

TESTIMONY of
Claudia Ramos

Before the
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION BOARD OF
DIRECTORS

Thursday, December 14, 2023
9:00 AM
677 Queen Street, Suite 300, Honolulu, HI 96813

In consideration of
AGENDA ITEM III.A.

TO: Gary Mackler, Chair, Hawaii Housing Finance and Development Corporation
FROM: Claudia Ramos
RE: Agenda Item III.A, December 14, 2023 Board Meeting

Dear Chair Mackler:

I urge the board to reconsider and amend HHFDC's proposed 2024 QAP. HHFDC's proposed 2024 QAP (dated November 8, 2023) failed to properly account for the public's concerns and recommendations regarding the draft version dated September 10, 2023. I believe that the proposed QAP must be extensively modified to ensure that the public's comments are addressed and the taxpayer receives the best possible deal.

On October 5, 2024, HHFDC held a public hearing regarding its September 10 draft. Over 30 members of the public, including developers, non-profits, and individuals, submitted testimony with comments on HHFDC's draft 2024 QAP. Despite the many requests for modification, HHFDC only altered three components of the September 10 draft that is now before the board. These alterations to the proposed 2024 QAP

- Increased by 1 point the county income adjuster compared to the 2024 QAP draft;
- Increased by 1 point projects serving tenants with special housing needs compared to the 2024 QAP draft;
- Decreased by 2 points the Waiver of Qualified Contract compared to the 2024 QAP draft.

While maintaining the 2023 QAP value for projects serving tenants with special housing needs addressed to the minimum extent possible the public's input on that matter, HHFDC failed to address other points supported by a number of members of the public that would increase LIHTC efficiency and improve State capacity.

I urge the board to reconsider the following amendments for the proposed 2024 QAP:

- Amend Section III(D) to award a maximum of twenty percent of the points to applications that plan to develop:
 - A State- or county-owned project;
 - A project in which the State or county is an equity partner;
 - A project in which ownership is conveyed to the State or county at a definite time; or,
 - An organization obliged to use all financial surpluses generated by the project to construct more owner- or renter-occupied housing.

Explanation: Awarding points to projects owned by government ensures that LIHTC awards go to owners that are likely to keep their projects affordable forever, as government is unlikely to raise rents to market after affordability periods expire. Organizations obliged to use all financial surpluses to build more housing ensures that all housing built will enable the construction of more housing in the future, rather than enriching the owners of the projects.

- Amend Section III(D) to award a maximum of ten percent of points to applications that demonstrate a record of early loan repayment or that request a shorter repayment term.

Explanation: Today, most LIHTC developers must receive state Rental Housing Revolving Fund (RHRF) loans to finance their projects. These are very long term (55 years) and low interest (3 percent) loans paid for wholly by state taxpayers. While private banks are eager to refinance these loans after 15 years, enabling developer-owners to repay RHRF in full, developers rarely do so, because they have no incentive to do so. Awarding these points will incentivize developers to refinance after 15 years, repay the RHRF early, and free up RHRF funds to enable more housing creation in the future.
- Amend III(D) Criteria 12 to award 7 points to projects with a perpetual affordability commitment.

Explanation: Today, LIHTC is usually awarded to developers who obligate themselves to maintain the affordability of their projects for 61 years. While 61 years is better than a shorter term, it simply kicks the can down the road. After 61 years, the low income renters will be evicted to make way for market-rate renters, or the State will be pressured into buying the project back from the developer. Instead of 61 years, requiring affordability in perpetuity will ensure that LIHTC housing remains affordable forever, protecting tenants and preventing windfall profits to the developer.
- Amend Section III(B)(12) to adopt Washington State's Office of Housing Developer Fee Schedule in order to cap development fees for both 9% and 4% LIHTC at:
 - 12% for projects under one million dollars

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Explanation: LIHTC developers are paid twice: they both collect a developer fee and own the building. While the HHFDC drafts do place hard caps on developer fees, I believe adopting a developer fee schedule like Washington's will ensure the best deal for taxpayers.

- Maintain the criteria of 0-7 points (as opposed to 0-3 points) for the ratio of developer fee as a percentage of total project cost under Section II(D)(3).

Explanation: LIHTC developers are paid twice: they both collect a developer fee and own the building. Developers should be incentivized to minimize their fees charged to ensure that as much of the scarce taxpayer funds as possible are used to construct housing.

The reality is that LIHTC funding is currently a handout of taxpayer dollars to developers; the tax credits are not loans and are never repaid. The State is unable to leverage any capital gain in LIHTC projects to develop more housing in the future. Instead, the funds disappear into developer's pockets, who have no incentive to use their profits to build more affordable housing. As a result, LIHTC requires billions of dollars in federal funding annually, creating buildings that offer low rents only in the short term and which in the long term unjustly enrich developer-owners.

These proposed amendments would ensure the state will more efficiently and effectively utilize its resources by subsidizing housing development that can grow in value and ensures the recycling of financing to keep developing more housing. This will guarantee long-term affordability for project residents as well as fairness in where resident's taxpayer dollars are going.

I therefore strongly urge the board to reconsider the public's testimony on the September 10 QAP. I believe the proposals I outline above will have broad public support and HHFDC has an obligation to address the public's concerns. Thank you for the opportunity to provide testimony.



The Senate
Ka 'Aha Kenekoa

STATE CAPITOL
HONOLULU, HAWAII 96813

December 14, 2023

Mr. Gary Mackler, Chair
Hawaii Housing Finance and Development Corporation
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While maintaining the 2023 QAP value for projects serving tenants with special housing needs addressed to the minimum extent possible the public's input on that matter, HHFDC failed to address other points supported by several members of the public that would increase LIHTC efficiency and improve State capacity.

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Respectfully,



Stanley Chang
Senator, District 9
Chair, Committee on Housing

TESTIMONY of

Jon Lee

Before the

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION BOARD OF DIRECTORS

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Respectfully,

Jon Lee

Kaimuki, Honolulu, Oahu



MEMORANDUM

TESTIMONY of
Patrick F. Hurney
Director of Housing Development

Before the
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION BOARD OF
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Respectfully,

Patrick F. Hurney

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Director of Housing Development
Hope Services Hawaii

Pablo, Esa J

From: KB <keliiboy@gmail.com>
Sent: Wednesday, December 13, 2023 10:12 AM
To: Pablo, Esa J
Subject: [EXTERNAL] AGENDA ITEM III.A.

TESTIMONY of
Russell Keli'i Abordo

Before the
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION BOARD OF DIRECTORS

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R. Keli'i Abordo

Pablo, Esa J

From: Allen Freese <acfreese91@gmail.com>
Sent: Wednesday, December 13, 2023 9:52 AM
To: Pablo, Esa J
Subject: [EXTERNAL] Testimony on amending HHFDC's proposed 2024 QAP

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Allen Freese

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Explanation: Today, most LIHTC developers must receive state Rental Housing Revolving Fund (RHRF) loans to finance their projects. These are very long term (55 years) and low interest (3 percent) loans paid for wholly by state taxpayers. While private banks are eager to refinance these loans after 15 years, enabling developer-owners to repay RHRF in full, developers rarely do so, because they have no incentive to do so. Awarding these points will incentivize developers to refinance after 15 years, repay the RHRF early, and free up RHRF funds to enable more housing creation in the future.

- Amend III(D) Criteria 12 to award 7 points to projects with a perpetual affordability commitment.

Explanation: Today, LIHTC is usually awarded to developers who obligate themselves to maintain the affordability of their projects for 61 years. While 61 years is better than a shorter term, it simply kicks the can down the road. After 61 years, the low income renters will be evicted to make way for market-rate renters, or the State will be pressured into buying the project back from the developer. Instead of 61 years, requiring affordability in perpetuity will ensure that LIHTC housing remains affordable forever, protecting tenants and preventing windfall profits to the developer.

- Amend Section III(B)(12) to adopt Seattle's Office of Housing Developer Fee Schedule in order to cap development fees for both 9% and 4% LIHTC at:
 - 12% for projects under one million dollars

- 7.5% for projects costing between one million and six million dollars
- 5% for projects costing between six million and twelve million dollars
- 2.5% or seven-hundred and fifty thousand dollars (whichever is less) for projects costing over twelve million dollars

Explanation: LIHTC developers are paid twice: they both collect a developer fee and own the building. While the HHFDC drafts do place hard caps on developer fees, I believe adopting a developer fee schedule like Washington's will ensure the best deal for taxpayers.

- Maintain the criteria of 0-7 points (as opposed to 0-3 points) for the ratio of developer fee as a percentage of total project cost under Section II(D)(3).

Explanation: LIHTC developers are paid twice: they both collect a developer fee and own the building. Developers should be incentivized to minimize their fees charged to ensure that as much of the scarce taxpayer funds as possible are used to construct housing.

The reality is that LIHTC funding is currently a handout of taxpayer dollars to developers; the tax credits are not loans and are never repaid. The State is unable to leverage any capital gain in LIHTC projects to develop more housing in the future. Instead, the funds disappear into developer's pockets, who have no incentive to use their profits to build more affordable housing. As a result, LIHTC requires billions of dollars in federal funding annually, creating buildings that offer low rents only in the short term and which in the long term unjustly enrich developer-owners.

These proposed amendments would ensure the state will more efficiently and effectively utilize its resources by subsidizing housing development that can grow in value and ensures the recycling of financing to keep developing more housing. This will guarantee long-term affordability for project residents as well as fairness in where resident's taxpayer dollars are going.

I therefore strongly urge the board to reconsider the public's testimony on the September 10 QAP. I believe HHFDC has an obligation to address the public's concerns. Thank you for the opportunity to provide testimony.

Respectfully,

Allen Freese

Pablo, Esa J

From: Mpac.general <kwebster@moruspac.net>
Sent: Wednesday, December 13, 2023 9:20 AM
To: Pablo, Esa J
Subject: [EXTERNAL] Perpetual affordability is essential for Hawaii

TO: Gary Mackler, Chair, Hawaii Housing Finance and Development Corporation
FROM: Keith Webster, Kaneohe HI
RE: Agenda Item III.A, December 14, 2023 Board Meeting

Dear Chair Mackler:

I urge the board to reconsider and amend HHFDC's proposed 2024 QAP. Looking around the world, we've learned that there is no way to get ahead of this housing crisis unless we require affordability in perpetuity. We see this is viable and has been successful in many places including Vienna. Without this requirement, we will continue to fall behind in needed housing for our community.

On October 5, 2024, HHFDC held a public hearing regarding its September 10 draft. Over 30 members of the public, including developers, non-profits, and individuals, submitted testimony with comments on HHFDC's draft 2024 QAP. Despite the many requests for modification, HHFDC only altered three components of the September 10 draft that is now before the board. These alterations to the proposed 2024 QAP

- Increased by 1 point the county income adjuster compared to the 2024 QAP draft;
- Increased by 1 point projects serving tenants with special housing needs compared to the 2024 QAP draft;
- Decreased by 2 points the Waiver of Qualified Contract compared to the 2024 QAP draft.

While maintaining the 2023 QAP value for projects serving tenants with special housing needs addressed to the minimum extent possible the public's input on that matter, HHFDC failed to address other points supported by a number of members of the public that would increase LIHTC efficiency and improve State capacity.

I urge the board to reconsider the following amendments for the proposed 2024 QAP:

- Amend Section III(D) to award a maximum of twenty percent of the points to applications that plan to develop:
 - A State- or county-owned project;
 - A project in which the State or county is an equity partner;
 - A project in which ownership is conveyed to the State or county at a definite time; or,
 - An organization obliged to use all financial surpluses generated by the project to construct more owner- or renter-occupied housing.

Explanation: Awarding points to projects owned by government ensures that LIHTC awards go to owners that are likely to keep their projects affordable forever, as government is unlikely to raise rents to market after affordability periods expire. Organizations obliged to use all financial surpluses to build

more housing ensures that all housing built will enable the construction of more housing in the future, rather than enriching the owners of the projects.

- Amend Section III(D) to award a maximum of ten percent of points to applications that demonstrate a record of early loan repayment or that request a shorter repayment term.

Explanation: Today, most LIHTC developers must receive state Rental Housing Revolving Fund (RHRF) loans to finance their projects. These are very long term (55 years) and low interest (3 percent) loans paid for wholly by state taxpayers. While private banks are eager to refinance these loans after 15 years, enabling developer-owners to repay RHRF in full, developers rarely do so, because they have no incentive to do so. Awarding these points will incentivize developers to refinance after 15 years, repay the RHRF early, and free up RHRF funds to enable more housing creation in the future.

- Amend III(D) Criteria 12 to award 7 points to projects with a perpetual affordability commitment.
Explanation: Today, LIHTC is usually awarded to developers who obligate themselves to maintain the affordability of their projects for 61 years. While 61 years is better than a shorter term, it simply kicks the can down the road. After 61 years, the low income renters will be evicted to make way for market-rate renters, or the State will be pressured into buying the project back from the developer. Instead of 61 years, requiring affordability in perpetuity will ensure that LIHTC housing remains affordable forever, protecting tenants and preventing windfall profits to the developer.

- Amend Section III(B)(12) to adopt Washington State's Office of Housing Developer Fee Schedule in order to cap development fees for both 9% and 4% LIHTC at:
 - 12% for projects under one million dollars
 - 7.5% for projects costing between one million and six million dollars
 - 5% for projects costing between six million and twelve million dollars
 - 2.5% or seven-hundred and fifty thousand dollars (whichever is less) for projects costing over twelve million dollars

Explanation: LIHTC developers are paid twice: they both collect a developer fee and own the building. While the HHFDC drafts do place hard caps on developer fees, I believe adopting a developer fee schedule like Washington's will ensure the best deal for taxpayers.

- Maintain the criteria of 0-7 points (as opposed to 0-3 points) for the ratio of developer fee as a percentage of total project cost under Section II(D)(3).

Explanation: LIHTC developers are paid twice: they both collect a developer fee and own the building. Developers should be incentivized to minimize their fees charged to ensure that as much of the scarce taxpayer funds as possible are used to construct housing.

The reality is that LIHTC funding is currently a handout of taxpayer dollars to developers; the tax credits are not loans and are never repaid. The State is unable to leverage any capital gain in LIHTC projects to develop more housing in the future. Instead, the funds disappear into developer's pockets, who have no incentive to use their profits to build more affordable housing. As a result, LIHTC requires billions of dollars in federal funding annually, creating buildings that offer low rents only in the short term and which in the long term unjustly enrich developer-owners.

These proposed amendments would ensure the state will more efficiently and effectively utilize its resources by subsidizing housing development that can grow in value and ensures the recycling of financing to keep

developing more housing. This will guarantee long-term affordability for project residents as well as fairness in where resident's taxpayer dollars are going.

I therefore strongly urge the board to reconsider the public's testimony on the September 10 QAP. I believe the proposals I outline above will have broad public support and HHFDC has an obligation to address the public's concerns. Thank you for the opportunity to provide testimony.

WRITTEN TESTIMONY of
GALEN FOX, Ph.D.

Offered before the
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION BOARD OF
DIRECTORS

Thursday, December 14, 2023
9:00 AM
677 Queen Street, Suite 300, Honolulu, HI 96813

In consideration of
AGENDA ITEM III.A.

TO: Gary Mackler, Chair, Hawaii Housing Finance and Development Corporation
FROM: Galen Fox
RE: Agenda Item III.A, December 14, 2023 Board Meeting

Dear Chair Mackler:

I urge the board to reconsider and amend HHFDC's proposed 2024 QAP. HHFDC's proposed 2024 QAP (dated November 8, 2023) failed to properly account for the public's concerns regarding the draft version dated September 10, 2023. Please ensure that the public's comments are addressed and that taxpayers receives the best possible deal.

At HHFDC's October 5 public hearing regarding the draft, over 30 public members including developers, non-profits, and individuals, submitted testimony with comments. Despite the many requests for modification, HHFDC only altered three draft components:

- Increased by 1 point the county income adjuster compared to the 2024 QAP draft;
- Increased by 1 point projects serving tenants with special housing needs;
- Decreased by 2 points the Waiver of Qualified Contract.

Helping serve tenants with special housing needs minimally addressed public's input. HHFDC failed to address other public concerns that would increase LIHTC efficiency and improve State capacity.

I urge HHFDC to reconsider the following amendments:

- Amend Section III(D) to award a maximum of twenty percent of the points to applications that plan to develop:
 - A State- or county-owned project;
 - Projects where the State or county is an equity partner;
 - A project conveying ownership to the State or county at a time specific; or,
 - An organization obliged to use all financial surpluses generated by the project to construct more owner- or renter-occupied housing.

- Amend Section III(D) to award a maximum of 10% of points to applications showing a record of early loan repayment or a shorter repayment term.
- Amend III(D) Criteria 12 to award 7 points to projects with a perpetual affordability commitment.
- Amend Section III(B)(12) to adopt Washington State's Office of Housing Developer Fee Schedule in order to cap development fees for both 9% and 4% LIHTC at:
 - 12% for projects under \$1 million
 - 7.5% for projects costing between \$1-6 million
 - 5% for projects costing between \$6-12 million
 - 2.5% or \$750,000 (whichever is less) for projects costing over \$12 million
- Maintain the criteria of 0-7 points (as opposed to 0-3 points) for the ratio of developer fee as a percentage of total project cost under Section II(D)(3).

We know that LIHTC funding is currently a taxpayer dollar handout to developers. The tax credits are not loans and are never repaid. The State is unable to leverage any capital gain in LIHTC projects to develop future housing. Instead, the funds disappear into developer's pockets, with no incentive to use profits on more affordable housing. LIHTC uses billions of federal funding dollars annually to create projects offering local people only short term low rents while enriching developer-owners.

We need these proposed amendments to ensure the state uses its resources to build housing that both grows in value and recycles financing into more housing. This will guarantee long-term affordability for project residents as well as fairness to taxpayers.

Please have the board reconsider the public's September testimony. HHFDC has an obligation to address the public's concerns. The proposals outlined above will earn broad public support.

Thank you for the opportunity to provide written testimony.

Pablo, Esa J

From: Barbara <barbarapolk@hawaiiantel.net>
Sent: Thursday, December 14, 2023 8:50 AM
To: Pablo, Esa J
Subject: [EXTERNAL] Testimony on Agenda item 111A

**TESTIMONY OF
BARBARA B POLK**

Before the
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
BOARD OF DIRECTORS

Thursday, December 14, 2023
9:00 AM
677 Queen Street, Suite 300, Honolulu, HI 96813

in consideration of
AGENDA ITEM III.A

Dear Chair Mackler and Members of the Board:

I am concerned that the proposed 2024 Qualified Allocation Plan for the Low-Income Housing Tax Credit Program fails to ensure that low income housing needs will be met beyond a short period of time. Any provision that allows a project, heavily funded by public dollars and tax credits, to revert to the developer after a period of time subverts the very intent of State and federal funds.

Although I do not have the expertise to recommend specific changes in the proposal, I know that others who do have the expertise will be testifying also. I urge you to make the changes proposed to ensure that housing built under this plan remains a public good and continues to provide housing for low income people for the future.

Sincerely,

Barbara Polk

Pablo, Esa J

From: Mary Jane Nakamoto <hooch119@icloud.com>
Sent: Thursday, December 14, 2023 12:50 PM
To: Pablo, Esa J
Cc: David Elsie
Subject: [EXTERNAL] Paho Ridge Project

I am not agreeable to this project. It is far too large, causing congestion and danger for a small area in regards to traffic, pedestrians and general healthy living!

I have lived on the corner of Old Waialae Rd, Kalele and Kalei Rd. for over 54 years. Our family has experienced vehicular (some of which caused damage to our property and vehicles) and a pedestrian accident.

Adding a mega project to this small neighborhood area would be a disaster!!!

I would like to see this area be used for something beneficial such as a neighborhood park, where it a becomes a gathering spot to meet and enjoy the company of our neighbors!

Thank you for your attention on this matter.

Sent from my iPhone

Mary Jane Nakamoto

Pablo, Esa J

From: Makana Hicks <m.makana.h@gmail.com>
Sent: Sunday, December 10, 2023 9:01 PM
To: Pablo, Esa J
Subject: [EXTERNAL] HHFDC 14 Dec 2023 Board Meeting Testimony

Aloha,

I wish to provide comments on Agenda Item III.D, Pahoa Ridge.

In particular I wish the board to reject Scenario 3, the for-sale option. Scenario 3 provides far too few affordable units as a large number of the “affordable” housing proposed will be priced above equivalent units for sale at market rates today. I also provide comments with regards to scenario 2, cautioning that the number of affordable rentals, when measured against market rents in Honolulu, is quite low.

While it is true that households in the 80-140% AMI bracket do struggle to find affordable housing options, the for-sale option does not address those needs. In assessing the merit of each scenario, I encourage the board to step back from a focus on AMI and instead to focus on the broader goal of building affordable units: which is to build units affordable to local families when our market is decidedly unaffordable. While AMI bands provide a proxy for this affordability need, they fall short of describing our affordable housing needs when considering projects such as this.

According to Rocket Homes data the median sale price for a two-bedroom condo in Honolulu this year was \$599k. For a one bedroom it was \$415k. At a 7% mortgage rate, HHFDC’s affordable sales price guidelines indicate that every one bedroom unit priced at or above 110% of AMI would be above market. Two bedroom units would be unaffordable above 130% of AMI. These mortgage rates could change, have been falling with inflation since this summer. Many experts expect them to decline including the National Association of Realtors which anticipates rates of around 5-6% of end of next year. This means that the maximum price that could be charged at a given AMI level will rise: potentially meaning that the point at which a one bedroom unit sold under current affordability guidelines becomes unaffordable would fall as low as 110% of AMI for a two-bedroom and 90% of AMI for a one-bedroom

While no breakdown of affordability by both unit size and AMI is provided, past projects have tended to allocate smaller units disproportionately into the “affordable” AMI buckets relative to the overall building mix. For instance the recently approved Block C project, with a structure similar to the for-sale proposal herein, 77% of the for-sale affordable units built were one bedroom or less, despite being 62% of the building mix and only 7% of the market rate offerings. It is thus reasonable to assume that the majority of the affordable units offered under the for-sale scenario would be one bedrooms and studios. This is problematic as the majority of affordable units will be priced above 110% of AMI.

All of this means that while the for-sale proposal meets an AMI based definition of affordability, it’s affordability relative to market would be far below the 127 “affordable” units being proffered, with perhaps as few as 31 units being affordable when compared to current market prices.

More construction of any sort of course may contribute to Hawai’i’s long-term affordability via the mechanism of filtering. However, most economic research indicates that this filtering takes place at a rate of 1% per year. Meaning the time scale at which these units might trickle down into affordability would extend past the 10 year buyback restriction.

Hawai’i’s housing crisis is immediate and the affordable housing we provide should address that immediacy. While both Scenario’s 1 and 2 do so, scenario 2 is again affordable only by an arbitrary definition and not relative to market. Honolulu rents for 2023 and the corresponding AMI level at which they are exceeded are presented below using HHFDC’s 2023 Affordable Rent Guidelines and market rent from RentHop.

AMI based "affordability" prices higher than the market					
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Average Rents 2023	\$1,518.00	\$1,822.00	\$2,501.00	\$3,189.00	\$5,083.00
AMI @ Which "Affordable" Costs More than Market	80%	80%	100%	100%	140%

Thus, it is possible under scenario 2 that while all units actuarially affordable, only 99 units, or 46% of the total would cost less than the market rate.

It is only scenario 1 that will result in rents priced below the market for all units. Other factors being equal, this is the scenario that should be adopted. Barring that, it is scenario 2. Scenario 3 provides very little value in terms of affordability and thus the Board should question whether they are capturing the value of the subsidized loan, which is likely as high as \$3million, and the ~\$1.5 million in exemptions. Indeed, given that under scenario 3 as few as 7 units may be affordable relative to the market, Hawai'i would likely be better off offering no exemptions and instead directing the revenues collected from this project under the for-sale scenario into actually affordable projects. \

Me ka ha'aha'a,
Makana Hicks

Testimony
to the Board of Directors of the Hawaii Housing Finance & Development Corp.
regarding the
Pahoa Ridge Affordable Housing Project, Honolulu, Hawaii
December 14, 2023

Members of the Board,

Land developments like Pahoa Ridge need to be done right.

- Right Sized
- Right for and by the Community
- Right ways, and
- Right Fit for its site and location

The Pahoa Ridge project is seeking to be a maximum height of nearly 30 stories high on around 20,000 square feet of level and sloping land. The housing density can rival that of the primary metropolitan center of major cities that are much larger than Honolulu. A lot of people, cars, and facilities on a comparative small plot of land; too many.

Pahoa Ridge will have a significant impact on the area's community in several respects. The greatest impact will be the additional vehicle, both motorized and non-motorized, and pedestrian traffic it brings in its development to the immediate roadways surrounding the site at and its ripple effect at and around its location.

The need for resolution, mitigation and improvements for this multi-modal traffic impacts were repeatedly stated to the Developer in the Town Hall meetings from residents from all three Neighborhood Board Districts that border the Pahoa Ridge site. Residents have asked to see a TIAR submitted to the reviewing government agencies but have been told that would be done only after the Final TIAR is completed. No TIAR has been provided. Waiting for a final report can be too late for timely review and commenting by the affected communities.

In the various community meetings, the Developer stated that comments, concerns and request for more information about the project affecting the neighborhoods from residents, both verbal and written, would be addressed and responded to back to the residents of the different communities. But there has been no known compilation of the issues raised and of replies given back to the residents.

What was a sole community interface with only residents of one Neighborhood Board District, was a surprise to and gave rise to concerns from residents of two other adjacent neighborhood districts. Being Pono needed a change to have input from all affected and disclosure to the other affected residents.

Pahoa Ridge is being sought to go on a parcel currently designed over many years of Master Plans and City zoning reviews for medium apartment use that is also at a sensitive and complex junction of land uses, infrastructure, and multi-modal routes. Any substantive change and impacts require more analysis, examination, review and disclosure.

Pahoa Ridge is being planned to be placed at a road intersection that is one of the “doorways” to the University of Hawaii Manoa campus and at the “doorstep” to the athletic complex. While the UH may welcome the housing for its campus community, the proposed development is at an intersection significantly affected by the start and end of athletic events and graduations, or even large special events, and the building’s maximum height and window views from the upper floors will loom over and have direct view of the entire major sports fields, such as but limited to, football and baseball. Visually, it will be similar to moving the nearby existing 30-story condominium called the Contessa (that was built years before the construction of Murakami Baseball Stadium) to only around 100 yards, more or less, from the stadium’s center field. Tailgates, free watching and more guest vehicle overflow could be spin-offs that affect UH game patronage or issues similar to what other city sports facilities faced with neighboring apartments having open viewing of games from units or roof top garden areas.

The Pahoa Ridge project needs more work and disclosure to satisfy the concerns of the affected communities. There are numerous similar, but going forward concerns and requirements, from various approval agencies described in the “For Action” report presented to the Board. Said agencies should have meetings with the communities to find acceptable solutions too.

I hope my testimony adds to the concerns of residents who attended the various Town Halls. I also hope my testimony has some credibility as an affected property owner in lower Manoa and due to my 40+-year professional career in land use planning and multi-modal transportation.

I believe Pahoa Ridge can be done right to provide housing opportunities, but not right now.

Mahalo,

David Shimokawa

Patti K.'s Testimony for HHFDC Meeting on December 14th, 2023
Item #III (d) - Pahoa Ridge by Highridge Costa Development Co.

Dear Board Chair and Members:

My family and I support well-planned truly workforce affordable housing that conform with the neighborhood, which scenario 2 and 3 (for sale at market rate with only 10 years restriction) of this Pahoa Ridge project is not. I am submitting testimony in objection to the proposed development in its current form at this poorly selected location, and urge you to reject the application for a 100 feet height variance and other exemptions pursuant to 201H for the following reasons:

1. Community pedestrians safely

- The proposed site directly across from H-1 West Old Waialae Road is on bus #1 route and has very high pedestrian usage by many who walk / bike / ride moped from UH campus, Kuhio Elementary School, Humane Society, and area residents many of whom are seniors. Adding more people and traffic without any safely improvements is endangering lives of our most vulnerable citizens, students and seniors.

2. Traffic problems

Pahoa Ridge vehicles will have to cross over heavy traffic near 3 freeways entrance and exits to loop around S. King Street – Kapiolani Blvd. – Old Waialae Road to enter H-1 West in this manner:

- Since its garage exit onto Old Waialae Road, all its vehicles will need to immediately merge left crossing over traffic exiting from H-1 East S. King Street (across from Humane Society), onto a short left turn lane in front of Cake Walk that fits only 3 cars at a time, then to cross over incoming traffic from S. King Street going towards H-1 East on ramp to turn left again onto S. King Street. During rush hours, it's very congested and difficult to cross over by Cake Walk, it will inevitably cause traffic to back up on both Old Waialae Road and H-1 East exit 25A.
- Once the vehicles make it across another freeway exit (H-1 East exit 25A S. King St.) to Kapiolani Blvd., the left turn light in front of Hawaii Self Storage only allows 3-4 cars each time. The worse time will be after school is over with many Kaimuki High student walking to bus stop, and also during UH sports events.
- At present, it is difficult for vehicles leaving UH lower campus from Kalele Road to cross over 2 lanes to Old Waialae Road onto S. King Street.

3. Building Height, Density, Designs

- This design with fancy amenities (swimming pool, BBQ, fitness center, deck top space, ample parking) has all the signs of a luxury high rise with a Diamond Head view (i.e. Kuilei Place), contradictory to being affordable, and is really a shameful disguise to obtain exemptions to the zoning regulations.

4. Location and Infrastructure

- This small strip of land sits on top of a slope over H-1 West freeway, is the soil underneath stable enough to hold such a tall heavy building with a large swimming pool of water? Would heavy rain cause a landslide onto H-1 freeway endangering lives?
- The back of its building is Manoa-Palolo stream that may be in a flood zone, and could be part of the Army Corp of Engineers' flood control plan.
- Can the existing aged sewage line support this high rise building?

Affordable housing is the golden buzzer word. We don't need another bait-and-switch development that have the bare minimum affordable units, while enriching the developers with tens of millions in profits. Our government must serve the public by thoroughly examining the plans to determine if projects are truly affordable before giving away exemptions and tax credits, with little accountability once they build.

This project is clearly not suitable for this small parcel of land, in a highly congested heavy pedestrian used road. We respectfully demand that this application be rejected, and Highridge Costa to resubmit plan with reduced height, density and amenities of building, in scenario 1 only for affordable rental. Mahalo for your attention.

Pablo, Esa J

From: Frank Rogozienski <rogo.frank@gmail.com>
Sent: Monday, December 11, 2023 9:43 PM
To: Pablo, Esa J
Subject: [EXTERNAL] Late Testimony: HHFDC Board Meeting 12/14 Decision Making Item D - Paho Ridge

Dear HHFDC,

I am writing in strong opposition to the proposed Paho Ridge project. The project will add an unsustainable amount of traffic to one of the most congested portions of urban Honolulu during rush hour. Additionally, the project presents a high risk for residents of the proposed projects with a blind spot as they exit onto Wailae Ave. The surrounding community already has to navigate cars at high speeds over the speed limit as they exit their homes and this proposed project will only increase the difficulties and risks when navigating this section of roads.

Thank you for the opportunity to testify.

Frank

Seth Kamemoto

RE: HHFDC Board Meeting: Agenda III.D, Pahoa Ridge Project

December 14, 2023

Dear HHFDC Chair and Board;

I am testifying on behalf of myself, a Hawaii resident, to oppose the process by which this proposal is moving forward. The methodology being used to advance 201-H projects such as this Pahoa Ridge project limits the public's ability to accurately assess both the environmental impacts of the proposal through an overly loose interpretation of an EA exemption as well as the true affordable housing value of the project through segmentation of affordability options.

This proposal, along with others such as Kuilei Place, used an EA exemption in HAR 11-200.1-15(c)(10). However, in order to qualify, it must meet the (c) sub-clause: "As proposed is consistent with the existing county zoning classification that allows housing". I don't think that these projects are "consistent with" the existing zoning classification. These projects are requesting extreme exemptions, exemptions that directly counter the existing A-2 zoning laws, such as increased density (FAR), increased height, and decreased setbacks. I just don't see how the resulting project proposal can still be consistent with existing (A-2) zoning. The EA exemption should not be allowed in these cases. The public deserves an accurate assessment of the potential environmental impact of these types of projects, which are clearly beyond the boundaries of existing zoning.

Allowing multiple distinct affordability scenarios in a single exemption request is critically flawed. The flaw is inherent in the core design: the building is designed to be compatible with all 3 Scenarios, it's a "shotgun" approach of-sorts. I've seen designs solely for a <60%AMI demographic (similar to Scenario 1's target); it is much more bare-bones than this proposal. This Pahoa Ridge proposal needs to be "compatible" with a For-Sale offering (Scenario 3), so its design looks a lot more like Kuilei Place than, say, Meheula Vista, which actually serves the <60%AMI demographic. This makes the design "bloated" if looking purely from the truly affordable side. That matters, because it'll be more expensive than a bare-bones building, and therefore less likely to win the HHFDC tax credits, all other things equal. So the end result is that this shotgun approach undermines the so-called "preferred" Scenario 1 in order to keep the other options viable. I urge HHFDC to limit these proposals to a specific affordability target. It's impossible for the reviewing agencies and the general public to realistically assess the potential affordable housing benefits of the proposed action without knowing the specific affordability target. Even in this case, DPP's comments (in Exhibit H) were split based on the different scenarios.

Thank you for your attention to this matter,
Seth Kamemoto

Dear HHFDC Chair and Board Members:

I strongly oppose the Pahoa Ridge project and respectfully urge the HHFDC to deny any exemptions from statutes, ordinances and rules pursuant to Section 201H-38 that would enable the construction of this project that will cause long-term detrimental effects, placing a heavy burden on the community, the government, and taxpayers.

Pahoa Ridge does not meet the necessary requirements for health and safety. Safety issues must be remedied BEFORE any new construction in this area is permitted. Please note the following:

1. An aerial view reveals that 2779 Waialae Avenue is not a safe location for a 211-unit, 30-story highrise, with 281 parking stalls.
 - a. There are three lanes on Waialae Avenue that veer left into a blind curve just before the proposed property for Pahoa Ridge. Two lanes lead to the entrance to H1 West, which is directly across from the property. These lanes are highly congested in the mornings, afternoons, during UH athletic events, and any time there is congestion on H1 West. Residents from St. Louis Heights, Kapahulu, Palolo and parts of Kaimuki use this H1 entrance.
 - b. The blind curve has caused many accidents, where vehicles have hit pedestrians or have crashed into poles or guardrails.
 - c. The third lane on Waialae Avenue heads to the overpass above the H1 and is joined by an exit lane from H1. Thus, this property sits at the vertex of a busy freeway onramp, offramp, and overpass. An adequate traffic study would have raised red flags about adding additional vehicular traffic, from a 211-unit complex, to this location with existing traffic safety problems.
 - d. Residents on Kalei Road must merge onto Waialae Avenue after the blind curve. They face vehicles turning right from Waialae to enter the UH athletic field and vehicles approaching the H1 West entrance. If they want to go to King Street, they must cross over two lanes to get to the third lane onto which vehicles from Pahoa Ridge will be entering. Crossing over two lanes and then looking out for vehicles already in the third lane and also entering the third lane from Pahoa Ridge will be hazardous.
2. Exhaust from vehicles idling in bumper-to-bumper traffic at all hours of the day on Waialae Avenue creates unhealthy air quality for people who live in the area, and additional vehicles from 211 units at Pahoa Ridge will exacerbate the problem.
3. Zoning regulations are in place to maintain quality of life in a neighborhood. This is essential for the health and well-being of the community. As we face climate change, cities are re-thinking construction of tall buildings because they contribute to heat islands and block the flow of wind to surrounding structures. My uncle experienced an uncomfortable increase in heat in his unit

when a dense building was constructed next to his 2-story building. Adding air conditioning to existing residences, such as my uncle's, is not a viable option because of the financial and environmental costs.

The current infrastructure is nearing a breaking point, and construction of a highrise and the influx of hundreds of additional residents will cause extreme stress on an already stressed neighborhood. If citizens are raising the alarm of a cracking foundation, HHFDC should allow our elected officials and government agencies, such as the DOT, to strengthen the foundation *before* allowing more weight to be added to the foundation.

We have expressed concerns about Pahoa Ridge at neighborhood board meetings and town halls. We ask that HHFDC hear our concerns and deny any exemptions from statutes, ordinances and rules that would enable the construction of Pahoa Ridge.

Well-planned affordable housing projects contribute to, rather than sacrifice, the health and well-being of a neighborhood. New, as well as current residents, do not want to live in a polluted, congested traffic-danger zone. And none of us want our neighborhood to become a case study in an urban planning disaster.

Thank you for your attention to our concerns about the future of our neighborhood.

Pablo, Esa J

From: Vincent Zoccolante <jesussaves1555@gmail.com>
Sent: Tuesday, December 12, 2023 9:31 PM
To: Pablo, Esa J
Subject: [EXTERNAL] Paho Ridge Building

I writing this email to you saying that this project is not needed in our neighborhood as the traffic situation is already out of control trying to navigate from Kalei Rd.

Adding more problems to this area is boarder line criminal and disrepectful to an area that needs less traffic not more. This project smell of greed and political corruption from the top to the general contractors Moe & Chris who have lied about their objective from the very begining.

Many of us have been to meetings and on line chats where we have not been informed until we asked for the information. We don't need more building in this area and my hope is the powers to be will understand the undertaking that this involves..U.H. football field and now a new track has already cause a traffic situation beyond control.

I appeal to your good senses and compassion for the respectibility of an old neighborhood to NOT PASS this dangerous project..aloha

Pablo, Esa J

From: lydia nakada <ccnakada@gmail.com>
Sent: Tuesday, December 12, 2023 11:59 PM
To: Pablo, Esa J
Subject: [EXTERNAL] Pahoa Ridge Objection

To whom it may concern,

I'm Lydia Nakada and I live at 2914 Kalei Road, a one lane dead end road off of Kalele Road, for the past 74 years. My grandson, his wife and my great grandson live me and just 5 houses away my sister, June Obayashi rebuilt my parents house that we grew up in, and my son and his wife live with her. My email speaks for all of them, too!

First of all, living in so close proximity to this, you'd this entire area we would have been notified of this proposed development as we would be the very ones who would be impacted during the construction of this project and forever after. I understand from the developer that this Pahoa Ridge planning started over two years ago. I only found out about the first Town Hall Meeting they held at the St. Louis Alumni Clubhouse because I got a call from my neighbor, who works there part time, called 25 minutes before it started. Couldn't inform any of my neighbors and I hear only 20 people showed up. Some of the Mo'ili'ili/MCully residents may have been notified since it is in their Neighborhood Board District but this side of Waialae is with the Manoa Neighborhood Board. In actuality, and the developer was told at the second Town House Meeting that all the adjoining boards that will be impacted by this development should also be informed and given a presentation with questions and answers. (Manoa, St. Louis, Kaimuki, Kapahulu and Diamond Head) Why? Because this short, one way, 3 lane street formerly called Old Waialae Road, is the main corridor leading to the H1 West on ramp. It is used by a vast number of vehicles from all these areas on a daily basis and we already have traffic gridlock with a the bottleneck is front of the proposed site making it difficult and dangerous for all the resident vehicles, in this area, trying to get in and out of their road (Koali, Kalei and Kalele), driveways or their condo parking lot (Waialae Place and Kulanui Hale. It's already a dangerous problem and a fatality waiting to happen not only for cars (bikes and mopeds, too) but for pedestrians (young, elderly and UH students).

Please know that we are all for more affordable rental units just as we are all for higher education. Speaking of which I don't the developers seriously looked at the UH dorms and sports venues that have and are continuously being built or enlarged in the UH quarry. That all equates to traffic as Kalele Road is one of the two main entrances to the UH sports venues and parking lot.

In 1971, my son attended kindergarten at Kuhio Elementary School. Upon completion of kindergarten, we were all informed that everyone living mauka of Old Waialae Road was given district exception to attend Hokulani Elementary School because that Waialae Road was too dangerous for the students to cross and too dangerous for the JPO's to man. This is 50 plus years later and since then the UH built many more dorms at the end of Kalei Road (that I had to fight with the UH and took it to the Neighborhood Board to close off the access to their dorms as their students, family and friends were speeding in and out all hours of the day and night and we were having a lot of petty burglaries of missing shoes and slippers and even clothes drying outside on the line. It used to be a quiet and safe neighborhood before the students would regularly pull the fire alarms or set fire to the big trash bins.

Anyway, since the additional building of dorms, the softball field was built, the Stan Sheriff Center capacity 10,000*, Les Murakami Stadium capacity 3,400+, the TC Ching Football Stadium 15,000* and growing plus a proposed soccer field to be built. These venues don't only hold sport events, the do regular events like Special Olympics, graduations UH as well as high schools, etc.

We are plagued by traffic and most people don't know our road exists so signaling, slowing down to turn and turn again without getting rear ended is a fear as well as slowly creeping out from a stop sign and having to dodge cars barreling around an almost blind corner so you don't get t-boned and then again at the next stop sign having to do the same to get on to the freeway or worse yet having to crossover two lanes to get the the far left to get on to King Street.

I worry about my family's lives and my friends and neighbors.

In 1971, when my husband joined the Honolulu Police Dept after graduation from the University of Hawaii, we started our own neighborhood watch and walk to protect the children and elderly in our little community. I continue to do so

even though my husband died 27 years ago. But no longer have time go door to door to inform everyone or phone them. Connected entire neighborhood by group text so anything happening they are informed in 'real time'.

Fortunately, I am not the only activist in the neighborhood now!

Oh, one important last thing is we have a senior living on our road and the Maui fires brought to mind about emergency vehicles not being able to get through. There are no sidewalks on either side of the street for cars to move over and let an emergency vehicle through.

Please, please don't take the developers word and his traffic study that it's not going to compound the problem that already exists. They've been doing everything under the radar as I'm sure a lot of other developers have. Why do they need 211 more units when there's 1003 Kuilei units in Kapiolani.

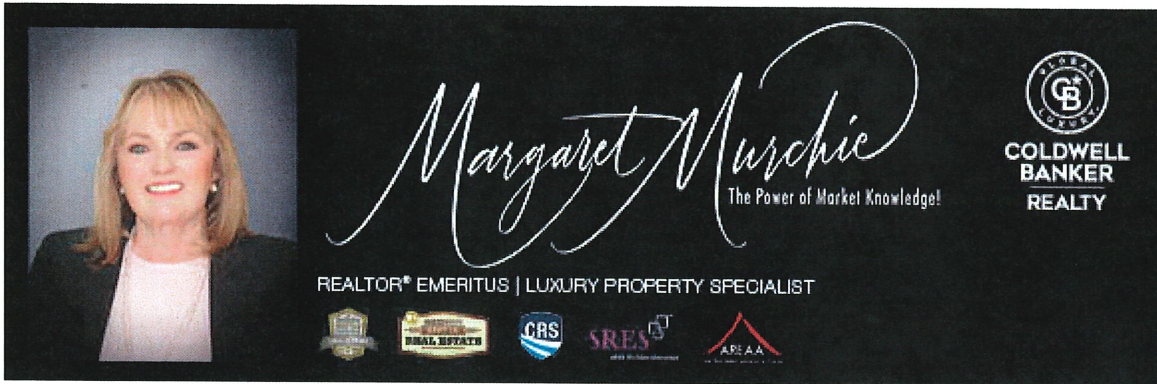
With all the amenities added on to this project which is primarily supposed to be affordable, I googled and saw their Pahoa Ridge write up that looks like a scaled down Kuilei condo for sale.

Thank you if you took the time to read all of this, Lydia Nakada

Pablo, Esa J

From: Murchie, Margaret <MargaretM@cbpacific.com>
Sent: Wednesday, December 13, 2023 9:16 AM
To: Pablo, Esa J
Subject: [EXTERNAL] Pahoa Ridge

I sent testimony via Gordon Pang Monday morning. This project is not acceptable. Traffic, terribly congested and dangerous Location, rental cost not affordable



Diamond Head – Kahala Office

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C. 808.226.6600 License: RB-13265


margaret@margaretm.com

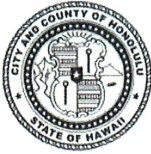
www.margaretm.com



INTERNATIONAL PRESIDENT'S ELITE

Margaret Murchie

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DIAMOND HEAD/KAPAHULU/ST. LOUIS HEIGHTS NEIGHBORHOOD BOARD NO. 5

c/o NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BLVD SUITE 160 • HONOLULU, HAWAII, 96817
PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET: <http://www.honolulu.gov/nco>

DIAMOND HEAD / KAPAHULU / ST. LOUIS HEIGHTS NEIGHBORHOOD BOARD PLANNING and ZONING COMMITTEE REPORT FOR DISTRIBUTION

The Diamond Head / Kapahulu / St. Louis Heights Neighborhood Board is a Honolulu City and County advisory agency that addresses federal, state and local matters of significance to this Community District.

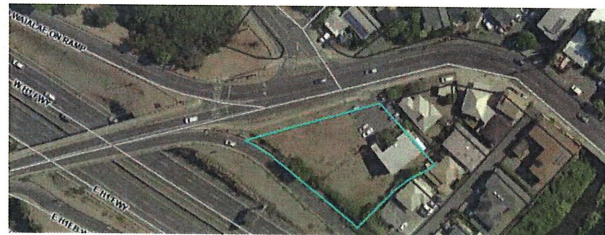
On October 5, 2023, the Board's Planning and Zoning Committee convened to investigate and discuss a proposed 250-ft. high-rise development contiguous to the Diamond Head/ Kapahulu/St. Louis Heights Neighborhood Board District at the Waialae Avenue west-bound entrance to the H-1 Freeway, and the series of public concerns expressed at the Board's monthly meeting on September 14, 2023, and other public meetings within the larger community. On October 12, 2023, the Board authorized distribution of the Committee's report to city and state agencies and officials reviewing the proposed development.



Proposed High-Rise Development

The developer's promotional concept of the high-rise rental housing development proposed to be located at 2779 Waialae Avenue can be found at <https://pahoaridge.com/>.

The proposed residential high-rise is planned to be developed on a half-acre 20,295 square-foot parcel at the west end of Waialae Avenue along the curved approach to the H-1 Freeway and the King Street overpass. The subject land is largely vacant open space, with a small 2-story, 6-unit apartment building set back into the east corner of the parcel.



The City's regulatory zoning height limit is restricted to 150 feet at this location, but the developer is seeking a 100-foot height increase to 250 feet to construct 211 studio, one- and two-bedroom rental units and 281 parking spaces within a parking podium. The proposed development's amenities include a recreational pool deck, an outdoor lounge deck, a fitness center, a community room and a rooftop recreation deck.

Public Concerns

Public Concerns and Comments have included the following:

Established Zoning Height-Limit Laws and Density Regulations

The developer is seeking to violate the City's established zoning laws and density regulations governing this parcel by increasing the regulatory building height limit of 150 feet to 250 feet and 28 stories to accommodate 211 residential units and 281 vehicles on this parcel.

Community residents are calling for any development at this location to be built within the City's established zoning requirements and greenspace policies. But the developer has stated "No - the plan cannot be changed," according to a community member attending an introductory presentation in Mo'ili'ili on September 30, 2023.

Developer Seeks Public Taxpayer Funding and Regulatory Permit Exemptions

The developer is seeking \$55 million in fast-track taxpayer funding from the Hawaii Housing Finance & Development Corporation (HHFDC) and exemptions from regulatory permits for the proposed 250-ft. high-rise development comprised of studio, one- and two-bedroom units to be rented at 30-60% of the area's median income (AMI) level.

The developer's application was submitted to the HHFDC in September 2023, and the deadline for comments to the HHFDC from the City's Departments of Planning and Permitting and Transportation Services is reported to be October 16, 2023. The HHFDC is then expected to render their decision in November 2023.

Some of the developer's sought-after public funding and regulatory exemptions may not be approved, and should the HHFDC limit the HRS 201-H public taxpayer funding and/or regulatory permit exemptions, the developer will increase the rentals to 80% - 100% AMI.

			Track 1 (Priority)	Track 2 (Alt. Option)
Unit Type	Avg. Unit SF	No. of Units	Rental Apartments 30-60% AMI	Rental Apartments 80-100% AMI
Studio	350	56	\$687 – \$1,375	\$1,833 – \$2,291
1-Bdrm	557	98	\$736 – \$1,473	\$1,964 – \$2,455
2-Bdrm	894	57	\$884 – \$1,768	\$2,357 – \$2,946
Total		211		

pahoaridge.com

Moreover, if the developer does not receive the requested 100-ft. building height increase, the \$55 million in public funding, and the exemptions from regulatory permitting, the developer will convert the proposed development to for-sale market rate condominium units at this location.¹

¹ See <https://www.youtube.com/watch?v=tJAlvzceZYk> at 1:23:19

Additional comments expressed by the concerned community:

When questioned by a meeting participant, the developer responded that the proposed development will not be used for university dormitory purposes or rentals to students but will be affordable for other residential uses.

If the proposed development is truly affordable for workforce rental housing at 30 to 60% AMI, the added fees for maintaining a recreational swimming pool deck, an outdoor lounge deck, a rooftop deck, a fitness center and a community room together with the additional water fees would not be affordable for those in need of affordable housing, so the added amenities appear to be indicative of another plan.

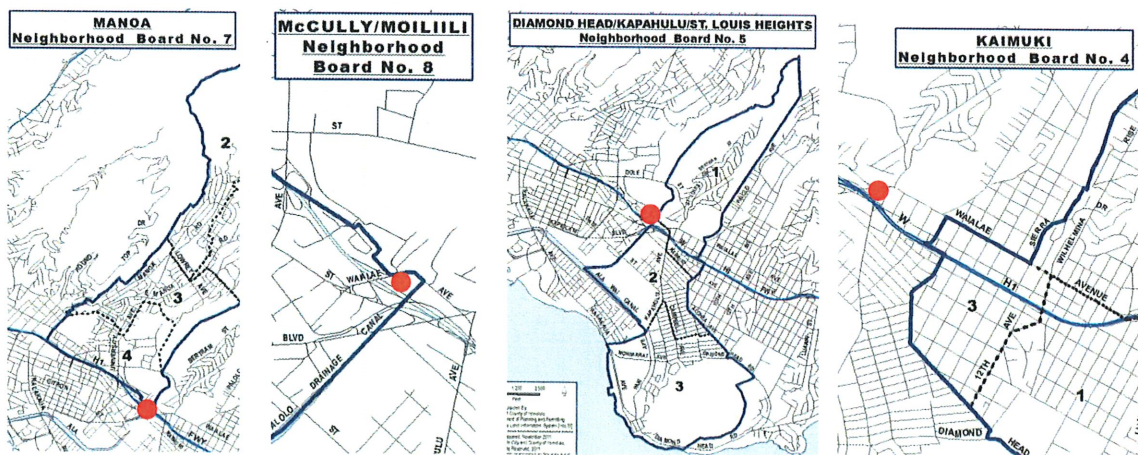
If the developer does not receive the requested zoning height-limit exemption and \$55 million in public funding and regulatory permit exemptions, the developer will convert the proposed development to a for-sale market rate condominium development, thereby gaming the affordable housing system by soliciting taxpayer funding and building exemptions to build workforce rental units or alternatively imposing high market values on for-sale units at the same location.

Environmental Impacts

An in-depth soils study should be required to be undertaken to assess the soil stability to support the proposed high-rise and parking podium with platform or pile building foundations below grade at this location above the freeway² to determine any unstable soil, fill or infill within or contiguous to the subject parcel, and any potential effects on the US Army Corps of Engineers Ala Wai flood control project downhill and FEMA responses during disaster conditions. Further, this comprehensive soils study should be made part of the developer's Environmental Impact Statement specific to the proposed development.

Regional Traffic Impacts

The developer provided a presentation to the McCully-Mo'ili'ili Neighborhood Board on August 3, 2023,³ where emphatic concerns were raised relating to regional and local traffic impacts by the proposed development at this location, and similar concerns were echoed during the Manoa Neighborhood Board meeting on August 2, 2023.⁴



² See <https://link.springer.com/article/10.1007/s41062-016-0010-2>

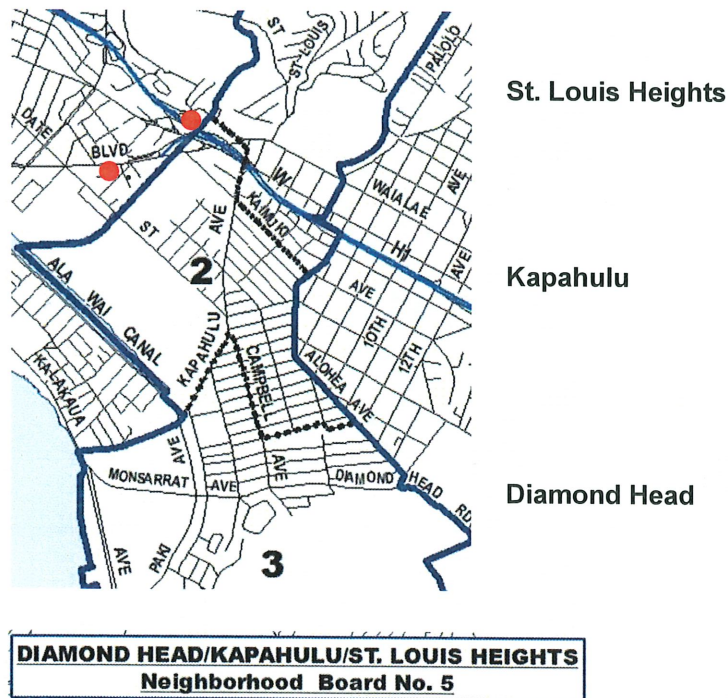
³ See <https://www.youtube.com/watch?v=c8WZuXKTuul> from 2:00:08 to

⁴ See https://www.youtube.com/watch?v=x580y_O0VLk from 2:32:03 to 2:44:50

Cumulative Freeway Approach Traffic Impacts and Pedestrian Safety Impacts

One of the most overriding concerns expressed by the larger community centers on cumulative local traffic congestion and gridlock impacts from the proposed high-density development situated at 2779 Waialae Avenue, around the blind turn where Waialae Avenue merges with both the H-1 Freeway west-bound onramp and the King Street freeway overpass. This is contiguous to the Diamond Head/ Kapahulu/St. Louis Heights Neighborhood Board District and is foreseen to have direct increased traffic and pedestrian safety impacts within the Board's district.

Further, the cumulative traffic congestion and gridlock impacts on the freeway approach by the proposed development coupled with the increased traffic congestion and gridlock impacts on the freeway approach by the proposed Kobayashi 1,005-unit "Kuilei Place" residential tower and parking high-rise development nearby on Kapiolani Boulevard, have not been disclosed.



Compounded Traffic Risks and Dangers

The Waialae Avenue west-bound H-1 Freeway approach will become more dangerous for both vehicles and pedestrians with ingress and egress of 281 vehicles at this location contiguous to the freeway overpass thoroughfare and merging freeway onramp, and the present known and reported dangers have been requested to be remedied before any consideration of this proposed development is undertaken.

Nearby facilities with high pedestrian use include the Hawaii Humane Society, Kuhio Elementary School and Kaimuki High School, and a pedestrian crosswalk just beyond the blind turn on the Waialae Avenue freeway approach connects with the University of Hawaii campus and stadium, and is used by UH students to access King Street and Kapahulu.

The developer is reported to have conducted a traffic study during the COVID pandemic, when there was minimal traffic. *Therefore prior to any City or State agency consideration of the public concessions sought by the developer for the proposed development, a comprehensive independent Traffic Study* should be required to be undertaken during the present traffic conditions for the purposes of a) disclosing and remedying the existing traffic and pedestrian risks and dangers; b) disclosing the aforementioned cumulative traffic impacts of the increased number of vehicles from both proposed developments merging into the west-bound freeway approach and onramp and the freeway overpass; and c) determining the domino-effect of the increased traffic congestion and gridlock along this main traffic artery and the intersecting streets essential to the St. Louis Heights, Lower Waialae, East Mo'ili'ili, Kapahulu and Diamond Head communities for necessary access to the H-1 Freeway onramp via Waialae Avenue.

ESTIMATE OF ARBITRATION COSTS

<u>Cost Factors</u>	<u>Amount</u>
1. One-half of arbitrator's fees (\$250 per hour x 40+ hours in hearing and study)	\$10,000.00
2. Expert witness appraiser fees (\$350 per hour ¹ x 20+ hours preparation and testimony)	\$7,000.00
3. Attorneys' fees (\$250 per hour x 100 hours) ²	\$25,000.00
4. Miscellaneous discovery costs (document production, depositions, etc.)	<u>\$ 7,500.00</u>
Subtotal	\$49,500.00
5. 20% Contingency for Underestimate	<u>\$ 9,900.00</u>
TOTAL ESTIMATE	<u>\$59,400.00</u>

¹ This will be higher for HHFDC since its expert, Jan Medusky, charges at least \$450 per hour.

² This amount will increase by \$5,000 to \$12,500 more if farmers need to file a motion in court to combine or consolidate all ten lots into a single arbitration.

Name	Lot #	HHFDC Offer 10/27/2023 \$/mo	HHFDC Offer 10/27/2023 \$/year	WWCA Offer 2 10/27/2023 \$/mo	WWCA Offer 2 10/27/2023 \$/year	Difference 10/27/2023 \$/mo	Difference 10/27/2023 \$/year
Ulep	10	\$ 311.57	\$ 3,738.84	\$ 194.52	\$ 2,334.24	\$ 117.05	\$ 1,404.60
Sadoyama	41	\$ 898.22	\$ 10,778.64	\$ 560.15	\$ 6,721.80	\$ 338.07	\$ 4,056.84
Lopes	74	\$ 156.17	\$ 1,874.04	\$ 137.20	\$ 1,646.40	\$ 18.97	\$ 227.64
Kaeka	76	\$ 360.84	\$ 4,330.08	\$ 328.59	\$ 3,943.08	\$ 32.25	\$ 387.00
Lopes	84	\$ 194.97	\$ 2,339.64	\$ 167.49	\$ 2,009.88	\$ 27.48	\$ 329.76
Ota	85	\$ 192.06	\$ 2,304.72	\$ 168.93	\$ 2,027.16	\$ 23.13	\$ 277.56
Badiyo	86	\$ 299.73	\$ 3,596.76	\$ 256.23	\$ 3,074.76	\$ 43.50	\$ 522.00
Song	98	\$ 213.40	\$ 2,560.80	\$ 165.09	\$ 1,981.08	\$ 48.31	\$ 579.72
Keohokapu-Meria	124	\$ 54.32	\$ 651.84	\$ 45.30	\$ 543.60	\$ 9.02	\$ 108.24
Nakamoto	138	\$ 176.54	\$ 2,118.48	\$ 151.95	\$ 1,823.40	\$ 24.59	\$ 295.08
Totals		\$ 2,857.82	\$ 34,293.84	\$ 2,175.45	\$ 26,105.40	\$ 682.37	\$ 8,188.44

Ladies and Gentlemen,

My name is Norman Sadoyama and I am a lessee of Lot 41A in Waiahole Valley where I have been farming for more than 55 years. Farming is hard business. It takes a toll on a person's body – like mine. I have had both of my knees and both of my hips replaced. But I am still farming on a full-time basis, and have taken money out of my retirement and invested it in my farm because of my belief and determination to continue farming.

The increased rent proposal that I offered to HHFDC at the mediation meeting is more than fair especially because I have been paying rent on un-usable farm land for more than 25 years. I was at the mediation meeting and agreed to increase my offer at the end of the mediation before the “Mediator” made his proposal. I am not willing to pay the increase in rent nor accept HHFDC's quarterly reporting forms.

WWCA's appraiser found that out of 47.504 acres leased to me only 9.230 acres are usable for farming mostly because it is too steep and would cause major erosions along with it not being environmentally and economically sound in farming practices. My farm has been losing money and is not profitable because:

1. Climate change causing too much rain damage to crops and strong Kona Winds
2. I battle with crop Diseases, feral pigs and feral chickens
3. A major investment in time and money is eradicating and maintaining invasive Albezia trees which continues to be an ongoing battle
4. The high cost of petroleum that plays an important part in the day-to-day operation of farming
5. The pandemic caused a dramatic increase in sales

My Love for farming has given me perseverance to overcome my adversities. I would like to make clear that although my farm is in the red most of the time, I have produced over 1,000,000 pounds of produce for the people of Hawaii. I don't expect you to understand the adversities that farmers face compared to normal working people, but we do play an important role in the economic and sustainability for the state of Hawaii.

I am sure your life does not only revolve around your job so also with my life. I have been giving back to society doing volunteer work for the State of Hawaii once a week at nights for over 40 years.

My situation is obvious. Just on the basis of 80% of unusable land that I lease, I ask the Board to consider and accept my rent offer.

Mahalo

Aloha Ladies & Gentlemen,

My name is Marie Revilla, I am speaking for my mother Concetta Fialkowski, my deceased father Terry Fialkowski, and my Uncle Dennis & Aunt Lydia Kaeka. They are the lessees of lot 76A in Waiahole Valley where our family has resided since the 1960's. Elizabeth Marks (McCandless heir) hired my grandfather in the 1960's to serve as a caretaker for the entire South Waiahole Valley Road.

Originally, we raised cattle, horses, pigs' chickens, and ducks. My mother trained horses and used 2 acres for stalls and an arena to ride in. These acres no longer exist.

This land was washed away by Waianu River because of modifications made by HHFDC to the river (they replaced the bridge and culverted parts of the river), followed by two major storms in the 1990's, and illegal modifications made to the river by our neighbors.

The increased rent that the lots represented by WWCA offered to HHFDC at the mediation is fair. My mother Concetta (representing both families) was at the mediation and agreed to increase our offer at the end of the mediation based on the Mediator's Proposal. Before the Mediator made his proposal, we were not willing to pay as much rent or to accept HHFDC's quarterly reporting form.

WWCA's appraiser found that out of 14.214 acres leased to the Kaeka & Fialkowski Ohana only 9.523 acres are usable for farming. 33% of that lot is not farmable because of its high slope, terraces, swamps and the river, which often floods it.

Our farm has been losing money and is not profitable due to a number of reasons.

In 2020, the year of the COVID pandemic, our vendors stopped taking deliveries as all in person contact was stopped in many retail places.

In 2020 and 2021, there was also significant storm damage from flooding and erosion. I have included some photos of how our lands continue to be affected by the flooding. This is almost an annual occurrence and our plea for help to HHFDC and the Army Corps of Engineers has gone unanswered.

Our tropical flowers were then infected by a fungus which gave us no choice but to pull them out to rest the land. We are slowly beginning the process of replanting the tropical flowers.

We are attempting to diversify our crops. We have planted breadfruit for the Market as well as Kalo, and avocado. We have invested in heavy equipment i.e., tractors and excavators to work the land.

I ask the Board to consider our situation and difficulties and accept my rent offer.

Marie Revilla Date



Ladies and Gentlemen,

My name is Albert Badiyo, Jr. I am the lessee of lot 86A in Waiahole Valley where I have been farming on my own since 1981. At one time we had many hardworking hands to help with the farm. My wife, 3 daughters, 1 son, 2 foster sons, one of whom I adopted. A few nieces and nephews both related and calabash. Many hands to make this family operated farm run. Now all grown and on their own. Those hands now contribute to society in our state. My wife of 40 plus years has passed. Now these two hands work on this livelihood.

The increased rent that we offered to HHFDC at the mediation is fair. I was at the mediation and agreed to accept the Mediator's proposal at the end of the mediation. Before he made his proposal I was not willing to pay as much rent or to accept HHFDC's quarterly reporting form.

WWCA's appraiser found that I only have 7.215 acres out of 10.465 acres on my farm that are leased to me that are usable for farming. 31% of my land is zoned floodway district all along the river. Before my eyes I've seen my crops lost to floods, winds, diseases, and viruses. We farmers deal with stealing, weather, pests, diseases, viruses along with life's situations. In my case a small water meter has hindered my farm operation. A 1" main with no backflow for 10.5 acres was wrong, but that's what was given to me. I made the best I could watering $\frac{1}{3}$ of an acre at a time.

Farming is very feasible. In most or all great, big and small nations and countries, farming is their backbone. Farmers contribute their hard work to build and sustain their population. In our case, here in Waiahole, farming more than ever is needed to help keep our state and the people fed, running and living. Help, caring, and management in all cases will determine progress. More farm commodities are needed as the population grows. The increase in rent and the logistics may hurt, not help my contribution to our state.

For farmers the weather is crucial. The weather, equipment, maintenance, clearing and caring for this land, diseases, and viruses are daily battles. We are up against nature and to battle our brothers and sisters in the state in this life is bad and horrible. We farmers know what's needed; help us, not hurt us. Throughout these years I have contributed, and I have lost some. Papaya and banacrops, 1 acre, 2 acres, lost in a day. Rebuild, prosper, survive, lose again. I don't complain, I pick up and go on living. I have experience in many different crops and commodities. I am strong and have many years of profit to gain. I've been in this valley since 1957. Waiahole is my home.

I ask the Board to consider my situation and difficulties and accept my rent offer.

Albert Badiyo, Jr.
11/24/23

Ladies & Gentlemen,

My name is Linda Lopes. I am a lessee of lots 74A and 84A in Waiahole Valley where I have been farming since my sister and I were children when we learned by helping our parents.

The increased rent that I offered to HHFDC at the mediation is fair. I was at the mediation and agreed to increase my offer at the end of the mediation based on the Mediator's Proposal. Before the Mediator made his proposal I was not willing to pay as much rent or to accept HHFDC's quarterly reporting form.

WWCA's appraiser found that out of 3.977 acres leased to me on lot 84A only 1.615 acres are usable for farming. 59% of that lot is not farmable because it is cut through by a river which often floods. My farm has been losing money and is not profitable because we've lost at least 60-90 feet of our property to flooding. We put in many hours and money to remove debris like huge tree stumps, river rocks, etc. We also spent hours replanting. We went to HHFDC's office many times and talked with Jason Takata to ask if someone could come and access our lot 84. We never had a phone call or visit for 7 to 8 years, until I called to complain about there being no water in the river. Jason came because he knew that he allowed Hanalei Bishop to divert the water in the river to their side. When Jason saw the dry river bed, he said that Hanalei did it wrong. My mother was told to not divert river water and to regulate how much water she's using from the river when she's using the water pump. How is it that there are two different rules and regulations? To me the landlord is responsible for damages and renters are responsible for paying rent, land tax, and maintenance, etc.

Linda Lopes

11/24/23

Ladies & Gentlemen,

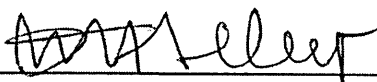
My name is Silvestre Ulep. I am a lessee of Lot 10A In Waiahole Valley, where I have been farming for the past 14 years.

The increased rent that I offered to HHFDC at the mediation is more than fair. I was at the mediation and agreed to accept the Mediator's proposal at the end of the mediation. Before he made his proposal I was not willing to pay as much rent or to accept the HHFDC's quarterly reporting form.

WWCA's appraiser found that only 2.115 acres out of 2.953 acres on my farm that are leased to me are usable for farming. 28% of my land is not farmable because it is located in a floodway and the drainage because ditches cut through my farm. My farm has been losing money and is not profitable Because it is the lowest in the area. It is subject to yearly flooding every time there are heavy rains. Flooding comes from the mountains and the farm in the rear, the left farm drains into my farm via a drainage ditch, and when the Waiahole stream overflows its' banks at the Kam Hwy Bridge by the Waiahole poi factory, the flood overtops the highway and flooding comes from the highway into our farms fronting Kam Highway. The vegetable gardens are inundated and vegetable plants wilt and die out. If there are some growing string beans, the birds beat us from harvesting what produce remain. It is hard to start over when crops are destroyed and you have to clean up the mud, debris and rubbish off the farm not to mention the floors of the farm structures.

There is also a new problem cause by the rhinoceros beetle boring the coconut tree tops and killing the trees in the process. This will be catastrophic to the future yield of the coconut trees. The strong winds also cause the banana trees to fall to the ground during heavy rains with strong winds.

I ask the Board to consider my situation and difficulties and accept my rent offer.



Silvestre Ulep

Nov. 24, 2023
Date

Ladies and Gentlemen,

My name is Gwen Cunha. I am a lessee of lot 138A in Waiahole Valley where I have been farming since I was a child when I farmed with my father who built his own house and grew his own trees. My husband and I took over the lease more than 10 years ago when I went to help my parents. My husband had been a heavy equipment operator and we were able to use equipment such as a hopto to try to level the land and improve its farmability. But my son died about 14 years ago and my husband and father passed away one month apart, 7 years ago. This represents 3 pairs of free hands to help with the farm.

I think the increased rent that I offered to HHFDC at the mediation is fair. I was at the mediation and agreed to accept the Mediator's proposal at the end of the mediation. Before he made his proposal I was not willing to pay as much rent or to accept HHFDC's quarterly reporting form.

WWCA's appraiser found that I only have 1.184 acres on my farm out of the 2.961 acres that are leased to me that are usable for farming. 60% of my land is not farmable because there is a lot of hillside and ditches. Of the 1.184 acres which are farmable, those areas are scattered around the property. Additionally, the soil is mainly clay. My father had mature avocado trees. For a couple of seasons, we had to deal with thieves raiding our crops just before we were able to pick. This is always an ongoing situation due to the property being right on the highway. We also have a coconut tree and ulu tree which is up on the hillside whose fruits were also wiped out.

All of our avocado trees were wiped out due to ground termites. We also had a small patch of bananas that were wiped out due to bunchy top virus.

When my husband passed away, we lost access to a free driver and operator of heavy equipment to continue to level and clear and maintain land easier. Income for both my mother and myself were also cut in half. My mother is 91 years old and supports her 71 year old sister, who has been mentally handicapped for over 30 years.

They will be displaced. They will likely go on welfare. I can still help a little, but CAN NOT AFFORD such an outrageous rent increase, which is way above our means; this rate would sink us.

They built the house, we all helped clear and maintain the land, and pay all land taxes and rent. Everything is up to date.

We've also started mango trees, various flowers, and plants.

I ask the Board to consider my situation and difficulties and accept my rent offer.

Gwen Cunha
11/24/23

Aloha Kakou, Greetings Ladies and Gentlemen

12/11/23

My name is Madonna Keohokapu-Meria I am a farmer of lot no.124A. I have a 3.367 diversified agriculture lot, currently 1.3 acres are usable. Due to the land use Flood zone 2.067 acres are non usable which is equivalent to 61% not usable. My farm has encountered every flood of the calendar year.

In 2005 my late husband and I both agreed to join 7 other residents of Waiahole Waikane Association to build a home with the Self-Help Housing Corporation of Hawaii. SHHH hired Fukunaga and Associates to survey the applicants' farm/resident lots. After surveying our farm lot 124A Fukunaga and Associates recommended that we obtain another lease from HHFDC because Lot 124A is designated as a " Floodway district". Therefore our application to build a home was denied. We wrote a letter to HHFDC asking to switch to another lot, but that too was denied.

This photo I have here shows a diagram of my farm lot 124A, the dark blue area indicates the flood zoning section on my farm and where this thin blue line appears, is the Waiahole Stream which goes right through Lot 124A. The Waiahole Stream is a large portion of Non-Usable acreage.

Unfortunately due to all the floods lot 124A have encountered, my crops have failed, extended work hours cleaning excess amounts of debris and lost of nutrients in the soil has caused us loss of profits. In addition to that, I Do Not pay myself.

These maps here are from City and County of Honolulu shows Flood Area & Flood Elevation. Knowing I have been in the floodway district all these years cleaning and clearing the damages from the flood, I consider myself a Care-taker, Care-takers gets paid. I mentioned earlier, "I Do Not pay myself". However, as my pay, I would graciously ask for an affordable lease rent. Please consider my current offer made through mediation on Friday 10/27/23, Mahalo Nui Kakou; Thank you all very much.





SELF-HELP HOUSING CORPORATION OF HAWAII

1427 Dillingham Blvd., Suite 305 • Honolulu, Hawaii 96817
Telephone: (808) 842-7111 • Toll-Free: 1-800-336-4035 • Fax: (808) 842-7896

February 7, 2006

John and Madonna Meria
48-423 Kamehameha Highway
Kaneohe, Hawaii 96744

Dear Mr. & Mrs. Meria:

As was discussed with you in a meeting in October, 2005, the Self-Help Housing Corporation advised you not to build on Lot AG 124 which is in a floodway. SHHCH commissioned Fukunaga & Associates, Inc. to undertake a study of several lots along Waiahole Valley Road and Waiahole Homestead Rd to determine the flood elevations and determine the feasibility of building given the potential flood hazard.

Based on the study completed by Fukunaga & Associates, Inc., a copy of which was given to you, it was determined that the flood elevation on Lot AG 124 varied from 22'-28'. It is designated as a "floodway district" and requires additional improvements to the property and the house in order to build. *Fukunaga & Associates did recommend that the tenant relocate to another lot if possible* given the limitations of Lot 124 entailing additional engineering, and site improvements.

If you are able to obtain a lease for another lot, SHHCH staff would be happy to work with your family to assist you in obtaining a mortgage loan to build a house.

SHHCH would be happy to furnish a copy of the Fukunaga & Associates, Inc. study to the Housing & Community Development Corporation if desired.

Thank you.

Sincerely,

Claudia Shay
Executive Director

**WAIAHOLE VALLEY PROJECT
FLOOD EVALUATION OF AG124
TMK 4-8-8:10**

Prepared for:

Self-Help Housing Corporation of Hawaii

Prepared by:

Fukunaga & Associates, Inc.
1388 Kapiolani Blvd., 2nd Floor
Honolulu, Hawaii 96814

October 2005

**FLOOD EVALUATION OF AG124
FOR THE
WAIHAOLE VALLEY PROJECT**

1.0 Project Description and Scope of Services

This project for the Self-Help Housing Corporation of Hawaii involved evaluation of construction of houses within properties located in the floodway and flood fringe districts.

Lot No.	Name	TMK	Flood District
AG1	Richard Garcia	4-8-1:004	Flood Fringe District
AG10	Valerie Rabang Labrador	4-8-9:33	Flood Fringe District
AG121	Jimmy Magallanes	4-8-8:32	Flood Fringe District
AG124	John & Madonna Meria	4-8-8:10	Floodway District
R112	Sabrina Izaquire	4-8-8:24	Flood Fringe District
R122	Elena & Angelina Salaum	4-8-8:33	Flood Fringe District
R123	Corazon Cano	4-8-8:34	Flood Fringe District

The Flood Insurance Rate Map and the City and County of Honolulu Department of Planning and Permitting Flood Zoning Map as shown on **Figures 1 – 4**, reflect that the majority of Lot AG124 is located within the Floodway District and is the basis for this Flood Evaluation.

The Flood Insurance Rate Map delineates those areas determined to be subject to flooding based upon past flood events, and flood elevation data from the 100-year flood, or flood which has a one percent chance of occurrence in any one year. The City and County of Honolulu has established Flood Districts based on the Flood Insurance Rate Map to protect life and property and reduce public costs for flood control and rescue and relief efforts.

2.0 Floodway District Evaluation

Based on the City and County of Honolulu Department of Planning and Permitting Land Use Ordinance dated May 1999, Development standards within the Floodway District are as follows:

Ladies & Gentlemen,

My name is Vernon Ota. I am a lessee of lot 85A in Waiahole Valley where I have been farming for the past 40 years. My wife died 19 years ago and I was ready to give up on farming since I have bad knees from having also worked in the construction industry before. But I changed my mind when my son agreed to return and help me farm.

I think the increased rent that I offered to HHFDC at the mediation is fair. I was at the mediation and agreed to accept the Mediator's proposal at the end of the mediation. Before he made his proposal I was not willing to pay as much rent or to accept HHFDC's quarterly reporting form.

My farm has been losing money and is not profitable because the Papaya RingSpot Virus caused the demise of my papaya trees on the farm. In response, I transitioned to cultivating GMO plants, which showed promise. However, challenges persisted, including issues like fruit rot, root rot, and plant damping off.

High winds and excessive rain further complicated matters, leading to the toppling of papaya and banana trees. Tackling white scales on both trees and fruit became necessary.

Efforts to address water runoff through trenches helped to some extent, although heavy rain remained a concern. Growing ginger flowers in a banana field initially thrived but succumbed to disease over time.

Sweet potatoes faced infestations of weevils, and the cultivation process took a toll on my knees. Hawaiian Chile peppers and tobacco mosaic suffered losses as well.

The impact extends beyond the crops - crop loss translates to income loss, and the expenses associated with fertilizers, pesticides, water, time, and plants compound the financial strain. Replacing these resources incurs additional costs. The problematic challenges collectively contribute to the farm's ongoing financial difficulties, which have persisted over the past couple of years.

Thank you for your help and time.

I ask the Board to consider my experience and difficulties and accept my rent offer.

Vernon Ota
11/24/23