-1-054: 001].

The KS KKMP Permit No. PL MASP 13.2.8 (“Master Plan Permit”) was originally approved by the Hawaii Community Development Authority (“HCDA” or “Authority”) on September 2, 2009, and was subsequently amended by the Authority on August 8, 2012, and a second time on June 2, 2021 (“2021 KKMP Amendment”). The Master Plan Permit is vested under Chapter 15-22, Hawaii Administrative Rules (“HAR”) vested Mauka Area Rules (“Vested Rules”), that were in effect on September 2, 2009. Therefore, the Project is reviewed under the Vested Rules.

As a part of the 2021 KKMP Amendment, which is attached as Exhibit B, the Authority acknowledged and accepted the development of affordable housing projects, consistent with 201H-38, HRS, within the KKMP area. In the Authority's adopted Findings of Fact, Conclusions of Law, and Decision and Order for the 2021 KKMP Amendment ("2021 KKMP D&O"), condition #4 states:

Upon issuance of HRS 201H-38 exemption from the Hawaii Housing Finance and Development Corporation and upon issuance of the permit required to commence construction of a 201H project, the 201H project, including its associated tower(s), floor area, and unit count, shall be excluded from the KKMP. The development potential of the remaining area in the KKMP shall then be recalculated such that the 201H project will not affect the development of the remaining area within the KKMP. Community benefits provided in conjunction with any 201H project, including but not limited to the central plaza and the Cooke Street park-to-park promenade, shall not be impacted or removed from the KKMP and may be used to satisfy the public benefit obligations in the KKMP.

The above cited 2021 KKMP D&O condition allows for 201H-38 projects within the KKMP area and will allow for exemption requests from the Vested Rules but requires that certain community benefits identified within the KKMP still be provided.

II. DISCUSSION

The Project is being proposed as a 201H-38 development with over fifty percent of the units qualifying as affordable housing units. As permitted under 201H-38, the Developer is requesting the following exemptions from the Vested Rules:

- Section 15-22-9 - Methods of development
- Section 15-22-11 – Planned Development Permit
- Section 15-22-61 – Density
- Section 15-22-62 – Heights
- Section 15-22-63 (g) – Yards, General
- Section 15-22-63 (d) (9) – Yards, General
- Section 15-22-63.1 – Front Yards
- Section 15-22-65 – Recreation Space
- Section 15-22-66 – View Corridors
- Section 15-22-71 (b) - Circulation
- Section 15-22-73 – Dedication of Public Facilities
- Section 15-22-74 (b) – Prohibition of Structures within a Mapped Street
- Section 15-22-115 – Reserved Housing

- Section 15-22-116 - Maximum development height, density, and tower footprints
- Section 15-22-117 (a) – Building Setbacks along View Corridor Streets
- Section 15-22-143 (d) – Circulation
- Section 15-22-180-192 – Reserved Housing

Consistent with the approved 2021 KKMP Amendment, the Project will still provide certain community benefits that are required by KS for the KKMP. The community benefits include a 40' wide park-to-park promenade along the Cooke Street edge of the Project site. Under the KKMP, KS is also required to provide a central plaza, with a minimum of 25,000 square feet of open space, on the corner of Cooke Street and Auahi Street. Although the Developer proposes a plaza on the corner of Cooke and Auahi Streets, the proposed plaza does not meet the minimum requirements for the central plaza, and so KS will need to provide the central plaza in one of the remaining, eligible land blocks.

III. HCDA COMMENTS

The HCDA staff has reviewed the Proposal and provided comments to the Developer on October 17, 2022. Listed below are the substantial comments:

1. **Curb-cuts** – The Project should remove the Makai end curb-cut along Coral Street. As proposed, there are three curb-cuts along Coral Street. The Makai curb-cut, which is ingress only and, as explained by the Developer, is mostly to accommodate trash pick-up has minimal use. The proposed middle curb-cut along Coral Street will suffice in serving the needed trash pick-up.

In addition, revise the proposed curb-cut along Pohukaina Street to only be one lane for ingress and one lane for egress, instead of the proposed two ingress lanes and one egress lane. The removal of one of these lanes would make it more pedestrian friendly and help in advancing one of HCDA's goals of making Pohukaina Street a promenade street.

2. **Yards (Setbacks)** – The Project should increase the setback along Coral Street to at least 6 feet. The proposed 5-foot setback is too narrow to allow for passing and walking side-by-side. However, if the Developer will be providing additional sidewalk along Coral Street, within the City's Right-of-Way and seamlessly integrates with the Project's proposed 5-foot setback, it could potentially be acceptable, depending on what the total width of the sidewalk for the Project will be along Coral Street.
3. **Enhancement of Mauka Edge of Project** – Pohukaina Street is planned as a tree-lined promenade street, envisioned to accommodate pedestrian and bicycle routes through the Mauka Area. The pedestrian friendliness of Pohukaina Street is

especially important along the Project as it faces Mother Waldron Park. As proposed, with the utilitarian rooms such as the generator room, electrical room, pump room, etc. being located along Pohukaina Street, it creates a pedestrian intolerant environment. The Project should reprogram the uses along Pohukaina Street to place the utilitarian uses to the back and the active uses, such as the lobby and the live/work units, right along the edge of the sidewalk facing Pohukaina Street. The Project, along Pohukaina Street, should promote land uses that attract active uses and invite people to stroll and linger.

4. **Trees** – The Project should provide trees with wide canopies along Auahi Street, Cooke Street and Pohukaina Street to create a pedestrian friendly environment.
5. **Lobby** – The Project’s proposed lobby off of Cooke Street, for the affordable units, should be accessed directly off Cooke Street rather than through a corridor that leads to the lobby.

IV. CONCLUSION

The Developer had noted to the HCDA staff that some of the details of the Project will evolve as the design progresses. The Developer shall update the HCDA as the Project progresses and request for review and comments. If the Developer does not provide updates to the HCDA, the HCDA will not sign off on any building permits for the Project if it has substantially changed from the Proposal.

Please contact Ms. Sery Berhanu, AICP, of our Planning and Development Section, at (808) 594-0330 or by email at sergut.berhanu@hawaii.gov should you have any questions regarding this matter.

Sincerely,

Craig K. Nakamoto
Executive Director

CN/SB:rlr

Attachments (2): Exhibit A - Applicant submittal (“Proposal”)
Exhibit B – 2021 Master Plan Permit Amendment

c: Denise Iseri-Matsubara, Executive Director, Hawaii Housing Finance and Development
Cooperation

Albert Palmer, Housing Development Specialist, Hawaii Housing Finance and Development
Cooperation (*via electronic mail only*)