

FOR INFORMATION and DISCUSSION

I. SUBJECT

Status Update: Amendment of Title 15, Chapter 217, Hawaii Administrative Rules ("HAR"), Relating to the Kakaako Community Development District ("KCDD") Mauka Area Rules.

II. FACTS

In June 2015, the Hawaii Community Development Authority ("Authority" or "HCDA") approved the 'TOD Overlay Plan Final Environmental Impact Statement ("FEIS"). The FEIS was prepared to analyze the impacts of transit-oriented development in the Mauka Area of the Kakaako Community Development District ("KCDD"). For the purposes of the FEIS, different development alternatives were assessed on the environmental, social, and economic impacts on the Mauka Area of the KCDD. This included alternative height limits, densities, inclusion of parking floor area, and an incentive-based development program. The Proposed Action was a regulatory "overlay" plan offering a vision of how the district could respond to the opportunities presented by the introduction of an elevated, light rail system in the Mauka Area.

In September 2015, the Governor accepted the FEIS and directed the HCDA or its agent to implement specified or comparable mitigation measures at the discretion of relevant agencies. Examples of these mitigation measures include:

- Population: Use of Transit-Oriented Development ("TOD") objectives to coordinate land use, transportation, and urban design in the KCDD.
- Construction: Implement Best Management Practices to mitigate the short-term impacts of construction activities.
- Infrastructure: Implement specific water main distribution, wastewater collection line, and storm water drainage projects.
- Traffic: Implement specific traffic signal and intersection improvements, bicycle and pedestrian facilities, and redevelopment setbacks.
- Social: Revise the Reserve Housing Program to increase the amount of affordable housing in the KCDD and also develop a parks master plan.
- Cultural: Maintain accessibility to historic structures and encourage landowners/lessors to offer adjusted rent spaces to help preserve contemporary cultural facilities, uses, and activities in the KCDD.
- Visual Resources: Enact development rules to encourage skyline diversity, adjust building setbacks, create a green-roof policy, and include provisions for public access in iconic towers.

In first quarter of 2021, the Authority authorized expenditure of funds to prepare a Final TOD Regulating Plan and Rules. In July 2005, Hi.Arch.Y LLC. was retained as the

project consultant. Hi.Arch.Y LLC. completed the review of the existing Mauka Area Plan and Rules with the FEIS and previous ²Final Draft TOD Overlay Plan completed in 2016. Along with HCDA staff (“Staff”), Hi.Arch.Y LLC. developed a framework to transition the proposed TOD Overlay Plan and Rules to proposed amendments to § 15-217, HAR, the Mauka Area Rules. The framework consisted of integration of development alternatives approved in the FEIS, assessment of potential development incentives through community outreach and successful existing incentive programs, and 3D modeling of potential development scenarios on selected Mauka Area parcels.

Extensive community outreach was conducted by HCDA Staff and its consultant, Hi.Arch.Y LLC. Virtual community and stakeholder meetings were held from November 2021 through November 2022. HCDA Staff held an outreach and community survey event at the Kakaako Farmer’s Market. Informational presentations were given to business associations, nonprofits, and numerous community groups. Comments and consultation were sought from national, State of Hawaii and City and County of Honolulu agencies. The outreach has culminated in modifications to several of the proposed amendments.

Public and Community Input. Community meetings, meetings with stakeholders, and meetings with government agencies were held throughout the development of the proposed Mauka Area Rules amendments. In addition, the HCDA web-portal was used to solicit public comments and participation in the virtual community meeting and online survey. The following meetings were held to solicit input regarding the proposed amendments to the Mauka Area Rules:

- Proposed Amendments to the Mauka Area Rules:
 - (Virtual) Mauka Area Rules, Advisory Group Meeting #1 – November 2021
 - (Online) Mauka Area Rules, Community Outreach Survey – November 2021 through May 2022
 - Permitted Interaction Group Meeting #1 – November 2021
 - (Virtual) Community Outreach Meeting #1 – December 2021
 - Mauka Area Stakeholders & Landowners Meetings – December 2021 through January 2022
 - (Virtual) Kakaako Improvement Association Informational Meeting with Q&A - January 2021
 - (Virtual) City and County of Honolulu, Department of Planning & Permitting - Land Division Staff Meeting – February 2022
 - Permitted Interaction Group Meeting #2 – February 2022
 - (Virtual) Mauka Area Rules, Advisory Group Meeting #2 – February 2022
 - Solicitation of Comments: various Kakaako Stakeholders and Nonprofit Groups - January through February 2022
 - (Virtual) Mauka Area Rules, Advisory Group Meeting with Various Members - February through March 2022
 - (Virtual) U.S. Green Building Council Meeting – March 2022

- National Disaster Preparedness Training Center Meeting – April 2022
- Hawaii State Foundation on Culture and the Arts Meeting – May 2022
- (Virtual) City and County of Honolulu, Resiliency Office Staff Meeting - May 2022
- Community Outreach at Kakaako Farmer’s Market – May 2022
- Surfrider Foundation Meeting and visit to Kakaako Ocean-Friendly Garden – June 2022
- University of Hawaii, College of Tropical Agriculture, Meeting with Dean – June 2022
- Auckland Council, Meeting with Māori Design Lead – June 2022
- Native Hawaiian Development Hui Meeting #1 – July 2022
- Native Hawaiian Development Hui Meeting #2 – August 2022
- Native Hawaiian Development Hui Meeting #3 – September 2022
- Mauka Area Rules, Advisory Group Meeting #3 – October 2022
- Native Hawaiian Development Hui Meeting #4 – October 2022
- Hawaii Emergency Management Agency Meeting – October 2022
- Native Hawaiian Development Hui Follow Up Meeting #4 – November 2022
- Pacific Building Expo 2022, Public Presentation – November 2022
- Ala Moana / Kakaako Neighborhood Board Informational Presentation - November 2022

Compliance with § 343, Hawaii Revised Statutes ("HRS"). Pursuant to § 343, HRS, an Environmental Impact Statement (“EIS”) was prepared to analyze the impacts of transit-oriented development in the Mauka Area of the KCDD, including the effects of the Honolulu Rail Transit Project. Elements studied under the EIS included increased Floor Area Ratio (FAR) inclusive of parking area, increased building heights, and additional development opportunities such as development incentives. The EIS was approved on June 10, 2015. Proposed rule amendments to Floor Area Ratios and building heights in certain Neighborhood Zones do not exceed those assessed in the 2015 EIS.

Proposed Amendments Incorporated in the Mauka Area Rules. Comments were received through the EIS and Community Outreach process. These comments were incorporated into the proposed amendments to the Mauka Area Rules. The following proposed amendments are the result of these cumulative efforts:

- Amend definitions to add new use classifications such as “Alternative Fueling Station”, “Business Hotel”, and “Hotel”. The use classification of hotel is intended for defining the limits of the use. Only “Business Hotel” is proposed to be allowable in certain Neighborhood Zones.
- Modify the definitions of “Development” and “Improvement” to define the activity based on magnitude of work or building area, rather than lot size.

- Include further clarification in the definitions of “Dwelling Unit”, “Dwelling”, “Façade”, “Open Space”, “Public Facilities”, and “Roof”.
- Amend the definition of “Floor Area” to reflect previous Executive Director interpretations, include parking areas and structures as floor area, and exclude non-petroleum-based vehicle facilities from floor area calculations.
- Floor Area Ratio may be modified by the addition of incentive zoning in certain identified parcels in the Mauka Area.
- Addition of two new permit types: “Renovation Permit” and “Temporary Use Permit”. This includes the definition of a “Renovation Project” and “Temporary Use”.
- Subchapter 2 is amended to add § 217-28, *Incentive zones*.
- Section 217-55, *Architectural design*, is amended to reflect community feedback and Executive Director interpretation of the rules regarding utilities and service elements, windows and glazing, and view preservation.
- The off-street parking deregulation is reflected in the removal of nearly all off-street vehicle parking requirements, except those required in the Sheridan Neighborhood Zone for detached dwellings and duplexes. Group homes, nursing homes, and hotel/lodging uses will retain some off-street parking requirements.
- All off-street parking stalls shall be standard size. Compact parking stalls will no longer be permitted.
- Loading requirements are amended but not deregulated.
- Section 217-95, *Fee schedule*, is amended to reflect the costs of conducting permit reviews and the increases in expenses over the last eleven years since the adoption of Chapter 217 in 2011.
- Amend Figure 1.8, *Maximum Height Plan*, to reflect revisions to maximum heights in the Central Kakaako Neighborhood Zone, Sheridan Neighborhood Zone, and parcels located between Punchbowl Street and South Street along Ala Moana Boulevard.
- Amend Figure 1.9, *Land Use*, in Sheridan to include alcohol sales, restaurants and bars to be permitted by right. Include lodging, Business Hotel use, by right, in selected neighborhood zones. (See attachment)
- Addition of Figure IZ.1, Incentive Zoning Map. (See attachment)
- Addition of Figure IZ.2, Incentive Table. (See attachment)
- Addition of Figure IZ.2.1, Approved Public Facilities. (See attachment)

III. DISCUSSION

HCDA Staff recommends the Authority review and approve the pending amendments to Title 15, Chapter 217, HAR, relating to the KCDD Mauka Area Plan and Rules. HCDA Staff will be submitting a final draft of the amended rules to the Authority, pending final HCDA Staff revisions.

Citations: ¹ Hawaii Community Development Authority. (2015). *TOD Overlay Plan Final Environmental Impact Statement*.

<https://dbedt.hawaii.gov/hcda/files/2019/05/TOD-Final- EIS-Volume-1-2.small-file.pdf>

² Hawaii Community Development Authority. (2016). *Final Draft TOD Overlay Plan*.

<https://dbedt.hawaii.gov/hcda/files/2016/05/Final-TOD-Overlay-Plan-Draft-31816.pdf>

Attachments:

Figure 1.8, Maximum Height Plan

Figure 1.9, Land Use

Figure IZ.1, Incentive Zoning Map

Figure IZ.2, Incentive Table

Figure IZ.2.1, Approved Public Facilities

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Reviewed By: Craig K. Nakamoto, Executive Director



FIGURE 1.8 MAXIMUM HEIGHT PLAN

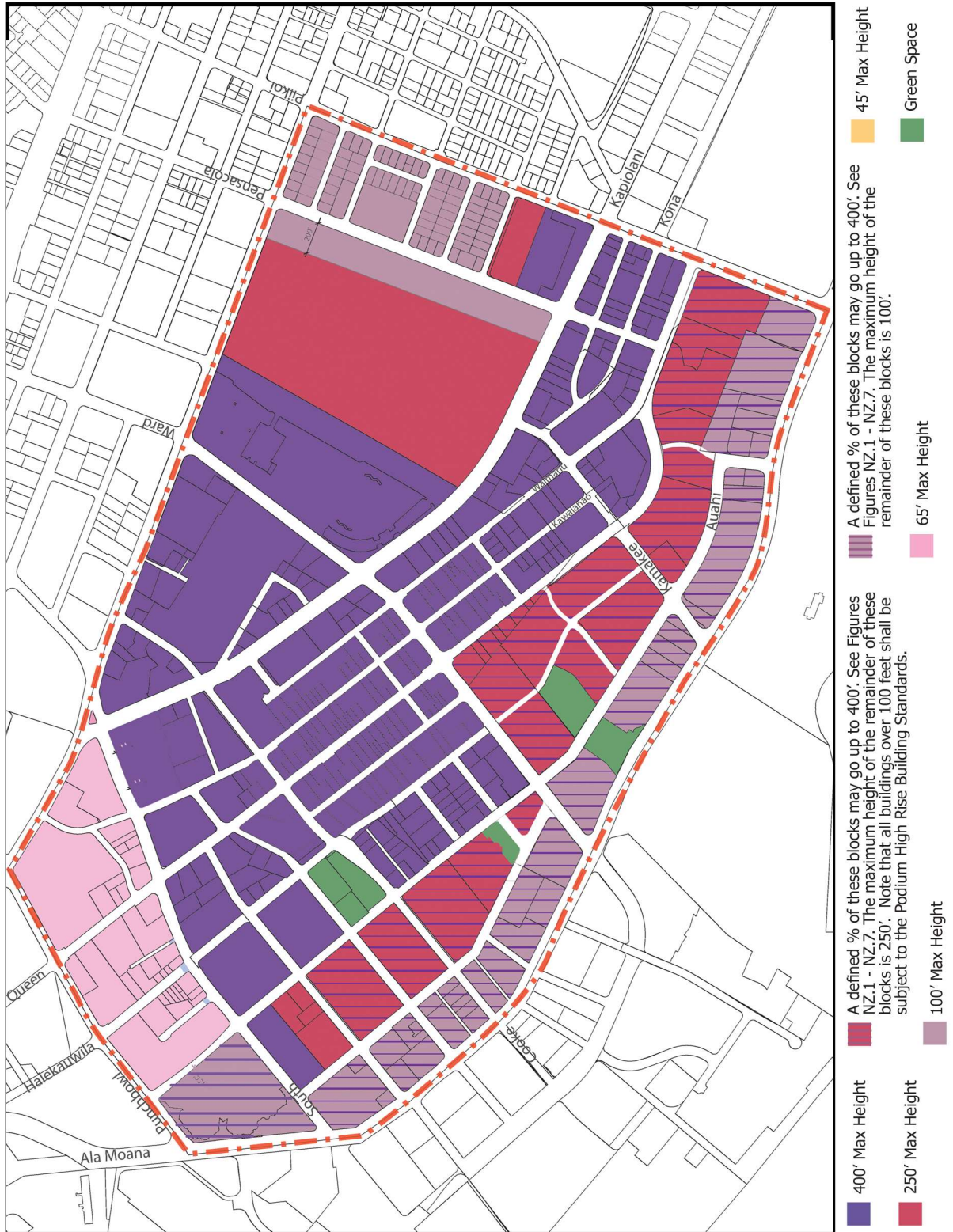


FIGURE 1.9 LAND USE

a. RESIDENTIAL	CC	TS	SH	KA	CK	PA	AU
Single Family	-	-	P	-	-	-	-
Multi-family	P	P	P	P	P	P	P
Second Unit	-	P	P	P	P	P	-
Group Home	-	P	P	P	P	P	P
Home Occupation	P	P	P	P	P	P	P

b. OFFICE	CC	TS	SH	KA	CK	PA	AU
Administrative	P	P	P	P	P	P	P

c. GOODS & SERVICES	CC	TS	SH	KA	CK	PA	AU
Alcohol Sales	P	P	P	P	P	P	P
Artisan/Craft Production	P	P	P	P	P	P	P
Dance-Nightclub	CU	P	-	P	P	P	P
Indoor Recreation	P	P	-	P	P	P	P
Live-Work	P	P	P	P	P	P	P
Outdoor Recreation	P	P	-	-	P	P	P
Personal Services	P	P	P	P	P	P	P
Recycling Collection Facility	P	P	P	P	P	P	P
Restaurants and Bars	P	P	P	P	P	P	P
Retail Sales	P	P	P	P	P	P	P

d. CIVIC	CC	TS	SH	KA	CK	PA	AU
Group Assembly	P	P	P	P	P	P	P
Conference Center	P	P	-	CU	-	P	P
Cultural Facilities	P	P	P	P	P	P	P
Park & Recreation	P	P	-	-	P	P	P
Public Building	P	P	-	P	P	P	P
Religious Facility	P	P	P	P	P	P	P
Theater	P	P	-	P	P	P	P

e. AUTOMOTIVE	CC	TS	SH	KA	CK	PA	AU
Automobile Repair	-	-	-	CU	P	P	-
Gas Station	-	CU	-	CU	P	CU	CU
Auto Rental/Sales*	-	-	-	P	P	P	CU
Parking Facility	P	P	CU	P	P	P	P

* Automobile repair use in conjunction with an automobile dealership is considered an allowable secondary use.

f. CIVIL SUPPORT	CC	TS	SH	KA	CK	PA	AU
Consulates	P	P	-	P	P	P	P
Hospital	P	P	-	P	-	P	P
Medical & Dental Clinic	P	P	P	P	P	P	P

g. EDUCATIONAL	CC	TS	SH	KA	CK	PA	AU
Day Care Center	P	P	P	P	P	P	P
Day Care Home	-	P	P	-	P	-	-
Educational Facilities	P	P	P	P	P	P	P
Vocational School	P	P	-	P	P	P	P

h. INDUSTRIAL	CC	TS	SH	KA	CK	PA	AU
Laboratory Facility	P	P	-	P	P	P	P
Light Industrial	P	P	-	P	P	P	P
Media Production	P	P	-	P	P	P	P
Printing & Publishing	P	P	-	P	P	P	P
Warehousing	P	P	-	P	P	P	P

i. LODGING	CC	TS	SH	KA	CK	PA	AU
Business Hotel	-	P	-	P	-	P	P

(-) = Not Permitted

(P) = Permitted By Right

(CU) = Requires Conditional Use Permit

FIGURE IZ.1 INCENTIVE ZONING MAP

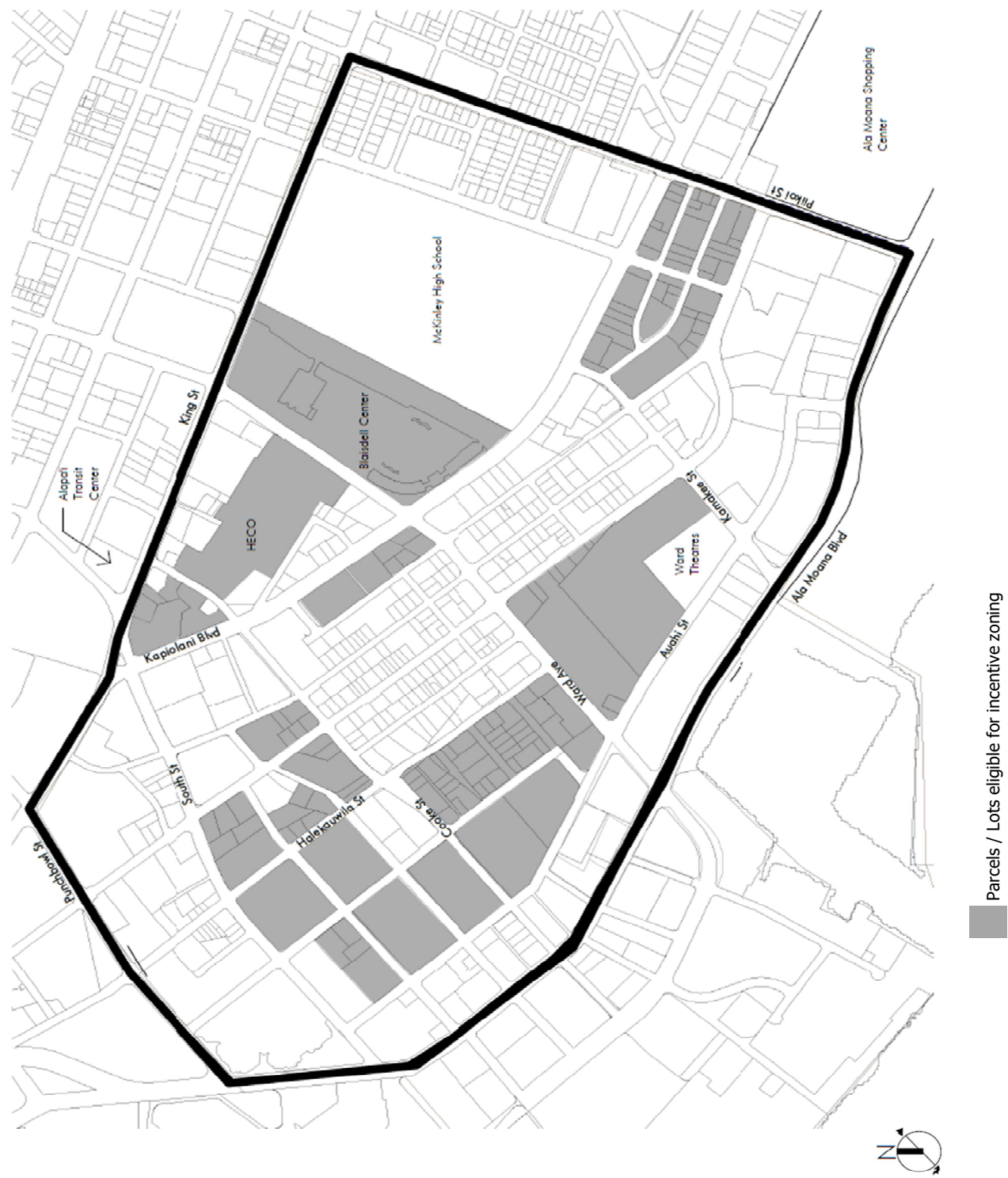


FIGURE IZ.2 INCENTIVE TABLE

CODE	INCENTIVE	DEVELOPMENT BONUS	DESCRIPTION
LIVE/WORK			
LW1	35% Reserved Housing	3.00	Provide at least 35% of the total number of the residential units in the Project as reserved housing units to gain an additional 3.00 FAR.
LW2	40% Reserved Housing	3.50	Provide at least 40% of the total number of the residential units in the Project as reserved housing units to gain an additional 3.50 FAR.
LW3	45% Reserved Housing	4.00	Provide at least 45% of the total number of the residential units in the Project as reserved housing units to gain an additional 4.00 FAR.
LW4	45% Micro Units	4.00	Provide at least 45% of the total number of the residential units on a lot no greater than 15,000 square feet as micro units to gain an additional 4.00 FAR. Micro units to be no less than 300 square feet and no greater than 500 square feet in interior space, and provide facilities as defined as a dwelling unit. RH units must be built within the district.
LW5	Light Industrial Use	0.3 FAR <u>or</u> 10 FT podium HT increase	Maintain the floor area of existing light industrial use space on-site, to gain an additional 10ft in Podium Height or an additional 0.30 FAR. The existing light industrial floor area on site will be exempt from new development floor area calculations.
LW6	Green Industry Use	0.5 FAR <u>or</u> 10 FT podium HT increase	Develop new light industrial use space for environmentally focused industries, approved by the executive director, to gain an additional 10ft in Podium Height or an additional 0.50 FAR. The floor area on-site, dedicated to this use, will be exempt from new development floor area calculations.
PUBLIC AMENITIES (PLAY)			
PA 1	Public Art	0.25	Provide a privately funded, publicly accessible, art installation, gallery space, vertical exterior building facade space of not less than 20 ft x 100 ft to gain an additional 0.25 FAR. Art installation to be equivalent to 1% of the Project's construction costs not less than \$10,000 in value. Gallery space and exterior building facade space must be permanently dedicated to the purpose of displaying art installations. Exterior building facade space must not be used for commercial or advertising purposes. Art to be designed, built, and installed by a "Hawaii Artist", as defined by the Hawaii State Foundation on Culture and the Arts.
PA 2	Public Facility	See Fig. IZ.2.1	Construct and dedicate a public facility from HCDA' s approved list of public facilities within the Project site to gain an additional FAR. (Please see Figure IZ.2.1 for list of approved public facilities)
PA 3	Public Open Space	0.50	Dedicate at least 50% of the required open space area, on-site, to public use in order to gain an additional 0.50 FAR. Required to be perpetually publicly accessible and usable. Type of public space and location within neighborhood zones, shall comply with Figure 1.11 Civic Plan.
ENVIRONMENTAL IMPROVEMENT			
ENV 1.1	LEED/WELL Silver	0.50	Achieve a LEED/WELL Silver Certification to gain an additional 0.50 FAR.
ENV 1.2	LEED/WELL Gold	0.75	Achieve a LEED/WELL Gold Certification to gain an additional 0.75 FAR.
ENV 1.3	LEED/WELL Platinum	1.00	Achieve a LEED/WELL Platinum Certification to gain an additional 1.00 FAR.
ENV 2	Shelter Hardening	2.00	Provide a hardened shelter, on-site, per Enhanced Hurricane Protection Area (EHPA) standards set by the State of Hawaii Structural Guidelines for Hurricane Evacuation Shelters, to gain an additional 2.00 FAR. Shelter shall provide at least 30 SF of space per household and/or 10 SF per occupant of commercial space in the Project. Provide at least 100 SF for 10% of total households in the Project for disability access. Dedicated hardened shelter space can have dual use, but must be solely a shelter use during major storm or natural disaster events. An emergency operational plan for the shelter shall be approved by the Hawaii Emergency Management Agency (HI-EMA), and in place, prior to approval of the Project Temporary Certificate of Occupancy (TCO).
ENV 3	Rainwater Management	0.50	Provide additional on-site rainwater retention to gain an additional 0.50 FAR. The system must capture, store, and reuse at least an additional 1.5 inches of rainwater beyond what is required under the City and County of Honolulu's Rules on Water Quality.
ENV 4	Renewable Energy	0.50	Provide on-site renewable power generation or solar water heating system to gain an additional 0.50 FAR. The system must provide at least 20% of the projected energy usage for the Project, or 100% of the Project's hot water capacity.
ENV 5	Emergency Power	2.00	Provide on-site emergency power storage or generation for a multi-family residential project, food storage or distribution facility, emergency services, or other uses deemed essential for the response to natural disasters. The power storage or generation capacity must be at least fourteen (14) days to mitigate pressure on municipal infrastructure or aid in the response to a natural disaster.

FIGURE IZ.2 INCENTIVE TABLE [CONTINUED]

URBAN FORM			
UF 1	Public Parking	0.50 FAR <u>or</u> 10 FT podium HT increase	Provide at least 50 publicly accessible parking stalls on a lot 20,000 SF or less, or at least 100 publicly accessible parking stalls on a lot 20,001 SF or greater to gain an additional 10ft Podium Height or an additional 0.50 FAR.
UF 2	Pedestrian Cover	0.50 FAR <u>or</u> 10 FT podium HT increase	Provide at least 90% of ground level building frontage with a pedestrian canopy or awning minimum to gain an additional 10 ft Podium Height or an additional 0.50 FAR. Must be a minimum of 6 ft in horizontal depth from exterior face of the building facade. Shall be compliant with §15-217-39
UF 3	Robotic Parking	0.50 FAR <u>or</u> 10 FT podium HT increase	Dedicate at least 50% of parking floor area for robotic parking to minimize the area dedicated to parking structures to gain an additional 10 feet in podium height or an additional 0.50 FAR.

General Requirements for all Development Bonuses:

- 1 All public facilities, or open space incentives shall be perpetually dedicated to public access and defined use for the life of the development, or until redevelopment of the land or project.
- 2 Dedication of the public facility, or open space must be registered with the Land Court.
- 3 All development incentives shall be maintained in good repair and use for the life of the development, or until redevelopment of the land or project.
- 4 If the development, building management, property management, or landowner fails to keep the incentive in good repair and use the project may face violations and penalties pursuant to §206E-22, HRS.
- 5 The executive director may have final decision on granting approval of a development incentive.
- 6 The executive director may approve modifications to the development bonuses for projects unable to fulfill the minimum requirements of the incentives.
- 7 A single project or parcel may accumulate multiple development bonuses. If in the process of achieving a certain incentive, a project satisfies the requirements for multiple development bonuses, that project may accumulate and utilize all of the development bonuses it satisfies the requirements for, not to exceed the maximum approved FAR.

FIGURE IZ.2.1 APPROVED PUBLIC FACILITIES

CODE	PUBLIC FACILITIES	DEVELOPMENT BONUS	DESCRIPTION
PA 2.1	Public Community Garden	1.00	Provide at least 10,000 SF of publicly dedicated space for the establishment and use of a publicly accessible community garden. Provide infrastructure and facilities for irrigation and waste disposal. The garden space shall be designed to mitigate any water or soil run-off into municipal drainage systems. Operation and access to the garden should meet City & County of Honolulu Community Recreation Garden Program standards. The garden may be located on parking structure roofs, podiums, or building roofs as long as perpetual public access is granted to the space. The developer/landowner may establish a garden board to oversee operations of the garden.
PA 2.2	Public Dog Park	0.50	Provide at least 8,000 SF of publicly dedicated space for the establishment and use of a publicly accessible off-leash dog park. The park dimension should be a minimum of 40 feet in width. Provide fencing, infrastructure, and facilities for water fountain, dog water fountain, and waste disposal. Must comply with all City & County of Honolulu Department of Parks & Recreation rules and ordinances for off-leash parks. May be located on parking structures, podiums, or roofs as long as perpetual public access is granted to the space.
PA 2.3	Public Pavilion	0.50	Design and construct a publicly dedicated and accessible pavilion to be used as a venue for entertainment, cultural events, community activities and functions, or educational functions. The structure shall be meet all applicable health and life safety requirements. It shall be at least 2,000 SF in size surrounded by a landscaped lawn or seating area. The structure may be open on all sides, but shall protect the uses of the pavilion from all natural elements. Electrical power and lighting shall be provided.
PA 2.4	Public Play Courts	1.00	Provide at least one (1) regulation sized pickle ball, tennis, basketball, or other approved hard courts. An additional 1.0 FAR bonus shall be provided with everyone (1) additional play court provided, with a maximum of 4.0 FAR total. Provide all associated regulation specified equipment including nets, backboards, and striping. All courts should meet the appropriate requirement by the associated regulating sport bodies. Including size, court finishing, and levelness. Courts should be publicly accessible and perpetually publicly dedicated to the use of the courts.
PA 2.5	Educational Facilities	0.25	Establish an educational facility that provides education and resources for schooling, tutoring, training, and/or mentoring of children from pre-kindergarten to high school.
PA 2.6	Public Water Features	1.00	Install an interactive water feature, or splash pad of at least 1,000 SF in size on a project lot of 20,000 SF or less. For a project lot of 20,001 SF or greater, the feature shall be at least 3,000 SF in size. All duty of care must be given to public safety. All water use shall be cleaned and recycled to meet the requirements of the Board of Health and Board of Water Supply.
PA 2.7	Farmer's Market	1.00	Provide at least 50,000 SF of useable area to establish a commercial space for the operation of a weekly Farmer's Market. The use of the space is intended for the sale of locally grown, produced, and manufactured agricultural products sold directly to consumers. The space dedicate to this use, may be utilized for uses when the Farmer's Market is not in operation.
PA 2.8	Public Recreation Equipment & Space	1.00	Provide at least 2,000 SF of publicly dedicated space for the establishment and use of a publicly accessible recreation area with the following recreational equipment or surfacing; kids play equipment, exercise equipment, skateboard ramp or obstacles, kids bike track, adolescent BMX track, or other equipment approved by the executive director. The project lot size shall be 20,000 SF or greater. All duty of care must be given to public safety.
PA 2.9	Community Room / Space	0.1 + an additional 0.1 for every additional 500 SF. Maximum of 0.4	Provide at least a 1,500 SF of publicly dedicated space for the establishment and use of a publicly accessible community room. Provide washing facilities, and toilet facilities. Must be maintained by the property owner. The public may use and rent the room for use. The property owner may charge a cleaning and utility fee for the use of the room. No other charges may be established for the use. The room must be located on site with accessibility to the public.

General Requirements for all Public Facilities:

- 1 All Public Facilities shall be maintained in good repair and use, by the development receiving the development bonus, for the life of the development, or until redevelopment of the land or project.
- 2 If the development, building management, property management, or landowner fails to keep the Public Facility in good repair and use the project may face violations and penalties pursuant to §206E-22, HRS.
- 3 Outdoor Public Facilities (dog park, play courts, play equipment, etc.) may be secured from public access between the hours of 10:00pm - 5:00am, or as determined by the executive director.
- 4 Indoor Public Facilities (community rooms, education facilities, enclosed pavilions, etc.) may be secured from public access based on regularly scheduled business hours, or as determined by the executive director.