

Kakaako Connection

A Publication of the
HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



KAKAAKO
Where Honolulu Greets the Sea

Vol. 17, No. 10 May 1996

HAWAII COMMUNITY DEVELOPMENT AUTHORITY: Its Creation, Goals & Activities

Recently marking its two decades in existence, the Hawaii Community Development Authority (HCDA) is a unique public agency which was created to bring about the timely redevelopment and renewal of deteriorated and underused areas in the State of Hawaii. Following is a very concise summary of HCDA's purpose & activities.

The HCDA was created by the 1976 State Legislature to plan and redevelop areas in the State which the Legislature determines to be in need of redevelopment. The Legislature at that time designated the Kakaako Community Development District, bounded by King Street, Punchbowl Street, Ala Moana Boulevard, and Piikoi Street, as an area in need of redevelopment. During subsequent years, the Legislature amended the Kakaako District boundaries to include the Kakaako waterfront from Kewalo Basin up to Pier 4 and the site of the existing Hawaiian Electric power plant. In order to accomplish the legislative mandate, the Legislature provided the HCDA with comprehensive powers including land use and zoning authority within the community development district.

The Kakaako District

Kakaako is a busy, urbanized community in the heart of Honolulu. Prior to the creation of HCDA in 1976, Kakaako has remained relatively underutilized and underdeveloped. There were, however, concerns and pressures then, as there are now, for better and more efficient use of existing urban lands in Hawaii. State lawmakers saw the Kakaako District as a means of providing housing, modernized commercial and industrial facilities, and improved amenities for residents. In creating the HCDA, the Legislature set directions for Kakaako's revitalization and development. They envisioned a mixed-use district where residential, commercial, industrial and public uses would coexist compatibly. Lawmakers also believed it important to respect and support the present functions of Kakaako as a major economic center. With these and other very specific directives, the HCDA undertook an intensive planning process involving extensive public and private participa-

tion to develop a comprehensive plan for the redevelopment of Kakaako. The Kakaako Community Development District Plan took effect in February 1982. It was subsequently amended and is currently comprised of two Plan documents—Mauka Area Plan and Makai Area Plan. The Kakaako Plan serves as the basis for guiding both public and private development activities in the revitalization of Kakaako.

Regulatory Functions

Since the adoption of the Kakaako Plan, the HCDA has performed regulatory activities to ensure that any development occurring in the District meets the provisions of the Kakaako Plan. In accordance with the Kakaako Plan, the HCDA regulates planning, land use, zoning and development of land within the Kakaako District. The Plan includes specific requirements and restrictions relating to height, density, building setbacks, front yards, open space, view corridors, streetscapes, landscapes and tower footprints. In addition to processing permits for major development projects, the HCDA also issues permits for small projects and building renovations. On an average, 300 permits are processed per year.

Infrastructure Improvements

Planning and implementation of infrastructure improvements are an integral part of the Kakaako Plan. Prior to the creation of the HCDA, Kakaako's deteriorating and obsolete network of roadways and utilities had been a serious constraint to the development of properties. The drainage in portions of Kakaako is notoriously poor; interior roadways are too narrow; and many portions of the infrastructure system were constructed over 50 years ago and are now inadequate for new development projects in Kakaako. Since the successful timely redevelopment of Kakaako is dependent upon these improvements, this responsibility is a critical priority to the HCDA. These improvements involve the installation of water and major sewer and drainage lines, widening of roadways, construction of curbs, gutters and sidewalks, and the undergrounding of electrical and telephone lines. The cost of improvements is shared by government, Kakaako's property owners and the public utility companies. However, a

substantial portion of the improvements benefit the general public, therefore, those costs are paid for by government. Prior to actual construction of these improvements, the HCDA goes through an extensive process to inform all affected property owners and recorded lessees of the proposed Improvement District project. This process, which is necessary since property owners are assessed for the improvements, involves individual meetings, a public information meeting and two public hearings. The HCDA has completed three Improvement District Projects and construction on a fourth is underway. The HCDA also recently approved the ID-5 Kakaako Makai Gateway Project, which will enhance access to the Kakaako Waterfront Park.

Affordable Housing & Public Facilities

The legislative objectives also include the development of affordable housing and public facilities to support new developments in Kakaako. The HCDA's "Reserved Housing Program" requires 20% of the residential units in a project to be set aside as affordable units or the HCDA may allow the payment of cash in lieu of these units. To further the affordable housing objective, HCDA has actively pursued the development of affordable housing projects in Kakaako. The affordable units in Kakaako are targeted to service families with annual incomes from 65% to 140% of median income. Approximately 1075 affordable units have been built in Kakaako by the State of Hawaii. Public facilities dedication fees required of private developments along with public funds are used to finance the development of the necessary public facilities.

The Kakaako Waterfront

Recognizing the Honolulu waterfront as a remarkable resource with vast unrealized potential, the State administration in 1987 embarked on an effort to develop and improve the entire six-mile coastal stretch of the Honolulu Waterfront from the Ala Wai Canal to the Honolulu International Airport. The HCDA participated in this concerted effort, and following the completion of

Continued on Page 4

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

Regular Meeting May 7, 1996 2:00 p.m.

677 Ala Moana Blvd. Suite 1000 Conference Room

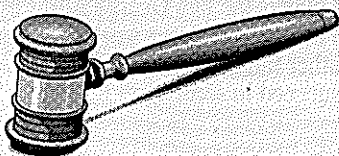
Action Items:

- o Consent to Second and Third Mortgages for Basin Project, Inc. (John Dominis Restaurant)
- o Consent to Sublease in Produce Center
- o Approval of Issuance of Lease to the Children's Discovery Center

Information Item:

- o Staff Recommendations regarding Amendments to Public Facilities Dedication, Open Space & Industrial Requirements

Note: Agenda items are tentatively set at the time of newsletter printing. Call the HCDA office for more information.



Kakaako NEIGHBORS

NELSON FUJIO

*A Businessman
Who Doesn't
Believe in
Letting the
Parade Pass
Him By*



Nelson Fujio

Call him a reputable and respected Kakaako entrepreneur. Or call him by his well-earned nickname, "Parade Man". The fact is, Nelson Fujio wears many hats well. By day, he is President of Auto Fender Clinic, Inc. (located at 1052 Kawaiahao Street), a 53-year old firm specializing in auto fender, body and radiator repairing and welding, brazing and painting. In 1995, Auto Fender Clinic was nominated as the "Best Business in Hawaii" by the Better Business Bureau. While this auto service firm has contributed to the local economy for over one-half of a century, Fujio has also been generously giving back to the community for over two decades through his voluntary services as creator and director of over 50 parade events. His parade credentials are miles long, including the Hula Bowl, Christmas with Aloha in Waikiki, the Honolulu City Lights

Parade, the Desert Storm Parade and the annual Aloha Festivals Parade, to name a few. The latter is ranked as the country's third most popular floral parade by the National Floral Federation of America.

The people who know Fujio well recognize that one of his greatest attributes is his respect and love of people. The Kakaako businessman sums up his success: "I like people. I like business. And I like working for myself.

This is a good way for me to met people and it allows me to set my own pace." Fujio's father, Richard Y. Fujio, started the auto fender firm in 1943 during the war years. He recalls, "My father took a chance and from there, one thing led to another. During the war it was really hard because you didn't have materials and tools. It's a little more convenient today with the modern types of equipment and materials that are available. So it's come a long way. The reason a business like ours stays busy is not only because of our reputation, but also because of the convenience of our location to our customers. We've been in Kakaako all these years and this is our fourth location."

Trust, according to Fujio, plays a big factor in a firm's longevity. He adds, "It's basically a matter of trust because people are spending a lot of money and there's a big stereotype that some mechanics and body shops tend to rip people off. We have that obstacle to face every day. But we have a third generation of people coming back here to us and we always try to continue to gain their trust and maintain our professionalism and friendship." The recession and government regulations and tax laws have been extremely onerous on businesses such as his, Fujio points out. "I always believe that we are a business trying to make a profit, but not at people's expenses," he says. "I don't get rich on one person because I want a long lasting business. We are honest people, we provide a good service and we do quality work. I also believe in giving back to the community as much as I can"

Fujio is proud of his "Parade Man" business—incorporated in 1993 and now advertising on the world web—but he quickly gives credit to all of the more than 200 individuals who have voluntarily contributed their time and services. Fujio is attempting to turn his parade business into a nonprofit organization, which would be the only local, voluntary establishment for parade events. He explains, "When the Hawaii Convention Center is ready, there is going to be a great need for it. Even now, there practically a parade or event every month. As an eleemosynary organization, I am looking for the land to start a new float building industry. We need a minimum site of about 50,000 square feet and a building. If we could find all those things we could turn it into a tourist attraction, a new industry which would, in turn, develop new businesses. It would be a win-win situation for the State. Economically, Hawaii is the best place to do this because we have the weather and the flowers. The old saying is that we should go to Pasadena (Rose Bowl) because they're number one. My belief is that we should let Pasadena come to us. We'll be number one."

With all the long hours of coping with the demands of keeping a business afloat and his after hours volunteer work, Fujio remains positive. He quotes the late George Burns by saying, "Fall in love with your work, not just like it. I'd rather fail in something I love doing, than succeed in something I hate."

KAKAAKO CONNECTION SURVEY

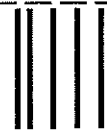
In publishing the KAKAAKO CONNECTION, the Hawaii Community Development Authority (HCDA) wants to continue to communicate information relating to the Kakaako District and the HCDA--and to do it as efficiently as possible. We ask that you take the time to complete the following questionnaire to help us in this task. (Note: This is a *voluntary* survey, and you *will* continue to receive this newsletter unless you specify otherwise.) Thank you for your kokua.

What kind of features/stories relating to the Kakaako District and/or the HCDA would you like to see in the newsletter?

Do you feel that you are being provided with sufficient information regarding Kakaako or the HCDA? If not, what would you like to hear about? _____

Do you want to continue to receive this newsletter? Yes _____ No _____

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HAWAII COMMUNITY DEVELOPMENT AUTHORITY
Attention: The Kakaako Connection Editor
677 Ala Moana Boulevard, Suite 1001
Honolulu, Hawaii 96813

RelocationSpace

As a service to Kakaako businesses, following are listings of available commercial/industrial spaces in Kakaako and where to call for more information. Information for possible inclusion in this column is welcome. Call Irene Iha at 587-2870 or write to the HCDA office by the 10th of each month. (Please note that from this issue forward, this column will only carry listings for sites in the Kakaako District. This change was made in response to concerns expressed by the public.)

KAKAAKO

- o 1) 541 Ahui St: 4,500 sf imp. ofc, call Charlene Shiroma (B) 523-9714, Byron "Biff" Graper (S) 523-9737;
- 2) 650 Ala Moana Blvd: 520 sf & 1,062 sf ofc, call Aleksandra Napier (S) 523-9745; Monroe & Friedlander.
- o 1) 604 Ala Moana Blvd: 135,000 sf ind, call Charles "Rod" Miller (B), 544-9566; 2) 439 Kamani St: 540 sf whse/ofc, build to suit, call William "Bill" Joor (B), 528-0039; Chaney Brooks.
- o 1) 660 Ala Moana Bldg: 785 sf-4,500 sf ofcs, 935 sf & 4,137 sf ret/whse; 2) 680 Ala Moana Bldg: 205 sf-4,000 sf ofc, \$1.95/sf gross; 3) Waahi Bus Ctr: ind: 2,100 sf @ \$0.95/sf net, ofcs: from 118 sf from \$300/mo gross, ret: 2,100 sf @ \$1.70/sf nnn; call Omni Investment 523-1822.
- o 1) 677 Ala Moana Blvd: 159 sf-3,897 sf ofcs; 2) 1221 Kapiolani Blvd: 555 sf-1,694 sf ofc/ret; call Debby, DGM Group 524-4195.
- o 1) 330 Cooke St: 7,440 sf grd fl ret/whse, 4,423 sf mezz @ \$7,500/mo nnn, call Charles "Rod" Miller (B);
- 2) 575 Cooke St: 1,400 sf ofc, call Paulette Wray (B), Charles "Rod" Miller (B); Chaney Brooks 528-0039.
- o 614 Cooke St: 800 sf-2,200 sf ret @ \$2.50/sf; 1,000 sf-2,000 sf ofc @ \$1.25/sf; 1,700 sf whse @ \$0.75/sf; all—nnn, prkg, call Steve Yago 599-5039, Landmark Commercial.
- o 1) 716 Cooke/711 Kawaihae Sts: 1,747 sf 2nd fl ofc, \$1.00/sf, est \$0.35/sf CAM, term open, prkg, new bldg; 2) 849/863 Halekauwila St: 2,680 sf grd fl & 4,800 sf 2nd fl ofc/ret/whse, \$1.05/sf, est \$0.18/sf CAM, to 6/30/99, prkg, a/c, roll up; call Stephen Keil (B), 541-5110, CB Commercial Real Estate.
- o 1) 547 Halekauwila St: 700 sf ofc, low rent, new paint, call Cindy Condon (S) 523-9761; 2) 705-715 S. King St: 2,002 sf grd fl ret/ofc, 5,142 sf ofc, call Cali Gullion (B) 523-9743, Aleksandra Napier (S) 523-9745; Monroe & Friedlander.
- o 1) 670-A Halekauwila St: est 4,909 sf whse, \$0.65/sf nnn, est \$0.27/sf CAM, 3-5yrs; 2) 609 Keawe St: 1,100 sf whse, 618 sf shwm/ofc, 800 sf mezz, \$1,804/mo nnn, \$0.47/sf CAM, 3-5yrs, 4 prkg, a/c, restrooms; 3) Waterfront Plaza: est 683 sf-25,950 sf ofcs, \$2.25-\$2.50/sf gross, 3-5yrs/longer, prkg; 4) Waterfront Towers Mart: 199 sf-753 sf ofcs/shwrms, \$1.90/sf gross, flex terms, prkg; call Karen Taniyama (R) 522-5991, Sofos Realty.
- o 1) Hopaka St: est 2,150 sf, \$1.85/sf nnn, est \$0.27/sf CAM; 2) 816 Queen St: est 2,078 sf grd fl whse, a/c, 2,550 sf 2nd fl ofc, \$0.95/sf, CAM to be determined, 3-5yrs, prkg; 3) 1212 Kona St: for sale (FS), 8,000 sf land area, 5,959 sf grd fl, 1,720 sf mezz ofc, 3,579 sf mezz/storage, prkg, load area; call Dana Peiterson (S) 541-5189, CB Commercial Real Estate.
- o 438 Kamakee St: 4,017 sf whse, 3,000 sf ofc, call Palama Ventures 591-0201.
- o 711 Kapiolani Blvd: 1) est 7,999 usf, est 8,696 rsf, \$1.60/rsf; 2) est 7,999 usf, est 8,696 rsf, \$1.70/rsf; both—gross, to 4/8/2000, prkg, avail nego, call Brandon Severson (S), Ray Hulick (B), 521-8812 Commercial Real Estate Services.
- o 711 Kapiolani Blvd: 1,080 rsf-12,128 rsf ofcs, \$1.95-\$2.15/rsf, 1-5yrs, prkg, call Frances Okazaki (B) 541-5111, CB Commercial Real Estate.
- o 725 Kapiolani Blvd: 250 sf ofc, \$575/mo, prkg, call Jean Samuels 591-8111.
- o 1) 770 Kapiolani Blvd: 492 sf-5,000 sf ofc, 2,872 sf whse; 2) 670 Queen St: 5,795 sf a/c ofc/whse, 2,044 sf whse; call Dave Blanchard 592-4818, Waterhouse Properties.
- o 1) 876 Kawaihae St: 3,000 sf grd fl & 3,000 sf 2nd fl a/c whse/ofc, may lease separate, \$6,600/mo nnn, 3-5yrs, prkg, roll-up, restrooms; 2) 1001 Waimanu St: for lease: est 2,000 sf 2nd fl ofc, \$0.65/sf nnn, \$0.10/sf CAM, 2-5yrs, prkg, restroom; also for sale (FS): est 4,000 sf grd & 2nd fls, 4,079 sf land area, price nego, shown by appt only; call John Sternberg (RA) 532-1932, Sofos Realty.
- o 1202-B Kona St: 1,500 sf whse, grd fl: ofc, storage, restroom, 2nd fl: hi-ceiling, 3 prkg, \$1.00/sf + RPT & ins., full elec. supply, was recording studio, call 593-2924.
- o 1) 449 Koula St: est 3,120 sf hi-cube whse, \$0.85/sf; 2) 5,000 sf land area, 3,000 sf grd & 3,000 sf 2nd fl whse, free stand bldg; 3) 1,182 sf grd fl & 706 sf 2nd fl whse; 4) for sale, est 4,914 sf land, est 7,059 sf improvements, tenants; call Lionel Low, CCIM 596-2066.
- o 826 Queen St: commercial spaces, est 7,200 sf 2nd fl @ \$0.95/sf, est 3,400 sf 1st fl @ \$1.10/sf, both—gross + util, 5yrs, may lease separate, 10 prkg, a/c, bathrooms, avail for sale, call Gerald Morihara (R) 734-1298, GM Assoc.
- o 839 Queen St: 190 sf & 504 sf 2nd fl, \$0.60/sf, \$0.11/sf CAM, call James Shipman (S) 541-5184, CB Commercial Real Estate.
- o 1) 844 Queen St: 2,879 sf 2nd fl whse, 15'-20' ceilings, 2 entrances, roll-ups, prkg, call Christopher Laird (S) 523-9704; 2) 1050 Queen St: 1,326 sf imp. ofc, prkg, call Charlene Shiroma (B) 523-9714; Monroe & Friedlander.
- o 956 Queen St: ret/ind, 1,050 sf ofc, 1,050 sf mezz, 4,550 sf hi-cube whse/mfg, 1,600 sf shed, 800 sf fenced yd/prkg, 2,000+ sf prkg, 110/220 power, call Tim Ching 591-8944.
- o 1) 736 South St: 756 sf 2nd fl ofc, \$1.20/sf nnn, est \$0.41/sf CAM, 5yrs/more, prkg; 2) 1166 Waimanu St: est 930 sf ofc, \$1.85/sf gross, 3yrs/more, sublease, secured bldg; call Brandon Severson (S), Ray Hulick (B), 521-8812 Commercial Real Estate Services.
- o 1019 Waimanu St: 500 sf-1,300 sf ofc, \$1.65/sf nnn, pleasant bldg, prkg, call Dennis Wiens 599-5039, Landmark Commercial.
- o 542 Ward Ave: 3,000 sf free stand ret bldg, \$2.45/sf nnn, \$0.49/sf CAM, corner lot, excel exposure, call Mike Wilson 599-7313.
- o Waterfront Plaza: 1) 683 sf-25,000 sf ofcs, from \$2.25/sf gross; 2) 2,400 sf restaurant, full kitchen, make offer; 3) Waterfront Towers Mart: 350 sf-1,000 sf, \$1.90/sf gross, call Stark Properties 521-8831.

HCDA'S CREATION AND GOALS *Continued from Page 1*

the Honolulu Waterfront Master Plan, the HCDA in 1990 adopted its Kakaako Makai Area Plan. This Plan, to which revisions are being considered, regulates the renewal of the area makai of Ala Moana Boulevard down to the Kakaako waterfront shoreline. Taking its directions from the State's Waterfront Master Plan, the Kakaako Makai Area Plan accommodates the ever increasing recreational, cultural, commercial and maritime needs of Honolulu's population. Intrinsic to the goals of the Plan is the importance of attracting Hawaii's residents back to the waterfront by reviving and transforming the area into an

exciting and convenient site where people can enjoy recreation, entertainment and cultural activities in a park-like setting. In 1990, the HCDA completed the 4-acre Kewalo Basin Park, and this was followed in November 1992 by the completion of the Kakaako Waterfront Park spanning the area from Point Panic to Fort Armstrong. The site of this 30-acre passive park was once a municipal landfill and, while it was a popular spot for surfers and fishermen, it was virtually inaccessible to the public. The Kakaako Waterfront Park consists of rolling hills, a 20-foot pedestrian promenade running the length of the park, a community amphitheater, four observation areas, pathways throughout the park, picnic areas, comfort stations, and a parking lot. The HCDA also created two protected water access points for surfers, fishermen and water enthusiasts.

THE KAKAAKO CONNECTION

is a publication produced by the
**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

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