



## Top Projects of 2005: New Players and Old Friends

### The Cover

- \* Top Projects
- \* Guam
- \* Finishes
- \* Expo Highlights

### At A Glance

### Coffee Break

### Contracts Awarded

### Date Book

### Industry News

### Woven Roof Structures

### Groundbreakers

### Low Bids

### News Makers

### New Products

### Past Issues

### Service and Suppliers

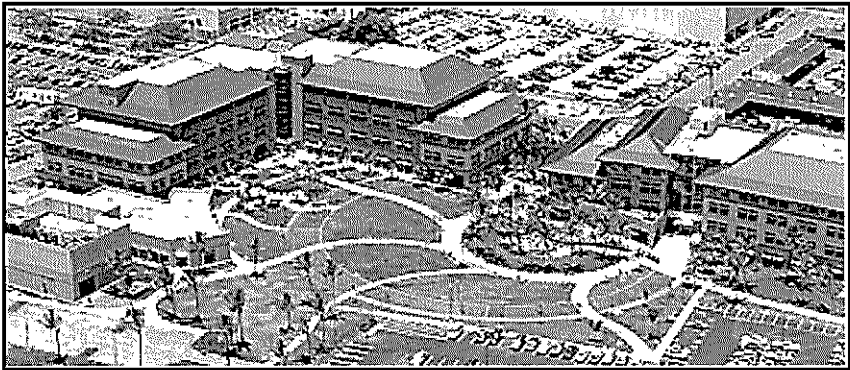
### Speakout

### 2005 Calendar

### Media Kit

### Contact Us

### Subscriptions



The John A. Burns School of Medicine lays the groundwork for the economic future of Kakaako.

*By Lee Schaller*

*Last year, we thought things could not get much busier. We were wrong. In 2005, new heights were reached — both literally and figuratively, some great, some not so great, depending upon your point of view.*

*On the great side, residential building continued to boom. On the other hand, prices continued to rise, with an increasing shortage of homes in the affordable area, especially on the neighbor islands. Not so great if you are trying to lure labor (already in short supply) to neighbor island projects or even buy a reasonably-priced home on Oahu.*

*In addition to residential home construction, other big news of 2005 centered around centers — urban core centers, live-work-play centers, shopping centers, you name it; we created (or are creating) it.*

*Things are looking up in other areas, with an impressive number of new high rises dotting the skyline, including residential condos.*

*And then there were the new partnerships, new joint ventures, and let's not forget the new "big box" entries into the Hawaii marketplace.*

TRADE PUBLISHING



Need To ...

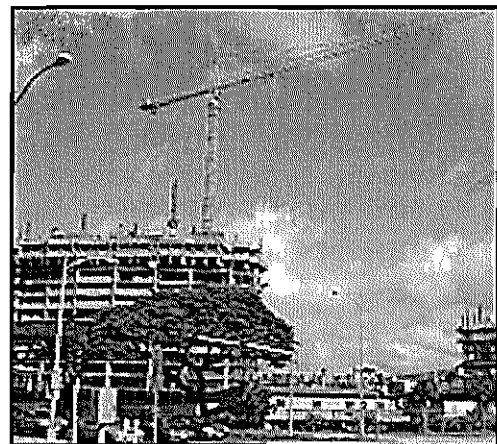
*All in all, an interesting and dynamic year.*

## Kicking it up in Kakaako

The redevelopment of Kakaako is no longer just a long-term vision. It's happening — big-time. After several years of planning and working toward the ultimate goal, the Hawaii Community Development Authority (HCDA) recently selected a developer for its Kakaako Waterfront Project. The site, a 36.5-acre tract of land surrounding Kewalo Basin, will be developed by A&B Properties, Inc., the real estate subsidiary of Alexander & Baldwin, Inc. Allen Doane, A&B president and CEO, refers to the development as a "once in a lifetime opportunity."

Total development costs are estimated at between \$650 and \$700 million. "Our goal is to bring HCDA's vision to life," says Doane. "We will be creating a community that will embody all of the elements of 'live, work and play' while at the same time, creating a Hawaiian sense of place based on local values, history and our combined heritage." Mike Wright, senior vice president of A&B Properties explains, "The project will include a retail village on 10 waterfront acres, with over 200,000 square feet of retail, dining and entertainment space. There are approximately 950 residential units planned on an adjacent 7.5 acres, in three mid-rise condominium buildings." Wright also points out the importance of planned public-oriented facilities, including an arched pedestrian bridge, amphitheatre, improved marine facilities and enhanced landscaping. A&B Properties has launched a community outreach effort to help in its discussions with HCDA, leading to a definitive letter of intent within the next few months. It is estimated that planning and construction plan approvals will take up to two years.

Development in Kakaako, however, has not been standing still waiting for the waterfront activity to begin. The area has become a major source of news and industry work, with huge projects such as the University of Hawaii John A. Burns School of Medicine (first phase) which was completed in September of this year by Hawaiian Dredging/Kajima. Bill



Hawaiian Dredging also is the general on KC Rainbow

Wilson, president of Hawaiian Dredging Construction Company, Inc. says, "One of the

Development's Moana Pacific high-rise condo in Kakaako.

goals of the project was to have a cost-effective, high-quality state-of-the-art laboratory and office facility incorporating the principles of sustainable design. The project is striving to achieve LEED (Leadership in Energy and Environmental Design) certification and become a pioneer in green building and sustainable design, planning, construction and operation."

Kakaako also is home to more of our Top Projects, including a number of residential high-rise condominiums, a significant trend of the past year. KC Rainbow Development's 706-unit Moana Pacific, with Hawaiian Dredging as general contractor, and A&B's Hokua, a joint venture with The MacNaughton Group and Kobayashi Group, incorporating a restaurant, P.F. Chang's China Bistro, Inc. into the 247-unit mixed-use condo, are current examples. Also under construction are Posec Hawaii's 225-unit 909 Kapiolani, Hawaiian Dredging, general contractor; Keola Lai, an A&B high rise (352 units) just getting started; and Koolani, a project by Crescent Heights with Hawaiian Dredging as general contractor. In addition to these projects already in the works, there are several other high rises planned for Kakaako. Plus, there is Victoria Ward, Ltd.'s \$100-million mixed-use retail-residential redevelopment. The project, including the Ward Village Shops complex, is adding 200,000 more square feet of retail space as well as a 165-unit residential tower and a parking garage. "We will see more mixed-use facilities," says Jeff Dinsmore, Victoria Ward's vice president of development.

"Honolulu is being recognized as a more urban place to live."

Recent activity in Kakaako encompasses even more than the major retail-residential projects we mention here. For example, a new steel plant, Rosette Steel Hawaii has just opened at Pier 1. (Editor's note: see B.I. news story on page 62 in this issue.) Also, a recent event sponsored by the American Institute of Architects, Honolulu chapter, the Hawaii Architectural Foundation and the Historic Hawaii Foundation raised funds for future improvements to the historic Kakaako Pump Station, owned by HCDA.

All in all, Kakaako was and is one of the Top Projects — and stories — of the year.

[back to top](#)

## More of the High and Mighty

What else is up with high-rise condos besides those in Kakaako? For the first time in many years, Waikiki is seeing new growth upward as residential condominiums take center stage along with hotel and retail renovation. A&B's Lanikea, Waikiki's first fee-simple high rise in 10 years, recently completed by general contractor Swinerton Pacific, is an upscale 30-story condo with just four residences per floor. The Watermark, a \$175-million, 38-story high rise by developer Keith Fernandez, was scheduled to begin construction in November.

Exemplifying an "urban core" project, the popular current term for residential developments (often mixed-use facilities) convenient to employment, entertainment and other resources, is Capitol Place in downtown Honolulu. The MacNaughton Group, Kobayashi Group LLC and Pfleuger Group LLC comprise PMK Development LLC, creator of the 49-story high rise housing a Pfleuger Honda dealership.

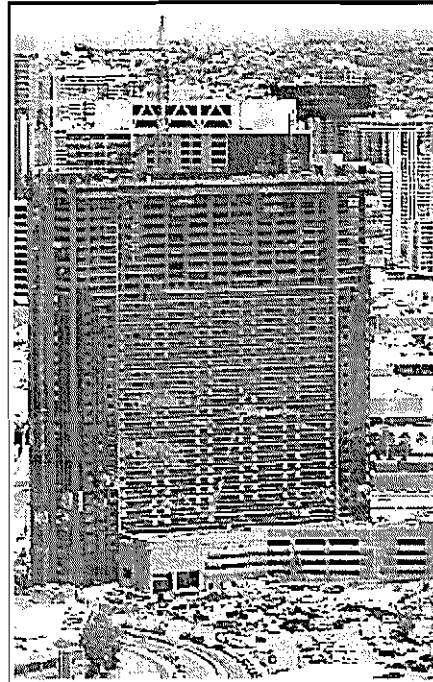


Rendering of the proposed Kaakako Waterfront development

Developer Michael Harrah's The Pinnacle with Ledcor-US Pacific as general contractor and the Downtown Affordables, LLC development called 215 North King Street currently being constructed by Hawaiian Dredging, round out our high-rise "urban core" Top Projects.

Waikiki renovations also make our list of Top Projects for 2005, with such mega-jobs as Outrigger Enterprises' \$460-million hotel-retail-entertainment redevelopment project known as Waikiki Beach Walk. The two-phased project

encompassing 7.9 acres bordered by Kalakaua Avenue, Lewers Street, Kalia Road, Beach Walk and Saratoga Road officially broke ground in April of this year.



Below, Hawaiian Dredging is the general contractor for Koolani, a high-rise condominium development of Crescent Heights.

"Outrigger began in Waikiki more than half a century ago," said Dave Carey, president and CEO of Outrigger Enterprises, "so it is with deep pride we are launching this exciting new development that helps ensure that Waikiki will remain the world's favorite vacation spot for decades to come." Plans for the \$235-million first phase include a 90,000 square-foot retail complex with open-air promenade and an entertainment plaza that will house four major restaurants and several smaller food and beverage outlets. This phase also will include renovating and rebranding four Ohana Hotels.





The 215 North King Street high-rise condo (Downtown Affordables) is targeted to low and moderate-income local residents. Hawaiian Dredging is the general.

Charles Pankow Builders, Ltd. is the general contractor for the entertainment-retail complex, a development of WBW Retail LLX, a partnership between Outrigger and local developer Dick Gushman.

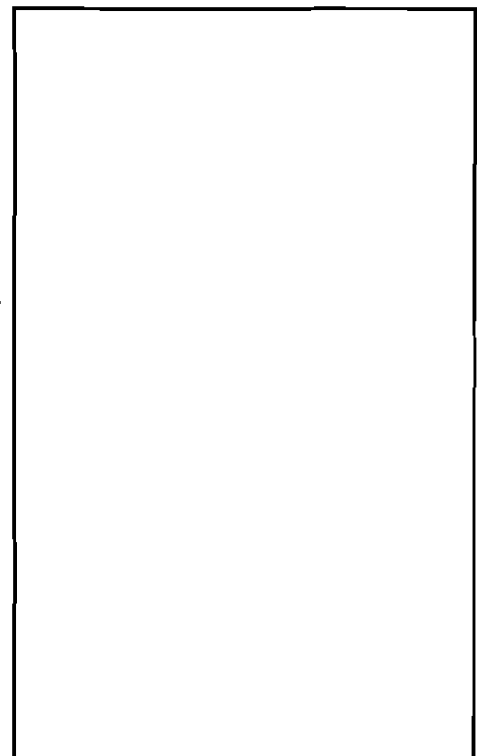
Each of the four hotels will have its own construction team, including Dick Pacific on the \$50-million Fairfield's Resorts hotel.

[back to top](#)

## The Vital Visitor Market

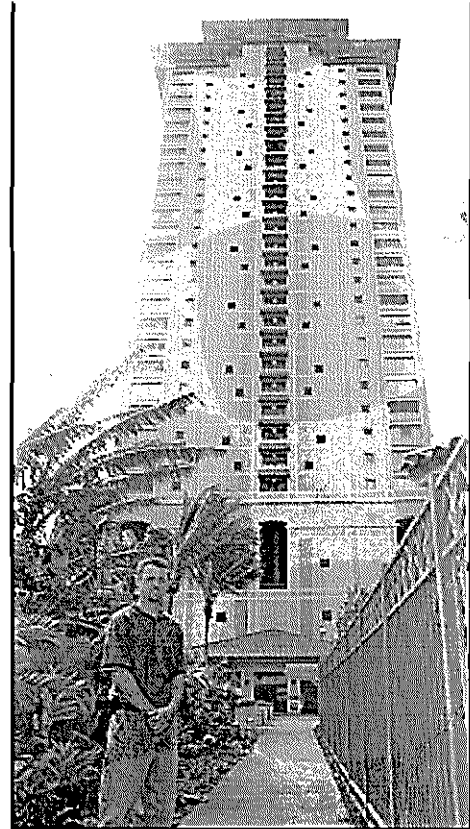
In addition to Outrigger's renovations in Waikiki, Top Projects for 2005 include other visitor facilities, both on Oahu and the neighbor islands. Timeshare and hotel to condominium (condotel) conversions both have created major work for industry members.

There are so many major hotel projects either in progress, recently completed or just getting started that we cannot touch on all of them. But a list of Top Projects (in addition to Outrigger's Waikiki Beach Walk) would have to include the



following:

- Developer Jeff Stone announced plans early this year for the Grand Ko Olina Resort Hotel & Spa's \$1-billion project that will incorporate a Hawaiian Village, an adventure lagoon and a shark island.
- Hilton Hotels Corporation, Hawaii Region, began a major "rejuvenation" this year at Hilton Hawaiian Village Beach Resort & Spa. The estimated \$400-million project includes restoration of the Duke Kahanamoku Lagoon, guestroom renovations at the Alii and Diamond Head Towers and construction of the Ocean Crystal Wedding Chapel. Set to begin next spring is the Grand Waikikian, a 39-story timeshare tower that will include street level



Matt Baker, Swinerton Pacific Project Manager, in front of A&B's recently completed Lanikea, Waikiki's first fee simple residential high rise in 10 years

- shopping. Dick Pacific currently is working on the chapel and the demolition of the old Waikikian Hotel.
- The renovation of the Sheraton Keauhou Bay Resort & Spa, a prime location Big Island hotel that had lain dormant for almost four years, was completed in April. The \$30-million project with Dick Pacific as general supplied work for many subs and suppliers such as Koga Engineering, Beachside Roofing, Yamada & Sons and others.
- Wailea Beach Villas by developer Lokahi Ventures LLC is another Dick Pacific visitor-oriented job, this time on Maui. The \$90-million-plus project is more than 80 percent finished.
- Also on Maui is the multi-phased Westin Kaanapali Ocean Resort (KOR). Dick Pacific is general contractor for the current phase (Phase 3) of the Starwood Vacation Ownership timeshare. Hawaiian Dredging was general contractor on Phase 1 (\$55 million) and Phase 2 (\$68 million) and is doing the caisson work for Phase 3 as part of the Phase 2 contract.
- Unlimited Construction is the general on the Garden Isle's \$100-million Waipouli Beach Resort, a 198-unit resort condo set to open next summer.
- Going up on Kauai is Starwood Vacation Ownership's Westin Princeville Ocean Resort Villas, with 179 timeshare

villas, six hotel units, and an unusual two-story clubhouse.

- The long-anticipated "revitalization" of the Royal Hawaiian Shopping Center, a major player in the visitor arena, has begun with Charles Pankow Builders, Ltd. as general contractor and The Festival Companies the developer for property owner Kamehameha Schools. Susan Todani, director of investments for Kamehameha Schools says, "Our goal is to preserve this important land legacy and create a place where we can bring our ohana to share the rich history of Waikiki." The estimated \$84-million "revitalization" will "open up" the center through the use of more windows and lanais, increase the number of two-story tenant spaces, add a food court to the second floor, and incorporate many other utilitarian and aesthetic elements.

[back to top](#)

## The Many Faces of High-End Housing

As we have explained earlier, many of our Top Projects and Top Stories cross over into other categories. High-end residential is no exception, encompassing luxury homes for off-island buyers and upscale housing within master-planned live-work-play communities, a topic we will touch on later in this report.

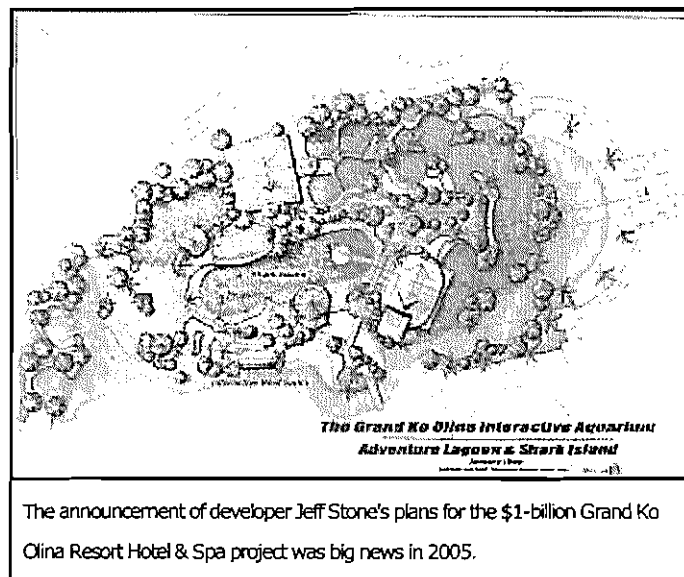


Outrigger's massive Waikiki Beach Walk renovation project is keeping several industry members busy.

Again, there are far too many large high-end residential projects statewide to cover completely, but a representative group of Top Projects would include much of the Big Island's

North Kona area. Kolea, the multi-faceted Kohala Coast development of exclusive homes and villas by Centex Destination Properties is one example. It is keeping many industry members, such as Maryl Pacific Construction, Inc. busy. The list also would showcase Stanford Carr Development's The Fairways at Mauna Lani (Metcalf Construction Company, Inc., general contractor); Kukio at Hualalai; The Villages at Mauna Lani (Maryl) and several other upscale residential projects at prime locations including Four Seasons and Mauna Kea.

Maui and Kauai also have their share of large high-end residential. Among the Valley Isle's notable examples are Kai Malu at Wailea, a joint venture of Armstrong Builders, Ltd. and A&B Properties. Goodfellow Bros. Inc. is the site contractor for both this project and Hoolei, a CMI Group development of luxury town homes near the Four Seasons and Grand Wailea Resorts.



and then there is the Garden Isle with its impressive list of good-sized high-end residential developments such as Kaiulani at Princeville, QEB III, LLC's multimillion dollar condos. Shioi Construction is the general contractor. A&B Properties is busy on Kauai as well, with projects such as its huge 1,000-acre, 1,300-home, spa and golf course resort community called Kukuiula. The response here has been so great that, "The number of homes we planned to release in our first increment has been increased from 122 to 270...," reports Paul Hallin, senior vice president of development for A&B Properties. Indeed, A&B Properties has become a Top Story unto itself this year with an ever-increasing portfolio of acquisitions and developments on Oahu and the Neighbor Islands. It is Maui's largest private landowner with 68,000-

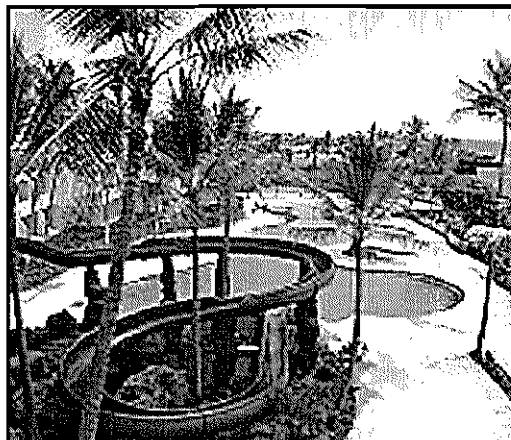
plus acres and Kauai's third largest with 21,000-plus acres. These figures, of course, do not include projects such as Kakaako Waterfront, which A&B is developing for the owner.

[back to top](#)

## Live, Work, Play...Afford?

We've just barely opened the door to the many areas of residential Top Projects. In addition to the visitor-oriented projects such as major hotel renovations and the growing number of conversions to timeshares and condotels plus the many large upscale residential condo and single-family home developments targeted to wealthy off-island buyers, there are still more aspects to the residential story.

Live-work-play communities truly began to come into their own in 2005, at the same time providing hefty work for many industry companies. A few of these master-planned "mixed-use" communities include visitor amenities in their design, while others have been planned for local residents, filling a dire need, especially on the neighbor islands. Among the Top Projects in this latter group is Dowling Company's Kulamalu in upcountry Maui, with Goodfellow Bros., site contractor. "Dowling Company is proud to provide the Maui community with real estate product across the spectrum," says Everett Dowling, "including educational facilities, retail, commercial and residential." Besides its range of housing from "workforce" to luxury, the community offers shopping, dining, entertainment, a park with football field, a police service station and professional services. Its site includes the Kamehameha Schools Maui campus and will be home to the University of Hawaii Institute for Astronomy's Advanced Technological Research Center (ATRC).



Dick Pacific completed the extensive renovation of the

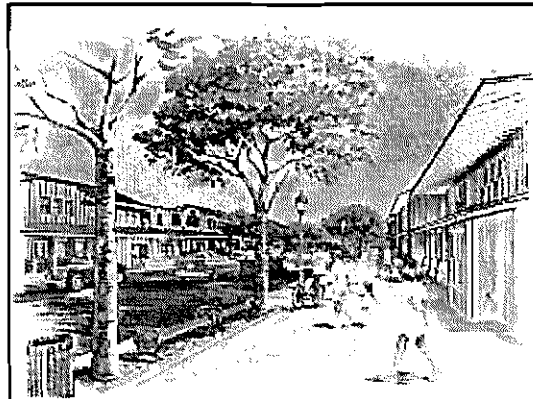
Sheraton Keauhou Bay Resort & Spa in Kona earlier this year.

any Hawaii developers such as Dowling have been answering the call to create affordable, or at least "realistically-priced," housing for local residents. (In some cases, this commitment also serves a strong bottom-line purpose, since it has become increasingly difficult to find or send qualified workers to neighbor island projects because there is nowhere affordable for them to live.) A&B Properties, Inc. has two such projects in progress at Port Allen on Kauai — Kai Olino's multi-story condos and the adjacent single-family homes at Kealaula, for a combined total of \$40 million. Priority was given at Kai Olino to Kauai residents who intend to occupy the condos as their primary residence. Prices for the first units ranged from \$325,000 to \$550,000. Priority also is being given to Kauai residents at Kealaula.



Maui Land & Pine's Pulelehua is a master-planned, mixed-use community including housing within the affordable category.

here are so many things going on at Maui Lani on the Valley Isle that it is difficult to detail it all. There are residential subdivisions such as D.R. Horton, Schuler Division's The Legends at Maui Lani which is targeted to local residents. Hawaiian Dredging is site contractor with Schuler doing its own construction of the homes. There also is Dick Pacific's \$24-million Maui Lani Elementary School. Parsons Construction Group is completing residential lots at another subdivision, Sand Hills Estates and also is working on The Fairways at Maui Lani. In addition, there are more medical facilities such as the St. Francis Dialysis Center in progress at Maui Lani, and A&B has plans for an 800-plus-acre development there that would include a large regional park, health and wellness center and other community services as well as a residential neighborhood. Top Project? Maui Lani definitely qualifies.



Kulamalu, Dowling Company's huge live-work-play community in upcountry Maui is targeted to local residents.

another kamaaina company and significant landowner, Maui Land & Pineapple Company, Inc. (ML&P) is creating a large mixed-use development between Kaanapali and Kapalua complete with retail/office space, an elementary school, wellness center, churches, community center and housing within the affordable category. Described as a community for the working families of West Maui, "Pulelehua, with its mix of residential, commercial and public uses, is a true live-work-play-learn community," says Bob McNatt, executive vice president, community development for ML&P.

Kehalani, a large residential development on Maui just outside of Wailuku, was master-planned by Stanford Carr. Currently there are seven different communities within the master plan. Hawaiian Dredging is doing the vertical construction for both Kehalani Gardens (affordably-priced town homes) and Maunaleo (single-family homes) while Towne Realty of Hawaii, Inc. is the general contractor on five of Kehalani's other communities.

[back to top](#)

## Big Boxes and Deep Pockets

Last year, Dick Pacific's new Honolulu Wal-Mart/Sam's Club project was big news. Are "big boxes" still considered Top Projects? Ask Swinerton Builders, general contractor for Hawaii's first Best Buy, completed this summer in Iwilei. Although it may not rank in contract value up there with our other Top Projects, it opened new doors in Hawaii for the electronics, entertainment, office products retailer. A new Best Buy currently is being built near Pearlridge by Ledcor-US Pacific, and Nordic Construction, Ltd. is building a new 148,000 square-foot Wal-Mart behind Sam's Club in Pearl

City. So yes, "big boxes" still are big news in the industry.

Renovations to Ala Moana Center, including the \$34.46-million redevelopment of the former JC Penney space was a major project of Albert C. Kobayashi, Inc. in 2005. (Kobayashi also was general contractor on the \$46.79-million Case Middle School, seen by many industry members as a Top Project for its pace-setting green building/sustainability measures.)

The MacNaughton Group's Moanalua Shopping Center deserves to be included in the Top Project list for its "landmark real estate agreement" with the Navy. Nordic is the general contractor.

[back to top](#)

## Going Public

There were several large government projects during the past year. The \$36-million Kauai Judiciary Complex (Unlimited Construction) and the \$60-million Hilo Judiciary Complex (Swinerton Builders) are two prime examples. Dick Pacific's federal jobs included the \$44-million Wheeler Aviation Complex, Phase 6A; the MATOC-02 ISF/MST \$38.4-million project; and the \$64.6-million SBR Phase 2C2, Schofield Barracks project.

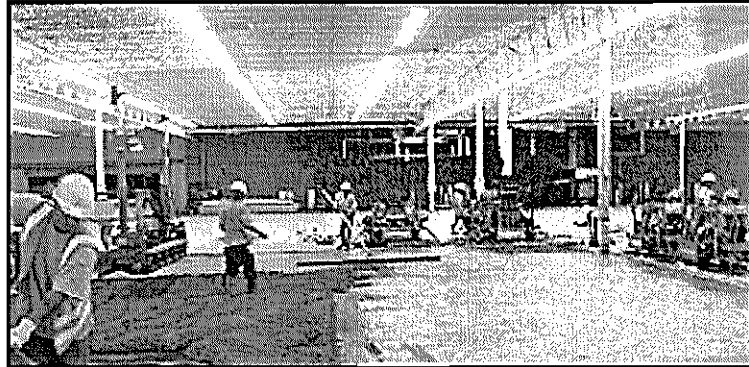


The Kauai Judiciary Complex was completed by Unlimited Construction this year.

Kiewit Pacific's \$55-million DOT (Department of Transportation) H-1 widening of the Waimalu Viaduct is another significant public project. And while not as big a project in contract value as some of the others on our list, we cannot leave out Kiewit's high-profile Likelike/Wilson Tunnel reconstruction.

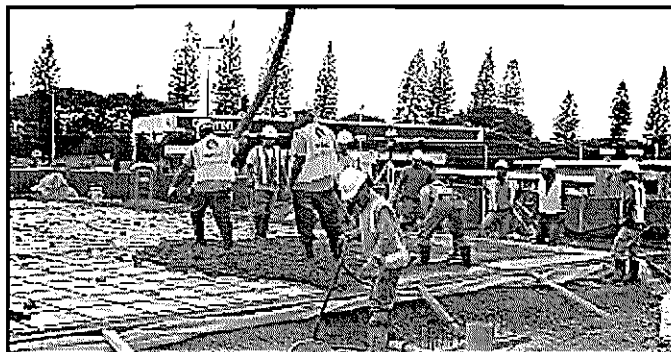
Highway and roadwork throughout the state was noteworthy

in 2005, including Hawaiian Dredging's \$28.6-million widening of Queen Kaahumanu Highway in North Kona. Harbor and airport work also was plentiful in 2005. Nan, Inc., Parsons Construction Group and other industry members also are busy with large military contracts, which will be covered in depth in B.I.'s January issue.



A new Wal-Mart is going up near Sam's Club in Pearl City with Nordic Construction, Ltd. as the general contractor.

Going private: No list of Top Projects for 2005 would be complete without at least a mention of the kicking off of the military housing privatization efforts. In 2005, the first homes for Navy families in Hawaii were completed by Hawaii Military Communities, LLC (HMC) partnership. The new homes being built at McGrew Point, Radford Terrace and Halsey Terrace represent the first phase of a continuing cycle of development. At Actus Lend Lease, the goal was to have 24 units online by the end of the year. (Again, see B.I.'s January issue which will focus on Military Construction.)



Nordic also is the general contractor on The MacNaughton Group's Moanalua Shopping Center redevelopment.

A fitting wrap-up for the past year with a glimpse of the year ahead is offered by Gerry Majkut, senior vice president and general manager of Dick Pacific. He says, "This is an exciting time for construction in Hawaii. In our Dick Pacific

organization three projects stand out in 2005. They are the MATOC-02 Mission Support Training Facility and Information Systems facility at Schofield Barracks; the renovation for Fairfield Resorts at Waikiki Beach Walk; and the design/build Kamehameha Highway drainage and Kii Bridge replacement project in Kahuku. These projects not only represent the work of our three divisions but also are the prelude of projects for the Stryker Brigade, the Waikiki redevelopment and the conservation of the Kahuku area. In 2006, the opportunities look equally strong as the military markets are forecasted to continue with growth, the private market remains strong, and the state appears to have plans for a lot of infrastructure in the coming year."

[back to top](#)



[On The Cover](#) / [Top Projects](#) / [Guam](#) / [Finishes](#) / [Expo Highlights](#) / [BI News](#) / [New Product](#)  
[Newsmakers](#)