

HIGHLIGHTS OF JUNE 7, 2006 HCDA MEETING

Following is a brief summary of actions taken and informational items presented at the June 7, 2006 meeting of the Hawaii Community Development Authority (HCDA).

Proposed 720 Kapiolani Boulevard NCR Building Renovation Project

Cooke Clayton LLC made a presentation on its proposed 720 Kapiolani Boulevard NCR Building Renovation Project. The developer is proposing an adaptive reuse of the former NCR Building into a commercial and residential loft complex. The project site is bordered by Kapiolani Boulevard, Cooke Street, and Clayton Street and encompasses 41,033 square feet of land area on two parcels. The Project proposes 7,344 square feet of commercial retail use at the ground floor of the existing NCR Building. Forty-seven (47) residential loft units and 100 parking spaces would be developed in the remaining portions of the building and on an expansion of the Diamond Head portion of the site.

The Project is being processed as a Base Zone Development. Base zone projects are limited to 45 feet in height and 1.5 FAR (floor area ratio). As such, these projects are not subject to Planned Development requirements such as reserved housing, and public facilities fees. As proposed, the Project is consistent with the Mauka Area Plan and Rules with the exception of the height and rear yard setback. The Project would encroach slightly into a 10-foot building setback on the property's Mauka side and the developer is proposing to build 15 feet higher than the 45-foot height limit. The developer is requesting two modifications to address these items. A public hearing on the modification request is scheduled for July 5, 2006. Subsequently, a decision on the modification request and the Base Zone Development Permit is scheduled for August 2, 2006.

Request by the Office of Hawaiian Affairs (OHA) to Develop its Headquarters and a Cultural Center on Lot 1 of the Kaka'ako Waterfront

The Office of Hawaiian Affairs (OHA) gave an informational presentation on its request to develop a Hawaiian Cultural Center and headquarters office complex on Lot 1 of the Kaka'ako Waterfront. OHA's intention for the first phase is a 30,000 square foot headquarters building and a 30,000 square foot cultural center to accommodate exhibits and cultural activities on a 5.2-acre parcel adjacent to the John A. Burns School of Medicine, the Kaka'ako Waterfront Park, and the proposed Cancer Research Center site. OHA has requested to enter into a six month exclusive negotiation period with HCDA for lease of the site. Action on this request is tentatively scheduled for the July 5, 2006 HCDA meeting.

Security Services for Kaka'ako District Parks

The Authority authorized the HCDA Executive Director to execute a one-year contract for security services with two one-year options with Star Protection Agency, Hawaii, LLC. Star Protection was selected after bids were solicited. The services to be provided include: management of the Honolulu Police Department Special Duty Police Officers to patrol the Kaka'ako Waterfront Park, Kewalo Basin Park, and Makai Gateway Park; dialing securing and opening of parking lot gates as well as random security checks of all parks; and additional services. Since their development, all of HCDA's parks have experienced vandalism of park fixtures, assaults and car thefts. HCDA responded by implementing security services which included a mix of HPD and private security firm patrols. As this security presence became known, crime within the parks has been significantly reduced, and increasingly more visitors have peaceably enjoyed the parks for walking, picnicking, fishing, and other recreational activities.

Decisions Relating to the Kaka'ako Waterfront January 12, 2005 Request for Proposals and Authority Options Relative to House Bill 2555, H.D. 2, S.D. 2, C. D. 1

The Authority voted to immediately terminate the Kaka'ako Waterfront January 12, 2005 Request for Proposals (RFP). In May 2006, the State Legislature passed House Bill No. 2555 that prohibits HCDA from selling or assigning the fee simple interest in any lands to which it holds title in the Kaka'ako District and from approving any plan or proposal for residential development in the area Makai of Ala Moana Boulevard. This bill has not yet been acted upon by the Governor. In terminating the RFP, HCDA members voted to recommend to the Governor to veto HB2555 on the basis that the prohibition of residential development in the Makai area adversely and materially impacts the Authority's ability to fulfill its mission and to achieve an important public good of developing affordable and workforce housing. Notwithstanding whether HB 2555 is vetoed, the Authority acknowledged the legislative and public opposition of the sale of state land in the Makai area and agreed to adopt and impose a prohibition on the transfer of fee interest in any state lands in the Makai area. The Authority also directed the HCDA Executive Director to come up with a recommendation for an advisory committee for the purposes of providing input for a new waterfront development plan.