

SUMMARY - PUBLIC HEARING

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

State of Hawaii

January 9, 2008 – 9:00 a.m.

Hawaii Community Development Authority
677 Ala Moana Boulevard, Suite 1000, Conference Room
Honolulu, Hawaii 96813

ATTENDANCE

Members Present: C. Scott Bradley; Amanda Chang; Grady Chun; Michael Formby (for Barry Fukunaga, DOT); Paul Kimura; Christopher Kobayashi; Jonathan Lai; Kay Mukaigawa; Dexter Okada; Robert Piper (for Georgina Kawamura, B&F) and Russ Saito (DAGS).

Members Absent: Joseph Dwight IV; and Theodore Liu (DBEDT).

Others Present: Anthony Ching; Diane Taira (Deputy Attorney General); Matthew Akamu; Pearlyn Fukuba; Neal Imada; Richard Kuitunen; Tesha Malama; Steve Miyamoto; Deepak Neupane; Teney Takahashi; and Jill Sugihara (also, see Meeting Attendance Record).

Chairperson Lai called the public hearing to order at 10:02 a.m.

Chairperson Lai explained that the public hearing was being held pursuant to Chapters 91 and 206E, of the Hawaii Revised Statutes and HCDA authorized the convening of the public hearing to receive testimony and public comment on the subject matter. Notice of the public hearing was published on December 20, 2007, in the newspaper. In addition, the owners and lessees of the adjacent properties, state and county agencies and various interested community groups were notified of this hearing by mail and e-mail. The notice was also posted on the HCDA website and pursuant to Hawaii Revised Statutes 206E-5.5b, notice was provided to the President of the Senate and Speaker of the House.

Chairperson Lai briefly explained the procedures for the public hearing then asked Matthew Akamu to present the information.

Proposed Modifications to 1226 Waimanu by K2 Investors LLC (M 1-07)

Matthew Akamu summarized the Information Item report distributed to the Authority concerning this matter. The applicant, K2 Investors LLC, is requesting modifications of the Kakaako Community Development District Rules for the Mauka Area for the development of a mixed-use project proposed at the Makai/Ewa corner of Piikoi and Kona Streets. The 1226 Waimanu Project is a 5-story structure with 64 reserved housing units and retail storefronts. Modification of the rules is proposed to promote a pedestrian-friendly environment with storefronts located along the public sidewalk on Piikoi Street.

The 1226 Waimanu Project is proposed for a joint development with the last phase, Phase IV, of the 404 Piikoi Planned Development Project. This proposal would redevelop an existing industrial lot with reserved housing along with 1,700 square feet of retail storefronts along Piikoi Street, 3,200 square feet of open space and 65 parking spaces.

The project is the second and final increment for reserved housing required for the 404 Piikoi Project. The first increment of reserved housing is the 1133 Waimanu Project, which was completed in 1996 with 282 reserved housing units.

HCDA's rules require planned development projects to have 20 percent of residential units to be "reserved" for "gap-group income" households, for sale or rental, at discounted prices or rents. The rules allow HCDA to accept a cash payment in lieu of reserved units; but given the current demand for housing, the applicant has cooperated with HCDA and has committed to providing the reserved units, for sale, as proposed in this project.

The applicant is proposing a joint development to develop market housing on the Phase 4 site and to develop reserved housing on this site which is located across Waimanu Street from the 404 Piikoi Project. Joint development of Phase IV and this site would allow more market units to be provided on the Phase IV site. Consequently, more reserved housing units would be provided through joint development as compared to the development of the Phase IV site alone.

The proposal is consistent with the Mauka Area's development objectives for mixed-use with commercial and residential activities. It is located within walking distance to Ala Moana Center and the City's proposed mass transit station on Kona Street. Also, the applicant would provide sidewalk improvements along Kona Street within a future 10-foot road widening area.

The proposed modifications of front yard and view corridor setback requirements are needed to accommodate the proposed design. The proposed modifications are:

1. Reduce Piikoi Street front yard from 15-feet to 8-feet wide;
2. Encroach into Piikoi Street view corridor; and
3. Reduce Kona Street front yard from 15-feet to 5-feet wide.

From an urban design standpoint, this project would provide pedestrian friendly storefronts along Piikoi Street. The reductions to the front yards allow for various elements such as parking, loading, residential lobby and retail storefronts to be functionally designed on the ground level.

There will be a 10 foot road widening area on Kona Street where the applicant will be providing sidewalk and pavement improvements that are currently lacking.

The Mauka Rules stipulate that HCDA may modify certain rules after a public hearing. The modification criteria are to:

1. Provide flexibility and should be practically and aesthetically superior project;
2. Would not adversely affect adjacent developments or uses; and
3. Consistent with the intent of the Mauka Area Plan.

In summary, the proposed modifications are needed to functionally combine several desired elements on the ground level. Also, the modifications are needed to provide four stories of reserved housing units with identical, cost-efficient floor plates of 16 units per floor.

Chairperson Lai asked whether there were any questions.

Member Okada asked whether the 10-foot setback on Kona Street which currently has a 40-foot right of way would then result in a 60-foot right of way. He was concerned that the revised Mauka Area Plan showed Kona Street as a 40-foot right of way.

Mr. Akamu responded that the road widening would be on one side of the street only.

Mr. Neupane added that the proposed Mauka Area Plan has a proposed hierarchy of streets which is recommending that Kona Street remain a 40-foot right of way, but it is still a proposal and would need to go through the rule making process.

Member Chang asked whether there were any potential negative impacts to the community surrounding the project.

Mr. Akamu replied that he didn't think there were any. Currently the building is vacant.

Member Bradley commented that the vision for Piikoi Street is to be pedestrian friendly and he asked whether there would be any unnatural cutouts to the sidewalks and for future development would the Mauka Area Plan have to be revised to make the street consistent.

Mr. Akamu responded that from an urban design standpoint, front yard modifications are given to allow the architect freedom to design a more usable space. For example, HCDA approved modifications for the Honolulu Design Center and Moana Pacific project to create

a varied front yard in a zigzag pattern. The front yard area is the same, but it is averaged out. This gives the architect the flexibility in designing the space otherwise it would be a typical front yard landscaped with trees and shrubbery creating a buffered zone. Whereas the developer now has the opportunity to pave the front yard and create a storefront where people can walk through the courtyard and interact with the commercial space.

Chairperson Lai asked whether there was anyone from the public who wished to testify on the matter.

The following individual presented oral comments:

1. Daniel Nishikawa of K2 Investors commented that their original design was created with the normal landscape buffer. However, in a collaborative effort with HCDA staff they changed their design to create retail and be more pedestrian friendly to create a more urban feel.

Member Bradley thanked Mr. Nishikawa for their efforts and their cooperation with the HCDA staff to accommodate HCDA's vision.

ADJOURNMENT

There being no further discussion, the public hearing was adjourned at 10:18 a.m.