

**DEVELOPMENT PERMIT REQUEST
Presentation Hearing Staff Report**

**KAK 23-038: Ward Village Land Block 4, Project 2 (Block E)
(Master Plan Permit No.: PL MASP 13.1.3)**

July 20, 2023

I. REQUEST

Victoria Ward, Limited (“Applicant”) is requesting a Planned Development Permit (“Permit”) to construct a new mixed-use, high-rise development, Block E (“Project”). The Project site is bounded by Ala Moana Boulevard to the south (“Makai”), the proposed Block D site to the west (“Ewa”), Auahi Street to the north (“Mauka”), and the IBM Building property to the east (“Diamond Head”). The Project is located at 1200 Ala Moana Boulevard, in the Mauka Area of the Kaka’ako Community Development District (“KCDD”) [Tax Map Key Nos. (1) 2-3-005: 006 (portion)]. The Applicant’s Development Permit Application (“Permit Application”) was provided to the Hawai’i Community Development Authority (“HCDA” or “Authority”) on June 9, 2023, via electronic link.

II. COMPLETENESS REVIEW, AUTOMATIC APPROVAL AND FILING FEES

In a letter dated June 13, 2023, the Applicant was informed that the submitted Permit Application for the Project was complete and was notified of the automatic approval date. The letter is attached as Exhibit A. Pursuant to § 15-22-23, *Automatic Approvals*, Hawai’i Administrative Rules (“HAR”), the Permit Application will be deemed automatically approved if no decision is made by the HCDA, granting or denying approval, within 160 days from the date of the submission of a complete application. Therefore, the automatic approval date is November 20, 2023.

Application fees were paid, in accordance with §§ 15-22-111(b) and 15-22-16, HAR, and the Applicant has committed to pay its required portion of the public hearing fees when invoiced.

III. PUBLIC HEARING NOTICE AND COMMUNITY OUTREACH

A Notice of Public Hearings for the Project, in accordance with § 206E-5.6, Hawaii Revised Statutes (“HRS”), was published in the Honolulu Star-Advertiser, The Garden Island, West Hawaii Today, Hawaii Tribune-Herald and Maui News on June 14, 2023. In accordance with the provisions of § 206E-5.6, HRS, the President of the Senate and the Speaker of the House of Representatives were notified upon posting of the Notice of Public Hearings. Associations of apartment owners of residential buildings adjacent to the Project, surrounding landowners and businesses, the Ala Moana/Kakaako Neighborhood Board, and the Kakaako Improvement Association were notified of the public hearings. Various elected officials, State and County agencies, and utility companies that service the area were also notified of the public hearings.

The Notice of Public Hearings was provided to individuals and organizations that have shown interest in the development in Kakaako in the past and have requested that they be

kept informed of development activities in the district. A copy of the Notice of Public Hearings is attached as Exhibit B. In accordance with the provisions of § 206E-5.5, HRS, the Applicant confirmed that it has also notified both owners and lessees of record of real property within a three hundred-foot (300) radius of the Project.

A copy of the Project Application was also posted on the HCDA's website, on June 14, 2023, and the public was encouraged to provide comments regarding the Project.

The deadline for filing for intervention was July 5, 2023. The HCDA received no requests for intervention.

IV. WARD NEIGHBORHOOD MASTER PLAN

The Project is located on Land Block 4 of the Ward Neighborhood Master Plan ("Ward MP), permit number PL MASP 13.1.3. On January 14, 2009, the Ward MP was approved by the HCDA, pursuant to Title 15, Chapter 22, Subchapter 8, HAR, entitled "Master Plan Rules". The Ward MP is vested under Chapter 15-22, HAR, *Mauka Area Rules* ("Vested Rules") that were in effect on January 14, 2009. Therefore, the Project is being reviewed under the Vested Rules.

A Nunc Pro Tunc Order, dated May 6, 2009, was approved to resolve a clerical error in the Ward MP Decision and Order. The Nunc Pro Tunc Ward MP Decision and Order ("D&O") is attached as Exhibit C. Subsequently, and as provided in the D&O, a Master Plan Development Agreement ("MP Development Agreement") for the Ward MP was entered into on December 30, 2010. The MP Development Agreement is attached as Exhibit D.

On October 10, 2012, the Authority granted declaratory relief through a Declaratory Order relating to Condition No. 4 of the D&O ("Declaratory Order"). The Declaratory Order is attached as Exhibit E.

Approval of the Ward MP is valid until January 14, 2024, which is fifteen (15) years from the original Ward MP Decision and Order issued on January 14, 2009.

As provided in both the Ward MP and the MP Development Agreement, the Ward MP may be implemented in phases through planned developments. The first phase of the Ward MP was comprised of three (3) Planned Development projects (Waiea, Anaha, and Ke Kilohana) that were approved by the HCDA in 2013. All three of those projects have been completed. The second phase of the Ward MP is comprised of four (4) Planned Development projects (A'eo, 'A'ali'i, Kō'ula, and Victoria Place – the latter of which replaced the Gateway development), which the HCDA approved in 2015, 2017, 2018 and 2019 respectively. The third phase of the Ward MP is comprised of three (3) Planned Development projects (Park Ward Village, Ulana Ward Village, and Kalae). This Project is part of the fourth phase of the Ward MP.

Condition No. 5 of the D&O required that, prior to submission of the first individual development permit application for the development projects under the Master Plan, the

Applicant shall prepare and submit to the Authority a historic building inventory, a cultural impact assessment, and an archaeological inventory survey plan – all accepted by the State of Hawaii, Department of Land and Natural Resources’ (“DLNR”) State Historic Preservation Division (“SHPD”) or its successor agency. The Applicant has submitted the following documents in satisfaction of Condition No. 5 of the D&O:

- Historic Building Inventory,
- Cultural Impact Assessment, and
- Archaeological Inventory Survey.

HCDA’s letter to the Applicant, acknowledging receipt of these documents, is attached as Exhibit F.

Condition No. 10 of the D&O requires that, prior to the submission of the first development permit application for an individual project pursuant to the Master Plan, the Applicant shall conduct a regional traffic study. In addition, at the individual development permit stage, the Applicant shall conduct traffic impact assessments for each development phase.

The Applicant has prepared a regional traffic study for the Ward MP area, in consultation with the City and County of Honolulu (“City”), Department of Transportation Services (“DTS”), Department of Planning and Permitting (“DPP”) – Traffic Review Branch, and the HCDA. The HCDA’s letter to the Applicant, acknowledging receipt of these documents, is attached as Exhibit G. The Applicant also prepared traffic impact assessment reports, specific to all the individual Ward MP projects proposed to-date, including a report for this Project. The traffic impact report for this Project is included in the Permit Application Appendices.

Condition No. 12 of the D&O requires that, prior to the submission of the first development permit application for an individual project pursuant to the Ward MP, the Applicant shall provide sustainability guidelines to the HCDA. At the time the Applicant applies for any individual development permit, it shall indicate how the sustainability guidelines shall be implemented for the respective project in the development permit area. The Applicant has prepared and submitted sustainability guidelines for developments covered under the Ward MP. The HCDA’s letter to the Applicant, acknowledging receipt of the sustainability guidelines, is provided hereto as Exhibit H.

The Applicant has fulfilled the conditions stipulated under the D&O necessary to apply for a development permit under the Ward MP.

V. GOVERNMENT AGENCY AND UTILITY COMPANY CONSULTATION

The Applicant consulted with the following government agencies and utility companies for review and comment on the Project:

State of Hawaii

- DLNR-SHPD. The Applicant has provided a letter from SHPD, dated November 10, 2022, confirming that the Applicant has complied with

the requirements of § 6E-42, HRS, for the Project site. A copy of the written confirmation from SHPD is attached hereto as Exhibit I.

City and County of Honolulu

- DPP – Wastewater Branch
- DPP – Civil Engineering Branch
- DPP – Traffic Review Branch
- Honolulu Board of Water Supply
- Honolulu Fire Department

Utility Companies

- Hawaiian Electric Company, Inc.
- Hawaii Gas
- Hawaiian Telcom, Inc.
- Spectrum

The Applicant has included the comments received from these agencies and utility companies as part of the Permit Application. Subsequently, after receiving the Permit Application and deeming the application complete, the HCDA also provided a link to the complete Permit Application to the following government agencies and utility companies for review and comment:

Federal

- United States Postal Services

State of Hawaii

- Department of Education
- Statewide Transportation Planning Office
- Department of Transportation, Highways Division
- Department of Transportation, Airports Division
- Department of Health
- Department of Land and Natural Resources

City and County of Honolulu

- Department of Transportation Services
- Department of Planning and Permitting
- Honolulu Board of Water Supply
- Department of Environmental Services
- Honolulu Authority for Rapid Transportation

- Honolulu Police Department
- Honolulu Office of Climate Change, Sustainability, and Resiliency
- Honolulu Fire Department

Utility Companies

- Hawaiian Electric Company, Inc.
- Hawaii Gas
- Hawaiian Telcom, Inc.
- Spectrum

Comments received on or before July 7, 2023, as part of the Permit Application Review, are attached as Exhibit J and were forwarded to the Applicant, to be addressed in the Project. Any agency or utility company comment received after July 7, 2023, will be provided to the Authority separate from this report.

VI. PROJECT DESCRIPTION

The Applicant proposes a mixed-use, commercial-residential high-rise building with a tower and base platform structure sited on an 80,051 square-foot parcel. The entire Project will have 148 residential units (approximately 482,339 square feet), approximately 7,461 square feet of commercial space, and an onsite parking structure which is expected to include 400 parking stalls and two (2) loading stalls. The Applicant has noted that twenty-two (22) off-street parking stalls for the commercial use will be provided in the district parking garage located at 1152 Auahi Street (the Ward Village Shops/South Shore Market). The Project and the Ward Village Shops shall enter into an off-site parking agreement for the twenty (20) commercial stalls, or the Applicant shall prepare a master off-site parking agreement accounting for all the parking stalls for the development within the Ward MP.

Land Use and Zoning

Subchapter 2 of the Vested Rules establishes land use zones. The Project site is identified as a mixed-use zone commercial emphasis (“MUZ-C”) in the “Land Use Plan” within the Vested Rules. Pursuant to § 15-22-113 of the Vested Rules, for any planned development lots of 20,000 square feet or more in size within MUZ-C, no more than sixty percent (60%) of floor area shall be placed in commercial use, and the remaining floor area shall be placed in multi-family dwellings. The proposed commercial floor area (7,461 square feet) is approximately 1.52% of the total proposed floor area (489,800 square feet). The Vested Rules limits the commercial use to sixty percent (60%) of the total floor area but does not require a minimum floor area for commercial use.

Section 15-22-203(b)(1) of the Vested Rules allows for the transfer of floor area and land uses from one development lot to one or more development lots within the master planned areas, subject to certain conditions. Additionally, the D&O and the subsequent Declaratory Order established a single mixed-use zone (“MUZ”) land use designation, in place of the MUZ-C designation under the Vested Rules. The MUZ designation allows for

any percentage of either commercial or residential use to be developed on the Project site. The Applicant proposes both residential and commercial use for the Project.

Podium/Platform Height

Section 15-22-62 of the Vested Rules requires that platform heights not exceed forty-five (45) feet. Section 15-22-62(c) of the Vested Rules excludes certain building elements or features and the associated screening from the height requirement, as long as the restrictions of this subsection are met.

Section 15-22-120(7) of the Vested Rules allows platform heights to be commensurately modified to exceed forty-five feet under certain conditions.

The Applicant is requesting modification to the allowable platform height. The Project is proposing a parking and mixed-use podium that is sixty-five (65) feet in height and an additional twelve (12) feet for accessory use structures, having a total area less than fifteen percent (15%) of the parking and mixed-use podium roof area.

Density and Tower Height

Density and height for a planned development is determined by the development lot size, using the table referenced in § 15-22-116 of the Vested Rules and as provided in Table 1, below:

Table 1: Allowable Building Height, FAR and Tower Footprint

PLANNED DEVELOPMENTS IN ALL MIXED-USE ZONES
 MAUKA AREA

| <u>Lot Size</u> (sq. ft.) | <u>Building</u> <u>Height</u> (feet) | <u>FAR</u> | <u>Tower</u> <u>Footprint</u> (sq. ft.) |
|------------------------------|--|------------|---|
| 10,000 | 65 | 1.8 | 5,000 |
| 20,000 | 100 | 2.0 | 8,000 |
| 40,000 | 200 | 2.5 | 14,000 |
| 60,000 | 300 | 3.0 | 15,000 |
| 80,000 or more | 400 | 3.5 | 16,000 |

The Project site is a portion of a single development lot created by the Land Block 4 Joint Development Agreement, recorded on May 8, 2023, as DOC A-85280828 (“JDA”). Therefore, all the parcels included within the JDA will be considered and treated as one development lot under the Vested Rules. A copy of the JDA is attached as Exhibit K. Land Block 4 has an effective development lot area of 230,706 square feet (approximately

5.30 acres). The Project development lot is approximately 80,051 square feet (approximately 1.84 acres).

The Ward MP establishes a floor area ratio (“FAR”) of 3.8 (inclusive of the industrial bonus of 0.3 FAR). In addition, §15-22-203(b)(1) of the Vested Rules allows for the transfer of floor area and land uses from one development lot to one or more development lots within the master planned areas, as long as the FAR for any lot to which floor area has been transferred shall not be increased by more than twenty-five percent (25%) of the FAR otherwise allowed for the size of the development lot.

Therefore, with the permitted twenty-five percent (25%) transfer, the maximum allowable FAR for Land Block 4 is 4.75 (1.25 * 3.8) or 1,095,853.50 square feet (230,706 square feet * 4.75) of floor area. As such, the projected floor area of 1,042,100 square feet (inclusive of this proposed Project) and FAR of 4.52 (1,042,100 square feet / 230,706 square feet) for Land Block 4 is consistent with the provisions of the Vested Rules, as approved under the Ward MP.

The Project proposes a residential tower consisting of approximately 148 residential units and a parking / mixed-use platform with 7,461 square feet of commercial space. The total proposed floor area for the Project is 489,800 square feet and, when added to the existing projects on Land Block 4 (the existing IBM building has a floor area of 62,500 square feet), results in a total floor area of 552,300 square feet and FAR of approximately 2.39 (552,300 square feet / 230,706 square feet), which is within the allowable FAR. Including the proposed Block D project, with which has a proposed floor area of 489,800 square feet and is undergoing a Planned Development Permit process concurrently with the Block E project, the total collective floor area for the land block will be 1,042,100 square feet and FAR of approximately 4.52 (1,042,100 square feet / 230,706 square feet), which is also within the allowable FAR. The remaining floor area for Land Block 4 is approximately 53,754 square feet. Table 2, below, summarizes the floor area allocations for Land Block 4:

Table 2: Floor area allocations

| Floor Area Allocation for Land Block 4 | |
|--|-----------------------|
| Development Lot Area for Land Block 4 | 230,706 (SF) |
| Projected Floor Area for Land Block 4 | 1,042,100 (SF) |
| Projected Floor Area Ratio for Land Block 4 | 4.52 |
| Floor Area Allocation on Land Block 4 | |
| Land Block 4, IBM Building – Office (Existing) | 62,500 (SF) |
| Land Block 4, Project 1 – Block D (Proposed) | 489,800 (SF) |
| Land Block 4, Project 2 – Block E (Proposed Project) | 489,800 (SF) |
| Total of Floor Area Allocated on Land Block 4 to Date | 1,042,100 (SF) |

The proposed height of the residential tower is 400 feet with an additional eighteen (18) feet for rooftop mechanical equipment enclosures, which is permitted under the Vested Rules.

Industrial Use

As noted in Table 1, above, § 15-22-116 of the Vested Rules allows a maximum density of 3.5 FAR for projects with land area of 80,000 square feet or more. This section also provides a 0.3 FAR bonus for any planned development that provides industrial use. Under the Ward MP, the Applicant utilized the 0.3 FAR bonus and established an FAR of 3.8 for all the developments under the Ward MP. As noted under Finding of Fact No. 46 of the D&O, “The Master Plan proposes a mixed-use development including residential, retail, office, commercial, and industrial uses, for total floor area of 9,334,240 square feet, with a floor area ratio (‘FAR’) of 3.8.” In this finding, it was also noted that the Master Plan will provide a minimum of 736,914 square feet of industrial floor area.

The Project does not propose any industrial use; however, as a condition of the D&O for Project 3 (“ ‘A‘ali‘i ”) on Land Block 1, the HCDA noted that, prior to the staff approval of the certificate of occupancy for the ‘A‘ali‘i project, the Applicant shall submit for the HCDA Executive Director’s review a development program to provide industrial floor area within the Ward MP. In a letter dated June 17, 2021, the HCDA’s Executive Director accepted the documents submitted, to meet the corresponding ‘A‘ali‘i D&O condition relating to industrial floor area within the Ward MP.

To date, within the Ward MP, an industrial floor area of 179,094 square feet has been provided and 30,404 square feet of industrial floor area is approved. The Applicant received 70,019 square feet of industrial floor area credit on Land Block 6 based on the Purchase and Sale Agreement between VWL and HCDA, executed on January 13, 2023. Therefore, with the existing and approved developments, the Ward MP will have a total industrial floor area of 279,437 square feet, which is in deficit of 457,477 square feet of industrial floor area (736,914 square feet - 279,437 square feet). Table 3, below, summarizes the industrial floor area provided and forecasted for the Ward MP.

Table 3: Industrial floor area

| Industrial Floor Area Accounting | |
|---|---------------------|
| Land Block 5, Block G – Industrial (Existing) | 160,280 (SF) |
| Land Block 6, Block P – Industrial (Existing) | 18,734 (SF) |
| Land Block 5, Project 2 – Ulana, Industrial (Under Construction) | 30,404 (SF) |
| Subtotal of Industrial Floor Area Provided and Approved to Date | 209,418 (SF) |
| Land Block 6 – Industrial Floor Area Credit | 70,019 (SF) |
| Total of Industrial Floor Area Provided, Approved and Forecasted to Date | 279,437 (SF) |

As noted above, the current forecast for 279,437 square feet of industrial floor area is only a portion of the anticipated 736,914 square feet. As such, the full 0.3 FAR bonus cannot be added to the base FAR of 3.5; but rather, only a portion of it can be applied. The originally anticipated industrial floor area divided by the net development area of the Master Plan

yields the previously referenced bonus FAR of 0.3 (736,914 square feet / 2,456,379 square feet). Since the amount of industrial floor area has been reduced from this original commitment, the proportional reduction in the bonus FAR yields a possible industrial bonus FAR of 0.114 (279,437 square feet / 2,456,379 square feet). When added to the base FAR of 3.5, this amount of industrial FAR bonus yields a final possible FAR of 3.614 (0.114 + 3.5). Including the possible FAR transfer of up to 25% from another lot within the Master Plan, as described in the previous section, the maximum allowable FAR on Land Block 4 is 4.517 (1.25 * 3.614). The projected FAR for Land Block 4, including Block D and Block E, is 4.517. Therefore, taking account of the bonus FAR, the Project complies.

Tower Footprint

The maximum allowable tower footprint for a planned development is determined by the development lot size, using the table referenced in § 15-22-116 of the Vested Rules. The Project is proposing a maximum tower footprint of approximately 16,000 square feet, which is the maximum allowable.

Front, Side and Rear Yard

Section 15-22-63.1 of the Vested Rules requires a front yard setback of fifteen (15) feet. Section 15-22-63.2 of the Vested Rules requires a minimum side and rear yard setback of ten (10) feet for structures containing windows and openings facing side or rear property lines. Consistent with the provisions of § 15-22-63.1, all yards facing the street are considered front yards. All other yards are deemed side or rear yards.

The Project site has four boundary edges. The site is bounded by and has front yards on Ala Moana Boulevard and Auahi Street. Per requirement, fifteen (15) feet front yards are provided parallel to the street right-of-way. Since Block E is a portion of a single development lot created by the Land Block 4 JDA, and the eastern (Diamond Head) side of Block E shares a boundary with the IBM Building while the western (Ewa) side of Block E shares a boundary with the proposed Block D, no setback is required.

Open Space

Open space for the Project, as provided in § 15-22-64(c)(1) of the Vested Rules, shall be the lower of either ten percent (10%) of the lot area or twenty-five percent (25%) of the lot area less the required yards. Open space compliance requirements are to be at a master plan level, and not on a block-by-block basis.

The open space required for the Project is 8,005 square feet (80,051 square feet * 10 percent). The Project proposes to provide approximately 709 square feet of open space on site (approximately 0.89 percent of the lot area).

To date, the Applicant has provided 9,695 square feet of open space on Land Block 4, at the site of the IBM building, which is equal to approximately four percent (4%) of the total development lot area (230,706 square feet). Inclusive of the open space allotted for this

Project, the proposed Diamond Head Plaza, and the proposed Block D project, there will be a total of 50,731 square feet of open space on Land Block 4. This equals to approximately 22 percent (22%) of the total development lot area for Land Block 4 (230,706 square feet).

Table 4 below summarizes the open space for Land Block 4.

Table 4: Open Space

| Open Space Required for Land Block 4 | |
|--|--------------------|
| Land Block 4 Development Lot Area | 230,706 (SF) |
| Open Space Required (10%) | 23,071 (SF) |
| Existing and Under Construction Open Space Land Block 4 | |
| Land Block 4, IBM Building – Office (Existing) | 9,695 (SF) |
| Proposed Open Space for Land Block 4 | |
| Land Block 4, Project 1 – Block D (Proposed) | 5,049 (SF) |
| Land Block 4, Project 1 – Diamond Head Plaza (Proposed) | 35,278 (SF) |
| Land Block 4, Project 2 – Block E (Proposed Project) | 709 (SF) |
| Subtotal of Proposed Open Space | 41,036 (SF) |
| Total Open Space Provided with Proposed Open Space | 50,731 (SF) |
| Proposed Open Space Surplus for Land Block 4 | 27,660 (SF) |

Recreation Space

A minimum of fifty-five (55) square feet of recreation space per dwelling unit is required for the Project, pursuant to § 15-22-65(b) of the Vested Rules. The Project proposes to have a total of 148 dwelling units, thus requiring a minimum of 8,140 square feet of recreation space. The Project proposes approximately 81,077 square feet of recreation space.

Off-Street Parking

Section 15-22-67 of the Vested Rules provides off-street parking requirements. The following table summarizes the number of parking stalls required by each land use in the Project, as per the Vested Rules, and the actual number of parking stalls proposed in the Project.

Table 5: Required Off-Street Parking

| Land Use | Requirement | Unit or Floor Area | Minimum Required | Provided |
|------------------------------------|--------------------|--------------------|------------------|------------|
| Residential | | | 200 | 381 |
| 600 SF or Less | 0.9 stall / unit | 0 units | 0 | |
| More than 600 but less than 800 SF | 1.13/unit | 10 units | 0 | |
| 800 SF and Over | 1.35 stall / unit | 232 units | 148 | |
| Commercial | | | 20 | 20* |
| Eating/Drinking Area | 0.9 stall / 300 SF | 2,500 SF | 6 | |
| Commercial | 1 stall / 444 SF | 2,461 SF | 18 | |
| Kitchen | 1 stall / 444 SF | 2,500 | 6 | |
| TOTAL | | | 220 | 401 |

*Applicant proposes off-site parking at Ward Village Shops / South Shore market for 20 commercial stalls.

Fifty percent (50%) or more of the required off-street parking stalls are required to be standard-sized stalls, except that dwelling units may have up to fifty percent (50%) compact spaces. The Applicant has noted that the Project’s 381 spaces will include 338 standard sized spaces, 0 compact spaces, 34 tandem spaces, 9 ADA accessible spaces, and 0 ADA van accessible spaces.

Off-Street Loading

The off-street loading requirements for the Project are provided in § 15-22-68 of the Vested Rules. For the residential use of 482,339 square feet of floor area, three (3) off-street loading stalls are required. For the commercial uses of 7,461 square feet of floor area, one (1) off-street loading stall is required. An adjustment of up to fifty percent (50%) is allowed, per § 15-22-68(e), when the spaces serve two or more uses. Accordingly, a total of two (2) loading spaces are required for the Project.

Additionally, § 15-22-68(d)(3) of the Vested Rules requires that each loading space be unobstructed and shall be arranged so that any vehicle might be moved without moving another. The Project complies with the access requirements.

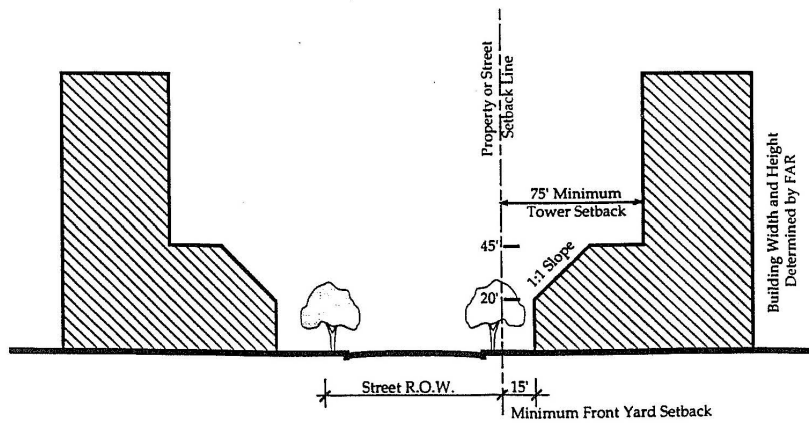
The Project proposes to provide a total of two (2) off-street loading stalls. One (1) stall is proposed at a minimum size of 12 feet x 35 feet, with a minimum vertical clearance of 14 feet. The other one (1) stall is proposed at a minimum size of 8-1/2 feet x 19 feet, with a minimum vertical clearance of 10 feet.

View Corridors

View corridor streets, as provided for in § 15-22-66 of the Vested Rules, require the tower element of a planned development to be set back by a minimum of seventy-five (75) feet from the property line that is parallel to a view corridor. Other structures

higher than forty-five (45) feet are required to follow a 1:1 sloped setback, beginning at a height of twenty (20) feet and at a 15-foot front yard distance. The building envelope diagram, below in Image 1, describes the view corridor setback requirements.

Image 1: Building Envelope Indicating View Corridor Setback



View Corridor Setback for Developments along the Designated View Corridor Streets in All Other Areas of the Kakaako District

The Project tower fronts Ala Moana Boulevard, which is designated in the “View Corridor Streets” exhibit of the Vested Rules as a view corridor street. The Project boundary along Ala Moana Boulevard proposes to meet the view corridor setback of a minimum seventy-five (75) feet for the tower. This is consistent with the Vested Rules requirement for a minimum setback of seventy-five (75) feet from the Project site boundary parallel to Ala Moana Boulevard.

The Project’s podium fronting Ala Moana Boulevard is subject to view corridor setback requirements. The podium is proposed at a setback of twenty-three (23) feet along Ala Moana Boulevard but encroaches into the view corridor height and 1:1 slope setback for 69% of the Ala Moana Boulevard frontage. As such, the Project requires modification of the view corridor provision of the Vested Rules. The Applicant is requesting a modification of the view corridor setback for the podium of the Project, as provided in § 15-22-120 of the Vested Rules, for Ala Moana Boulevard.

Building Orientation, Tower Spacing, and Circulation

Section 15-22-143 of the Vested Rules establishes requirements for building orientation, tower spacing, and circulation.

Section 15-22-143(a)(2) of the Vested Rules requires that, to the extent practicable, the tower portion of the structure be oriented between thirty-five (35) and sixty-five (65)

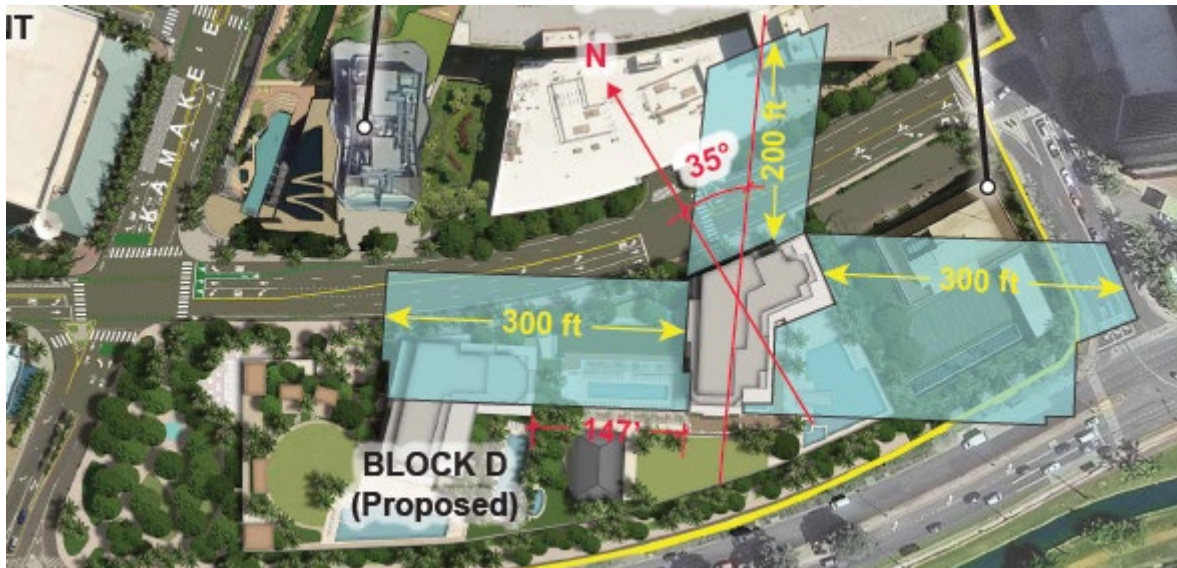
degrees west of south. The long axis of the Project tower is approximately thirty-five (35) degrees west of south in a Mauka-Makai orientation.

Section 15-22-143(b)(1) of the Vested Rules requires that, to the extent practicable, the parallel sides of adjacent towers shall be separated by a distance of at least three hundred (300) feet. The parallel side of the Project tower is, to the extent practicable, separated from the nearest towers.

Section 15-22-143(b)(2) of the Vested Rules requires that, to the extent practicable, there should be at least two hundred (200) feet between the short side of the towers. The short side of the Project tower is, to the extent practicable, separated from the nearest tower.

Image 2, below, is taken from the Permit Application Exhibit 32. The diagram illustrates that, on the Diamond Head side, the parallel side of the proposed tower is not separated by a distance of at least three hundred (300) feet from the adjacent tower (Block D). The separation is approximately 147 square feet.

Image 2: Tower Spacing



Public Facilities Dedication

Section 15-22-73 of the Vested Rules establishes requirements for public facilities dedication. The public facilities dedication requirement for residential floor area is four percent (4%) of the total proposed residential floor area, exclusive of floor area devoted to reserved housing units and their associated common areas. The public facilities dedication requirement for commercial floor area is three percent (3%) of the total proposed commercial floor area. The Project's residential floor area of 482,339 square feet requires a public facilities dedication of 19,294 square feet (482,339 square feet * 4 percent), and the Project commercial floor area of 7,461 square feet requires a public facilities dedication of

224 square feet (7,461 square feet * 3 percent), for a total public facilities dedication requirement of 19,517 square feet.

The Applicant is not proposing to provide any public facilities within the Project. However, the Applicant is proposing to use the public facilities dedication already scheduled to be provided within the Ward MP. A summary of public facilities dedication requirements for the various development projects under the Ward MP that have been approved by the Authority, public facilities dedication credit accumulated by the Applicant, and public facilities dedication that are proposed and pending, is provided in the Table 6 below.

Table 6: Ward MP Public Facilities Dedication

| Ward MP Public Facilities Dedication (“PFD”) | |
|--|--------------------|
| Credit from Pre-Ward MP Projects | 39,581 (SF) |
| PFD Provided After Ward MP (To Date) | |
| Projects | Area (SF) |
| Land Block 2-Project 1 (Waiea): Sidewalk along Ala Moana Boulevard | 521 |
| Land Block 3-Project 1 (Anaha): Sidewalk along Queen Street | 353 |
| Land Block 3-Project 1 (Anaha): Sidewalk along Auahi Street | 496 |
| Land Block 3-Project 1 (Anaha): Sidewalk along Auahi Street | 431 |
| Land Block 3-Project 1 (Anaha): Mid-block | 902 |
| Land Block 5-Project 1 (Ke Kilohana): Right-of-way along Ilaniwai Street | 1,785 |
| Halekauwila Street Dedication to HCDA | 37,261 |
| Land Block 1 – Lot B: Roadway Easement | 53,062 |
| Land Block 1-Project 3 (‘A‘ali‘i): Sidewalk Easement P-3A | 6,034 |
| Land Block 1-Lot B: Sidewalk Easement P-4 | 5,773 |
| Land Block 1-Project 2 (Ae‘o): Sidewalk Easement A-1 | 6,387 |
| Land Block 1-Project 2 (Ae‘o): Sidewalk Easement P-1 | 5,992 |
| Land Block 1-Project 2 (Ae‘o): Sidewalk Easement P-2 | 312 |
| Land Block 1-Project 4 (Kō‘ula): Sidewalk Easement P-5-A | 2,146 |
| Land Block 1-Project 4 (Kō‘ula): Sidewalk Easement P-11-A | 384 |
| Subtotal of PFD Provided to Date | 121,839 |
| Total PFD Provided to Date Inclusive of the Pre-Ward MP Projects | 161,420 SF |

Table 6: Ward MP Public Facilities Dedication (cont'd)

| Proposed (Pending) Public Facilities Dedications (To Date) | |
|--|----------------|
| Projects | Area (SF) |
| Land Block 2-Project 3 (Victoria Place): VW Park makai area | 59,052 |
| Land Block 2-Project 3 (Victoria Place): Sidewalk Easement P-4 | 3,300 |
| Land Block 1-Project 5 (The Park Ward Village): Auahi Street Realignment Lot G | 12,306 |
| Land Block 1-Project 5 (The Park Ward Village): Roadway Easement A-8 | 10,241 |
| Land Block 1-Project 5 (The Park Ward Village): Roadway Easement P-10 | 2,433 |
| Land Block 1-Project 5 (The Park Ward Village): VW Park mauka area, Easement B | 92,429 |
| Land Block 1-Project 5 (The Park Ward Village): Sewer Easement S-3 | 9,502 |
| Land Block 1-Lot F: N-West Sewer Easement S-1 | 11,476 |
| Land Block 1-Lot F: N-West Sidewalk Easement P-9 | 2,566 |
| Subtotal of Pending PFD | 203,305 |

| Required Public Facilities Dedication (To Date) | |
|--|-----------------|
| Project | Area (SF) |
| Land Block 2-Project 1 (Waiea) | 20,831 |
| Land Block 3-Project 1 (Anaha) | 25,796 |
| Land Block 5-Project 1 (Ke Kilohana) | 3,092 |
| Land Block 1-Project 2 (Ae'o) | 24,107 |
| Land Block 1-Project 3 (A'ali'i) | 20,163 |
| Land Block 1-Project 4 (Kō'ula) | 26,796 |
| Land Block 1-Project 3 (Victoria Place) | 21,822 |
| Land Block 5-Project 2 (Ulana Ward Village) | 208 |
| Land Block 1-Project 5 (The Park Ward Village) | 26,114 |
| Land Block 2-Project 4 (Kalae) | 21,420 |
| Land Block 5-Project 3 (The Launiu) | 26,496 |
| Land Block 1-Project 6 (Mahana) | 16,760 |
| Subtotal of Required PFD to Date | 233,605 |
| Required PFD for the concurrent project: Land Block 4-Project 1 (Block D) | 19,509 |
| Required PFD for the Project: Land Block 4-Project 2 (Block E) | 19,517 |
| Subtotal of Required PFD to Date Inclusive of the Project and Block E | 272,631 |
| Remaining Balance Not Including Pending PFD | -111,211 |
| Remaining Balance After the Dedication of Pending PFD | 92,094 |

As noted in Condition No. 6 of the D&O, the Applicant needs to satisfy a public facilities dedication requirement that is estimated to be 330,053 square feet of land. Per Finding of Fact No. 61 of the D&O, the 330,053 square feet of land for public facilities will include 225,678 square feet of land for public facilities that will include new streets (including

typical sidewalks), pedestrian walkways (in addition to typical sidewalks), public plazas, and a mass transit connection, while the remainder of 104,375 square feet of land for public facilities will consist of community facilities, utility and infrastructure improvements and public parking.

Per Condition No. 8 of the D&O, the Applicant shall designate a Ward Neighborhood Commons (a public amenity) that shall be at least 150,000 square feet, and the Applicant shall provide capital improvements, day to day maintenance, and security. This Ward Neighborhood Commons will include the public plazas and pedestrian walkways in blocks one (1) and two (2) of the public facilities plan and open spaces on blocks one (1) and two (2) of the open space plan, as indicated in the Master Plan Application Addendum (dated September 12, 2008). The Applicant proposes to meet the requirements tied to the Ward Neighborhood Commons, through the construction of Victoria Ward Park (Mauka and Makai).

Reserved Housing

Section 15-22-115 of the Vested Rules requires that every applicant shall, for a planned development containing multi-family dwelling units on a development lot of at least 20,000 square feet, provide at least twenty percent (20%) of the total number of dwelling units in the development for sale or rental to qualified persons, as determined by the Authority. The reserved housing requirement is calculated as a running total for each proposed project under the Ward MP. The reserved housing requirements will be based on the unit counts provided under the Development Permits for each of the projects.

The Applicant has provided 375 reserved housing units in the Ke Kilohana project, 150 units in the 'A'ali'i project, and proposes an additional 697 units in the Ulana Ward Village project, for a total of 1,222 reserved housing units. The total residential units in the Ward MP, including the proposed Project, are 5,845 - requiring 1,169 reserved housing units. After the delivery of Ulana Ward Village, a surplus of approximately 53 reserved housing units will exist.

Table 7, below, is a summary of the total number of residential units and the reserved housing units required for approved projects within the Ward MP. The table also includes the proposed Project as well as the proposed Mahana and Block D projects, and the proposed Land Block 5, Project 2 development (Ulana Ward Village) currently under construction.

Table 7: Reserved Housing Units

| Reserved Housing Requirement | | |
|--|--------------------------|--|
| Projects | Residential Units | Reserved Housing Provided to Date |
| Land Block 2-Project 1 (Waiea) ¹ | 177 | 0 |
| Land Block 3-Project 1 (Anaha) | 318 | 0 |
| Land Block 5-Project 1 (Ke Kilohana) | 424 | 375 |
| Land Block 1-Project 2 (Ae‘o) | 466 | 0 |
| Land Block 1-Project 3 (‘A‘ali‘i) | 751 | 150 |
| Land Block 1-Project 3 (Kō‘ula) ² | 570 | 0 |
| Land Block 2-Project 3 (Victoria Place) | 350 | 0 |
| Land Block 5-Project 2 (Ulana Ward Village) | 697 | 697 |
| Land Block 1-Project 5 (Park Ward Village) | 546 | 0 |
| Land Block 2-Project 4 (Kalae) | 330 | 0 |
| Land Block 5-Project 3 (Launiu) | 486 | 0 |
| Land Block 1-Project 6 (Mahana) | 340 | 0 |
| Land Block 4-Project 1 (Block D) | 242 | 0 |
| Land Block 4-Project 2 (Block E) | 148 | 0 |
| Total Residential Units | 5,845 | - |
| Reserved Units Required (20%) | | 1,169 |
| Total Reserved Units Provided to Date | | 1,222 |
| Reserved Housing Balance | | 53 |

Note 1 – The Waiea Planned Development Permit was issued for 177 units, which is used as the basis for the associated Reserved Housing requirement. Note however that, due to post Development Permit unit combinations by buyers, the final built condition is 174 units.

Note 2 – The Kō‘ula Planned Development Permit was issued for 570 units; however, the unit count has been reduced to 566 units in the 01/31/2020 Building Permit plan set.

Relocation Assistance

Section 15-22-85 of the Vested Rules requires the Applicant to give at least 60 days’ prior notice to any tenant who will be displaced. Similarly, Condition No. 11 of the D&O requires that the Applicant provide relocation assistance to affected tenants; first, by relocating businesses to other spaces within the Ward MP area, to the extent feasible, and if infeasible, by working with a commercial broker to assist these businesses in locating alternative space.

The Project site is currently the site of Ward Village Centre, which consists of a commercial building and parking structure. VWL intends to relocate as many tenants as possible within the Ward MP area, and all tenants will be notified in the future via certified mail of the effective date of lease termination and at least 60 days before eviction.

Modifications to the Provisions of the Vested Rules

Sections 15-22-22 and 15-22-120 of the Vested Rules provide for modification of specific provisions of the Vested Rules. The Applicant is requesting the following modifications:

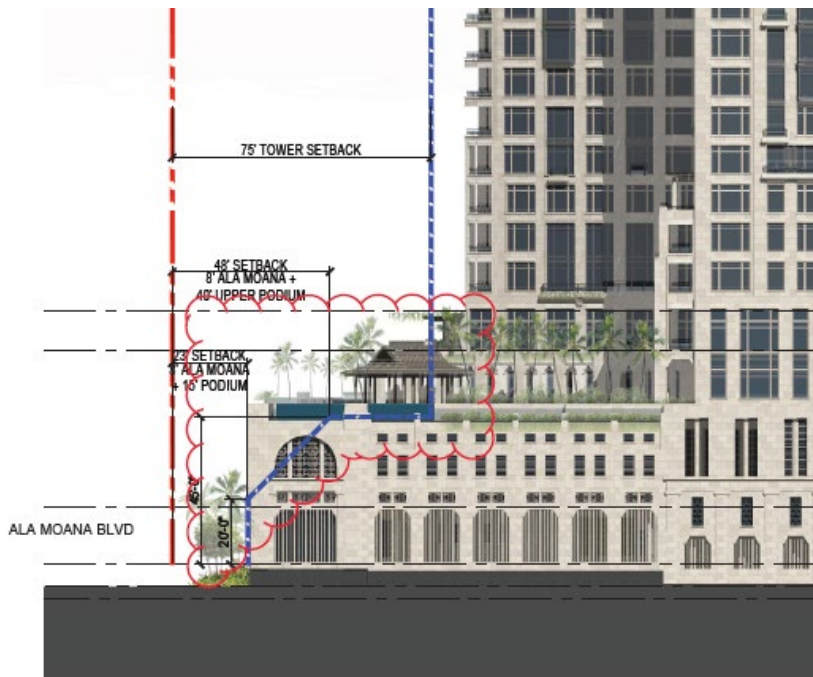
- A. Modification of § 15-22-62 of the Vested Rules, to increase the parking and mixed-use podium height from forty-five (45) feet to sixty (65) feet, and (a) an additional twelve (12) feet for accessory use structures having a total area less than fifteen percent (15%) of the parking and mixed-use podium roof area, and (b) an additional eighteen (18) feet for structures that will house elevator machinery on the parking and mixed-use podium roof; and
- B. Modification of § 15-22-66 of the Vested Rules, to adjust the view corridor setback along Ala Moana Boulevard for the parking and mixed-use podium, for approximately sixty-nine percent (69%) of the Ala Moana Frontage; and

The images below, illustrating the areas of modification request (see the red callout bubbles), are taken from the Permit Application.

Image 3 – South elevation, parking podium height encroachment (Permit Application Exhibit 26)



Image 4 – East elevation, Ala Moana Boulevard view corridor encroachment (Permit Application Exhibit 24)



Findings of Fact in the D&O indicate the Applicant’s intent to request modification of the platform height from forty-five (45) feet to sixty-five (65) feet along Ala Moana Boulevard and to seventy-five (75) feet along other streets within the KCDD (Findings of Fact #62). The Conclusions of Law section of the Ward MP provides that the Applicant’s proposal to modify Mauka Area Rules may be addressed as part of the planned development review process and shall be evaluated under § 15-22-22 of the Vested Rules (Conclusions of Law #13).

The modification requests will be discussed and considered in further detail at a separate Modification Public Hearing scheduled for August 2, 2023.

Circulation Plan and Driveways

Section 15-22-86 (4) of the Vested Rules states that, in reaching its determination on an application for a planned development permit, the Authority shall consider whether the vehicular circulation system, including access, off-street parking and loading, is so designed as to provide an efficient, safe, and convenient transportation system.

The Applicant proposes two driveways, entering and exiting from Auahi Street (right turns only). The first driveway, on the Ewa side of the podium along Auahi Street, leads to the loading area. This loading driveway, situated adjacent to the proposed Block D property, will serve as a shared loading access to be utilized also by the proposed Block D project. The

second driveway, located at the Diamond Head side of the podium along Auahi Street, leads to the residential drop-off area, guest parking stalls, and access to the parking structure for residential parking. The Authority shall determine if the proposed driveway system along Auahi Street is efficient, safe, and convenient.

The Applicant proposes a bike circulation path from the Auahi Street residential driveway to the interior bike storage area located inside of the podium structure. Bicyclists also have the option to walk their bicycles from the linear park path along Ala Moana Boulevard to enter the long-term bike storage room from the Makai side. Additionally, public bike racks will be provided at the street level fronting Auahi Street. Pedestrians can access the ground floor commercial shops and residential lobby from Auahi Street.

Within the required front yard along Ala Moana Boulevard, the Applicant proposes a pedestrian walkway and linear recreational path that will connect to the existing sidewalk along the roadway. The path will include pedestrian amenities and other features to encourage recreational uses. Pursuant to the Vested Rules, the Authority shall determine if the proposed pedestrian and bike circulation path through the parking structure is efficient, safe, and convenient.

Image 5, below, was provided by the Applicant as Exhibit 7 in the Permit Application. It shows vehicular, bicycle, and pedestrian circulation. The vehicular circulation is shown in red, pedestrian circulation is shown in green, and bicycle circulation is shown in blue.

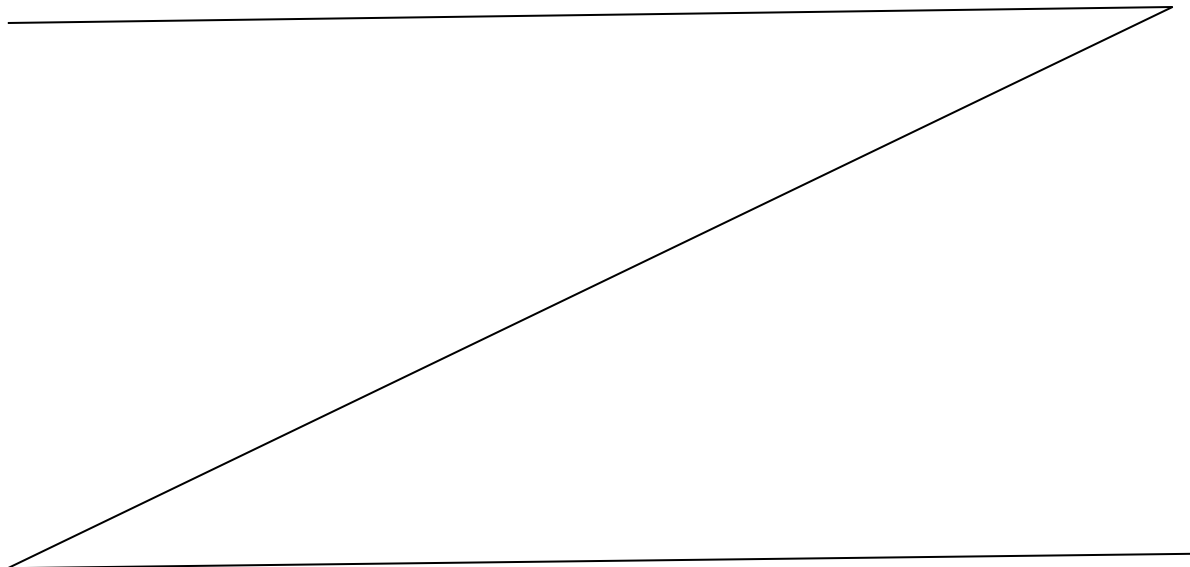
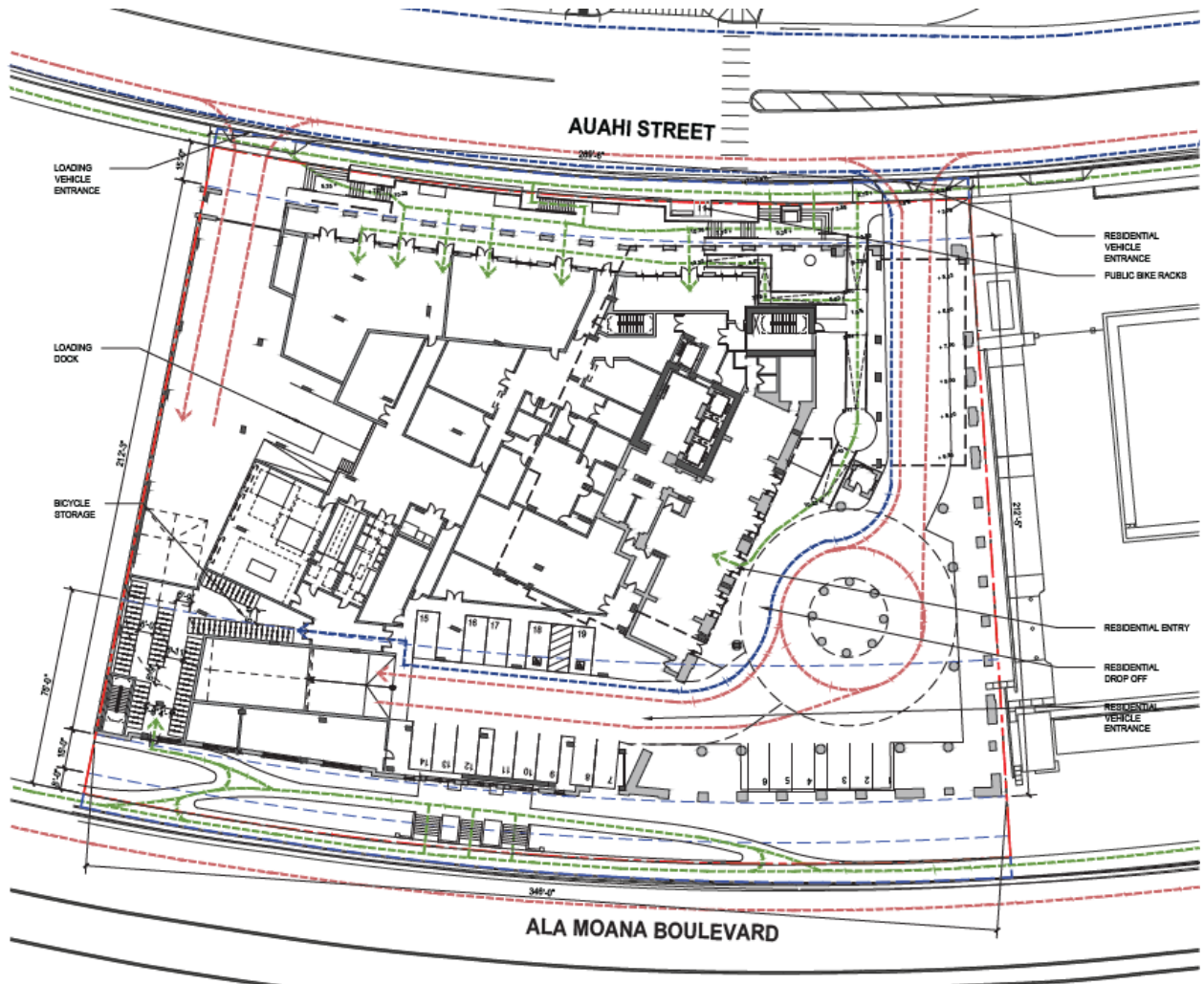


Image 5 – Circulation Plan



Streetscapes

Section 15-22-142(a) of the Vested Rules requires that the size and number of curb cuts be minimized to reduce conflicts between pedestrians and vehicles. Section 15-22-142(b) of the Vested Rules requires that trash storage be centrally located either within the building or within a screened enclosure outside the building. Section 15-22-142(c)(1) of the Vested Rules requires a bench to be located in an area receiving shade. Section 15-22-142(c)(1) requires a bus stop shelter be provided where bus stops are located.

The Project proposes two curb cuts along Auahi Street, one near the Ewa end of the podium for loading vehicles and one near the Diamond Head end of the podium for motor vehicle access to the parking structure and residential drop off. Bicycles will share access to the parking structure alongside motor vehicles. The Executive Director shall determine if the proposed curb cut is acceptable.

The Applicant is proposing public bike racks and a bench along Auahi Street, and stairs leading to the Auahi Street-facing retail promenade. Stairs will lead from the Auahi Street sidewalk to the retail promenade. The Applicant proposes an ADA access path leading to the retail shops. A central trash storage area will be located within the building.

Along Ala Moana Boulevard, the Applicant proposes a six-foot walkway traversing through a linear park of native plants and a pocket park. Stairs connecting the street-level sidewalk to the pocket park are also provided.

Image 6, below, was provided by the Applicant in the Permit Application, Exhibit 5. The two curb cuts are clouded in 'red', bike parking is clouded in 'pink', the 8-foot bench is clouded in green, and the pocket park along Ala Moana Boulevard is clouded in 'blue'.

Image 6: Streetscape Amenities



Landscaping

Section 15-22-144(b) of the Vested Rules states that all development applicants shall provide street trees within the public right-of-way or the front yard setback area along all street frontages. Trees shall be planted in a linear pattern parallel to the street and shall be a minimum of four and one-half (4 ½) inches caliper, except coconut palms which shall have a minimum trunk height of fifteen (15) feet.

The Project proposes shade trees along Ala Moana Boulevard and Auahi Street. Exhibits 5 and 5A of the Permit Application show the proposed landscaping.

Consistency with the Ward Neighborhood Master Plan

Section 15-22-200(d) of the Vested Rules states that a further purpose of this subchapter is to allow greater flexibility in the development of lots within master planned areas than would otherwise be possible through the normal lot-by-lot development approach. Such flexibility is intended to encourage integrated developments and secure better overall planning for extensive land holdings, while recognizing that full development of the area over time would occur incrementally in accordance with the planned development and base zone development requirements in effect at the time of master plan approval.

The stated flexibility allowed in § 15-22-200(d) is intended to encourage integrated developments and secure better overall planning for extensive land holdings. It is also recognized that the full development of the area (Ward MP) over time would occur incrementally with the planned development requirements in effect at the time of the approval of the Ward MP. The Project should be reviewed as to how it is integrated into the overall planning of the Ward MP.

The executive summary of the Ward MP [PL MASP 13.1.3] states that Auahi Street, “becomes the main link bringing the entire Neighborhood together. It would be a pedestrian-friendly boulevard lined with trees, gardens, open seating areas and outdoor art. The residential and commercial components would blend seamlessly within the overall design of the community. Urban dwellers will be able to find shopping, restaurant and entertainment venues just steps from their doorways.”

Image 7, below, was taken from the Ward MP, page 7.

Image 7 – Illustrative vision for Auahi Street



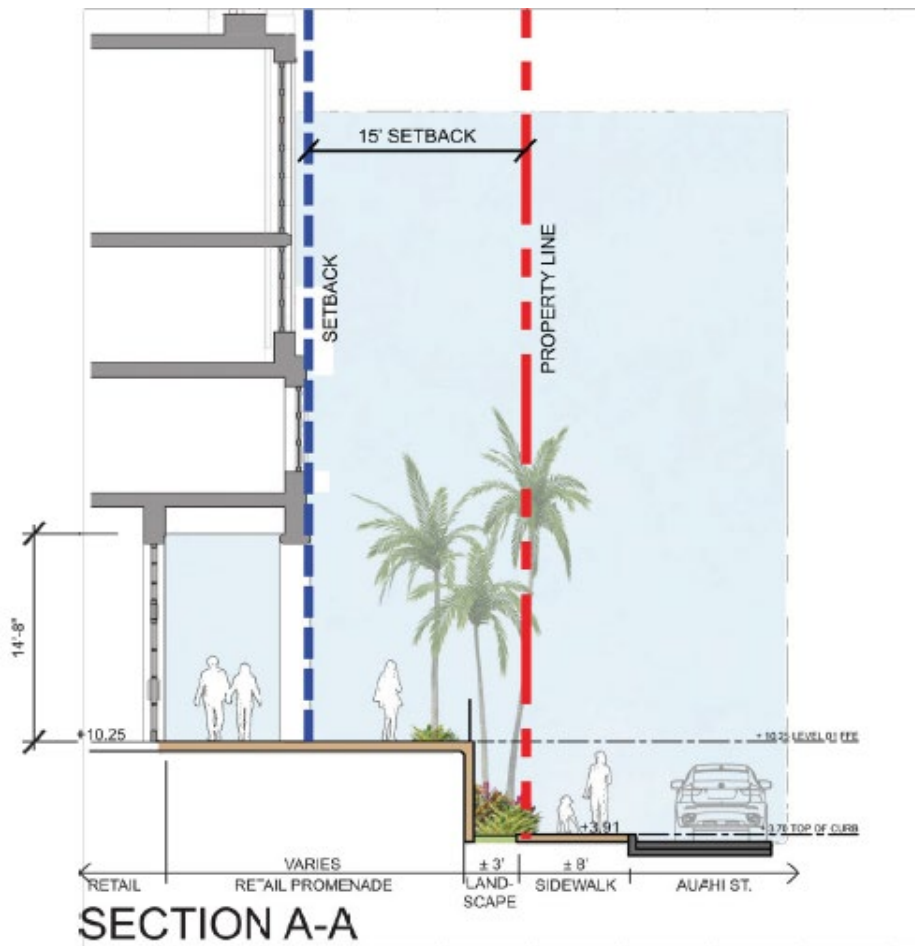
Design Strategy 2 of the Ward MP [PL MASP 13.1.3] describes Auahi Street as, “a great pedestrian-oriented urban promenade and shopping street, a landscaped spine full of activity and character.” Image 8, below, was taken from the Ward MP, page 28.

Image 8 – Auahi Street Promenade



For the subject Project, the Applicant supports Auahi Street as a spine of retail and shopping street by providing retail storefronts that face the street. However, the retail promenade will be located approximately seven feet above the sidewalk and street level, due to flood mitigation efforts, and will be physically separated from the public sidewalk. See Image 9. This elevation difference will likely somewhat limit the ability of the retail storefronts to activate the public realm. Ensuring adequate vertical access points and good visual sightlines between the sidewalk and upper retail promenade will help to mitigate this grade differential. Additional seating or other active pedestrian amenities could also help to more seamlessly connect the Project with Auahi Street.

Image 9 – Auahi Street retail promenade



Along Ala Moana Boulevard, the Project also lacks street-level retail and is not in line with the illustrative plan shown in the Ward MP. The illustrative plan of the Ward MP designated most of the street level of the Project site as retail space for all sides of the buildings, including the side facing Ala Moana Boulevard. Instead, the applicant is proposing a landscaped pedestrian path that will run alongside the existing sidewalk in order to promote recreational uses that will activate the public realm.

Consistency with the Ward Neighborhood Master Plan Findings of Fact, Conclusions of Law, and Decision and Order

The hearing officer's proposed Findings of Fact, Conclusions of Law, and Decision and Order for the Ward MP, approved on January 14, 2009, document the following as findings of fact or conclusions of law;

Findings of Fact No. 48: "Streetscapes: Major design objectives of the Master Plan include connected public spaces, a pedestrian supportive environment including the redesign of Auahi Street as a landscaped promenade, preservation of Mauka-Makai view corridors and an enhanced roadway network with canopy trees and pedestrian amenities. See Petitioner's Exhibit 5 (Staff Findings), at 3. To mitigate the unsightliness of structured parking, the Plan anticipates extensive use of "liners" which are buildings designed to have aesthetically pleasing facades and to provide interaction with pedestrian traffic at ground level."

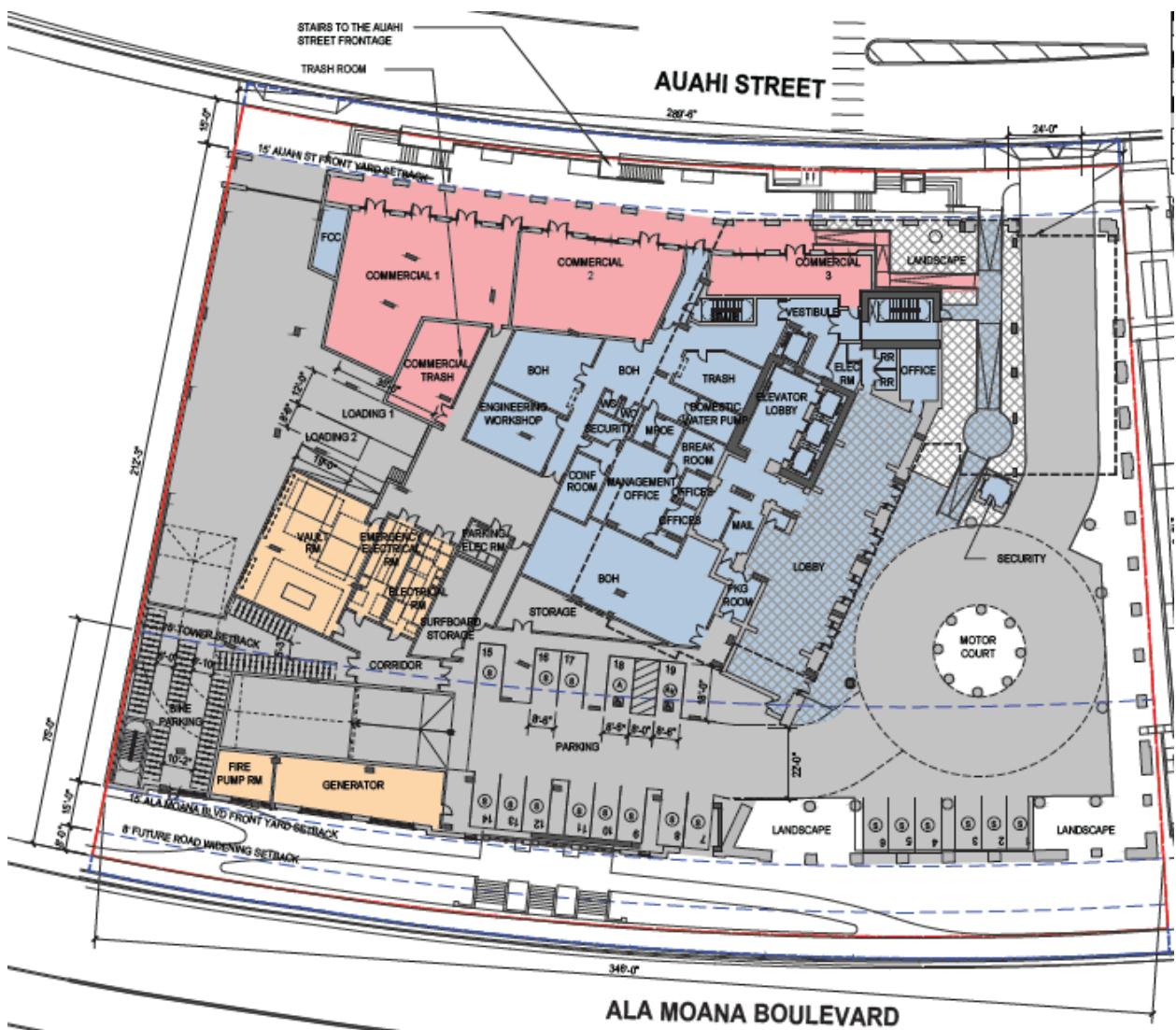
Findings of Fact No. 72: "Urban Form: Urban form refers to the physical layout and design of a development. A major focus of the Master Plan is to create gathering places in the neighborhood. It also attempts to improve the pedestrian experience and foster an urban village lifestyle. Much of the off-street parking will be located in parking structures, which are proposed to be screened from view by retail/office and residential liners, up to the 65-foot or 75-foot level, depending on the location. The retail use at the street level will promote pedestrian activity. The proposed design concepts will significantly improve the quality of the urban environment. Many of the platform levels will also include a certain amount of landscaping to serve as resident and employee recreation areas. The urban form proposed by the Master Plan consists of creating public spaces, pedestrian promenades, parking podiums with liner facades, and towers ranging from 105 to 400 feet in height, creating a varied skyline."

The Applicant stated that "liners" will be used in conjunction with retail, office, and residential space, to screen and mitigate the unsightliness of structured parking and to promote pedestrian activity. The Applicant proposes architectural liners for the parking podium, but is not including residential or office liner units.

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The Applicant is proposing active commercial space only along Auahi Street. Image 10 below was provided by the Applicant in its Permit Application, Exhibit 7. There is no street-level commercial space for the entirety of the Ala Moana Boulevard frontage (approximately 346 linear feet). In addition, the Diamond Head façade of the property abuts the adjacent IBM building and thus will not be open to the public; the area will include the vehicular driveway and motor court, and some landscaping.

Image 10: Ground-Level Commercial



In lieu of street-level retail along Ala Moana Boulevard, the Applicant is instead proposing a linear recreational path along the parking structure facade. The linear path will include native Hawaiian landscaping and educational interpretive signage describing the cultural history of the area. The path will also include pedestrian amenities such as benches and other features to encourage recreational uses.

VII. CONDITIONS

Section 15-22-119 of the Vested Rules states that the Authority may attach to a planned development permit conditions which may concern any matter subject to regulation under this chapter.

VIII. PUBLIC TESTIMONIES

The HCDA staff will provide the Authority with all public testimony received by the submittal deadline, for the presentation public hearing for the Permit Application.

IX. EXHIBITS

Exhibit A - Completeness and Automatic Approval Letter

Exhibit B – Notice of Public Hearings

Exhibit C – Ward MP, Nunc Pro Tunc, Findings of Fact, Conclusions of Law, and Decision and Order

Exhibit D – Master Plan Development Agreement

Exhibit E – Declaratory Order Relating to Condition No. 4

Exhibit F – HCDA’s Letters of Receipt for Documents in Satisfaction of Condition No. 5 of the D&O

- Historic Building Inventory
- Cultural Impact Assessment, and
- Archaeological Inventory Survey

Exhibit G – HCDA’s Letters of Receipt for Documents in Satisfaction of Condition No. 10 of the D&O

- Regional Traffic Study; and Individual Traffic Impact Assessments

Exhibit H – HCDA’s Letters of Receipt for Documents in Satisfaction of Condition No. 12 of the D&O

- Sustainability Guidelines

Exhibit I – Letters of Acceptance from SHPD

- SHPD’s 6E-42, HRS, Determination Letter

Exhibit J – Comments from Government Agencies

Exhibit K – Joint Development Agreement approved by the HCDA Executive Director and filed with the Bureau of Conveyances as a covenant running with the land [DOC A-85280828]