

THE KAKA'AKO CONNECTION

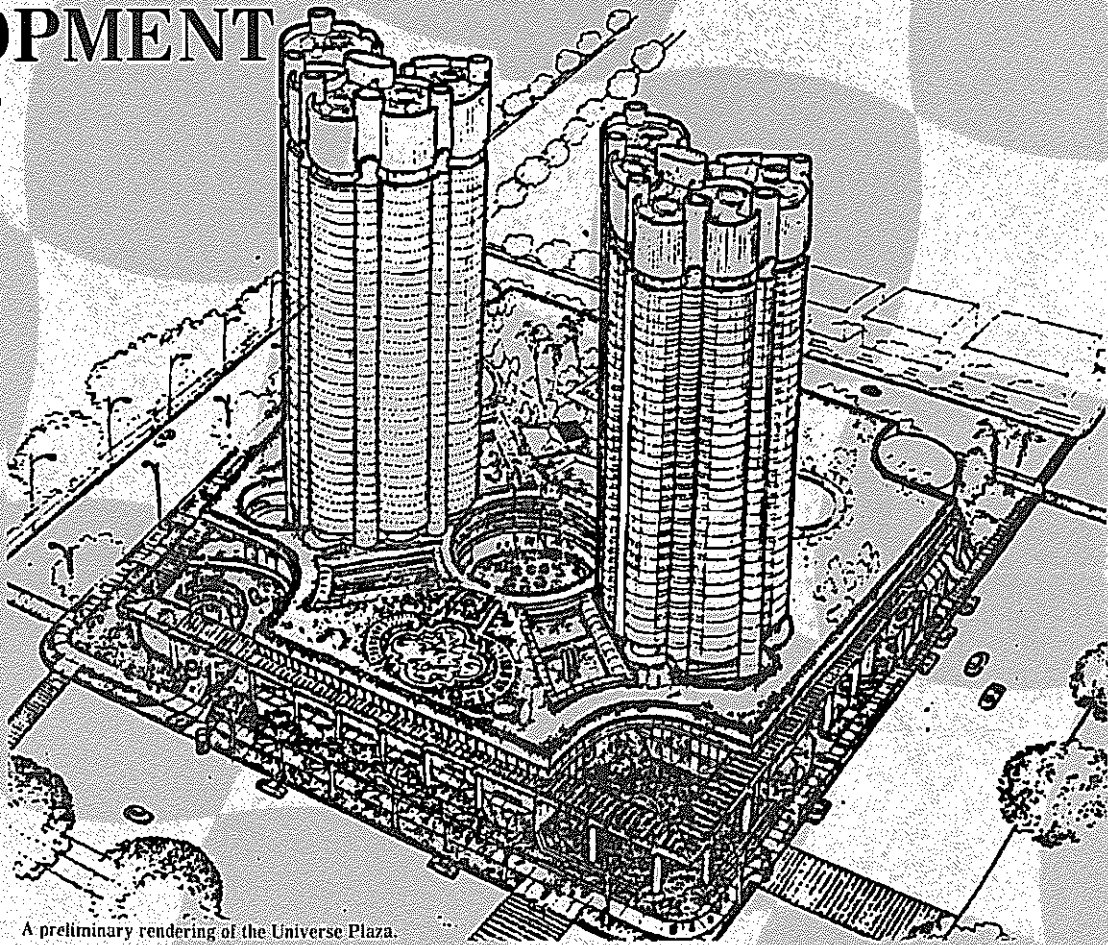


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ASAHI JYUKEN PLANS LARGE MIXED-USE DEVELOPMENT IN KAKA'AKO

A large-scale mixed use project combining residential, commercial and service industrial activities has been proposed at 1230 Kapiolani Boulevard. The Hawaii Community Development Authority (HCDA) has received a request for a Planned Development Permit from Asahi Jyuken Hawaii Inc. to construct the Universe Plaza, a twin 400-foot tower complex on 266,464 square feet of land bounded by Piikoi, Pensacola, Kamaile Streets and Kapiolani Boulevard. A public hearing on the project is tentatively set for November 1989.



A preliminary rendering of the Universe Plaza.

Asahi Jyuken's proposal calls for two 36-story towers rising from a recreation deck. A parking garage containing 1,250 stalls is also planned. The complex would include 348 residential units including 67 three-bedroom units, 203 two-bedroom units, 68 one-bedroom units and five penthouses.

As in other mixed-used developments being constructed in Kaka'ako, the Universe Plaza would

confine commercial and service industrial spaces on the lower floors. Roughly 168,000 square feet of open space and 111,158 square feet of recreation space are proposed, along with tennis courts, a spa, health club and fitness facility, conference and party rooms, and swimming pool. If the project is given HCDA's approval, the developer wants to begin construction in early 1990, with completion planned for late 1992.

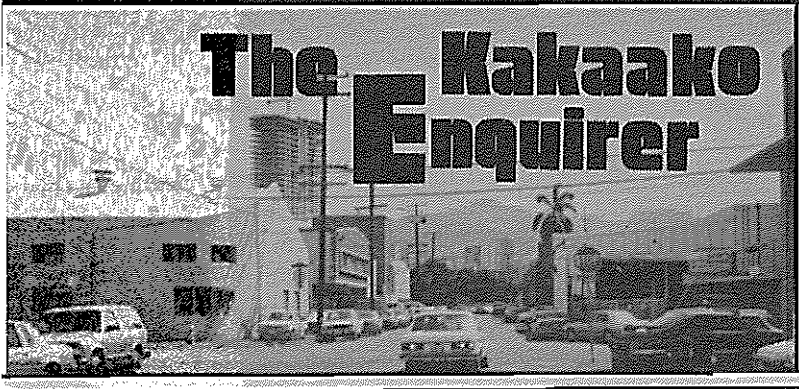
AUTHORITY MEETING UPDATE

The members of the Hawaii Community Development Authority on September 6 granted a Certificate of Appropriateness (CA) to allow the realignment of Halekauwila Street through the mauka portion of Mother Waldron Playground. Mother Waldron Playground is on the Hawaii

Register of Historic Places, and the CA is required for any alteration of property listed in the Register. Support for the project was voiced at a public hearing held on August 9 and at that time no objections were heard. In performing the

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The Kakaako Enquirer



If you would like any questions answered in print on Kakaako's redevelopment or the Hawaii Community Development Authority, please write or call the HCDA newsletter editor at 548-2200.

Q. What provisions are made in the Kakaako Plan for affordable housing in the development of residential and commercial/industrial projects?

A. The Kakaako Rules currently require that developers of major residential projects allocate 20 percent of their units for affordable or "reserved" housing. In the alternative, these developers may apply for approval to pay cash in lieu of housing equal to two percent of the total value of the residential portion of the project. Affordable housing is not required in projects which would otherwise be exclusively industrial or commercial. However, these large projects exclusively dedicated to nonresidential uses should be fairly rare since the Rules are structured to encourage the production of residential space in all large-scale projects. Industrial/commercial projects must include residential units in order to reach their maximum allowed development density.

Q. How are the cash in lieu monies accounted for and how and when will they be expended?

A. There have so far been two major projects which have made cash contributions in lieu of providing the housing. In one instance, the developer provided the units but market conditions at the time generated insufficient buyer interest to allow him to sell all of the affordable housing units. Eventually, the remaining cash payments were made to the HCDA in lieu of the unsold units. The cash which has been collected in lieu of housing units has been placed into HCDA's revolving fund, in accordance with State law. This money has been specifically earmarked for reserved housing. A total of approximately \$3 million has been collected as cash in-lieu funds. That money is now being used to launch two affordable housing developments, a 260-unit rental housing project for the elderly, and a 225-unit affordable rental housing project. Both of these projects are targeted for completion in late 1991.

Q. What is the HCDA's policy for dispersion of affordable housing as opposed to concentration in individual projects?

A. The HCDA's Kakaako Plan encourages the dispersion of affordable housing throughout the District. A major emphasis of the Plan is its focus on the development of a well-mixed community. The Plan encourages mixing of the work environment by the type of activity, as well as the mixing of residential projects by economic class. The affordable housing requirement is structured to encourage developers to situate the available units within the common body of their project. Although this has not always proved to be economically feasible, the goal of integrating affordable housing into the body of the project has been achieved in the development plans of two of the three major private projects that have broken ground to date. However, as noted earlier, HCDA also may require that private developers pay a fee in lieu of provided reserved housing units within their project. HCDA may take a fee and could develop reserved housing itself or in partnership with other entities.

In the case of fees which are being used to develop two projects in conjunction with the Housing Finance and Development Corporation, approximately 485 affordable rental units are proposed in these projects. If developers would have built reserved housing units at the 20 percent rate, a total of 92 reserved units would have been provided. This fivefold increase in units produced under the in-lieu fee concept seems far superior to the 20 percent developer constructed program within the individual developments. Since affordable housing is a major priority, the fee option may be exercised if significant amounts of affordable housing can be provided outside of a private sector project.

AUTHORITY MEETING

Continued from Page 1

realignment, the HCDA will employ a significant effort to preserve the historic and cultural aspect of the playground by reconstructing walls along Halekauwila Street to match the existing walls in design and material, and in relocating recreational equipment including parallel bars, horizontal ladders and basketball backboards.

At the HCDA's September 6 meeting, members also voted:

- o approval to acquire lands necessary for the proposed Improvement District 3 (ID-3) Project and the expansion of Mother Waldron Playground; and
- o approval of the Relocation Program for the ID-3 Project and expansion of Mother Waldron Playground.

Kakaako Neighbors

ALOHA KEY Unlocks the Door to Success



Aloha Key owner Richard Krupa

Richard Krupa, owner/proprietor of Aloha Key, has a unique and healthy way of dealing with the myriad of business problems that may come his way. "I'm not one for taking my problems home with me," he says. "During the workday, sure, I look for ways to solve them, but when I close the door and leave here for the night, I leave it all behind because it's going to be here when I open up the next morning.

"You're always going ahead and putting out fires so to speak, but that's part of being in business. It also help you grow because without problems you can go ahead and become stagnant. Dealing with your problems makes you smarter, more caring and considerate, and more knowledgeable of the whole environment and what you can do to help it."

Krupa bought the existing Aloha Key business in January, 1984. For 15 years the previous owner built the business on outlets retailing keys and locks, and Krupa expanded the firm's realm, broadening its base by becoming a locksmith wholesaler, supplying the locksmiths in town and on the outer island. Today, besides his 6,000-square-foot retail/warehouse facility at 401 Cooke Street in Kakaako, Krupa operates nine retail outlets on Oahu and in Hilo, Maui and soon in Kauai. The firm employs 38 employees.

Over one-million key blanks are stocked in the Aloha Key warehouse, along with Master padlocks, a large variety of door knobs, security systems and

locks. The firm also performs engraving of corporate gifts, name badges, plaques and trophies.

Says Krupa, "Our one advantage is that if a customer wants something now, we usually have it now. It's really fund when we have to take inventory and count the number of key blanks that we have. I'm sure that we have some blanks here that aren't even manufactured anymore. We get calls all the time for obsolete key blanks and we are generally able to help the customer out. WE don't get a premium for this, we get a fair markup and we are happy that we are able to help them because they are going to come back to us for their other needs."

Krupa credits much of his success to the diversity of his merchandise and to the hard work of his staff. "The people that we have working here are knowledgeable. It takes about a year to train them because of the diversity of our inventory. We have salespeople who call on retail accounts and we also sell at the wholesale level. But without our salepeople, we would have nobody because they are the ones who interact with the customers." Krupa pays special heed to the needs of his customers, and he explains, "You have to listen to them because they will lead you in the direction of expansion. Sometimes we make mistakes and we have to eat it but at least we have given it a try."

If you are located in the ID-2 project area where construction is occurring and you would like to be featured in this column, please call the Newsletter Editor at 548-2200.



RELOCATION SPACE

Following are listings of available commercial/industrial spaces on Oahu, and where to call for more information on them. Information for possible inclusion in this column is welcome. Call 548-2200 or write to Irene Iha by the 10th of each month.

Kakaako

- o 564 South Street, 400sf office space, \$850/mo gross. Call A. Ulrich, Ulrich & Associates Realty, 524-8322.
- o 649 Auahi Street, 2,950sf warehouse space, \$0.90/sf and 550sf office space, \$1.25/sf, available to 3/92, 4 parking stalls. Call C. Mark Ambard (RA), Monroe & Friedlander, Inc., 524-2666.
- o 1001 Waimanu St., 2,000sf, 2nd flr walk-up, \$1.00/sf NNN. Call Jeanette Frahm (RA), Sofos Realty Corp., 522-5994.
- o 404 Piikoi St., 2,440-2,900sf retail and warehouse spaces, \$0.75 - \$1.65/sf gross, parking. Call Jordan Wong (RA), Monroe & Friedlander, Inc., 524-2666.
- o 510-E Keawe St., 3,400sf grd flr warehouse and office space, \$0.80/sf NNN, roll-up door, parking. Call Brian M. Maeshiro (RA) or Douglas A. Pothul (RA), Monroe & Friedlander, Inc., 524-2666.
- o Queen St. Business Center, 1,040sf retail space, \$0.90/sf NNN, month-to-month tenancy. Call Chris Okuhara (RA), Monroe & Friedlander, Inc., 524-2666.

Kalihi

- o 2184 N. King St., 4,629sf showroom/office/warehouse space, \$1.65/sf gross plus taxes, parking, free standing building, corner lot. Call Jim Zachary, Horita Realty, 848-2268.
- o Kapalama Industrial Center, 819 Moowaa Street, new, 1,500 - 4,000sf, up to 20,000sf, base rent/sf: \$0.85 - \$0.95 for warehouse space, \$1.10 for showrooms, 3-yr increment terms, assigned parking. Call Melvyn Ho (R) or Rod Mukai (R), Locations Real Estate Sales & Research, 522-7200, or Frank Orrell (RA) or Dana Peterson (RA), Grubb & Ellis, 531-4202.
- o 1753 Silva St., 3,700sf new hi-cube warehouse space for lease or purchase. Call Douglas A. Pothul (RA), Monroe & Friedlander, Inc., 524-2666.
- o 1287 Kalani St., 1,008sf, \$1.25/sf NNN, good parking and visibility. Call Karen Taniyama (RA), Sofos Realty Corp., 522-5991.
- o Kapalama Shopping Plaza, 533-2,840sf, good parking and rates. Call Brian Thomas (R), Sofos Realty Corp., 522-5998.
- o 1111 Dillingham Blvd., Kokea Center, 1,000-2,900sf of retail space, \$1.70-\$2.00/sf, triple net. Call Jordan H.K. Wong (RA), Monroe & Friedlander, Inc., 524-2666.

Airport

- o 789 Mapunapuna St., 900sf and 1,025sf, both with restroom, \$1.25/sf gross. Call Roy Pyles (R), Sofos Realty Corp., 522-5992.
- o Airport Industrial Park, Koapaka Street, 4,000 - 80,000sf warehouse bays, from \$0.75/sf NNN. Call Scott L. Mitchell (RA), Monroe & Friedlander, Inc., 524-2666.

- o Airport Industrial Park-Phase II, Aolele St., 2,000 - 240,000sf warehouse and open yard space, from \$0.80 and \$0.25/sf NNN. Call Brian Thomas (R), Sofos Realty Corp., 522-5998.

Others

- o Mapunapuna, Ahua St., 3,400sf of warehouse, \$0.85/sf NNN. Call C. Mark Ambard (RA) or Douglas Pothul (RA), Monroe & Friedlander, Inc., 524-2666.
- o Halawa Business Park, Lot #15, 15,750sf, hi-cube warehouse, parking, container loading areas. Lease or purchase. Call Brian Maeshiro (RA) or Chris Okuhara (RA), Monroe & Friedlander, Inc., 524-2666.
- o Campbell Industrial Park, 91-489 Komohana St., 24,375sf hi-cube warehouse, \$0.50/sf NNN plus CAM, office area, roll up doors, loading docks, sprinklered, parking. Call Roy E. Pyles (R) 522-5992 or Steve Sofos (R) 522-5995, Sofos Realty Corp.
- o East Manoa Road, 1,150sf street frontage retail space, \$1.75/sf NNN plus CAM. Call A. Ulrich, Ulrich & Associates Realty, 524-8322.
- o Campbell Industrial Park, industrial leasehold parcels available. Call Estate of James Campbell, 536-1961.
- o 825-905 Keeaumoku, 250 - 2,338sf of office/mfg/office spaces, \$0.65 - \$0.80 NNN. Call Jordan H.K. Wong (RA), Monroe & Friedlander, Inc., 524-2666.
- o Downtown, 33 S. King St. PH, 5,100sf finished office plus open deck surrounding space, \$1.85/sf NNN. Call Brian Thomas (R), Sofos Realty Corp., 522-5998.
- o Bougainville, Warehouse at Costco, 5,000-23,000sf of warehouse, \$0.80/sf, NNN, new, parking. Call C. Mark Ambard (RA), Monroe & Friedlander, Inc., 524-2666.
- o Bougainville, Honvest Industrial Complex, Building A, 24,210sf new tiltup with dock, est. completion 11/89, also 2nd level, drive-up, 1,200-11,000sf warehouse. Building C, 17,157sf new tiltup with dock, est. completion 12/89, \$0.85/sf NNN. Call C. Mark Ambard (RA), Monroe & Friedlander, Inc., 524-2666.
- o Gentry Business Park, 1,250-12,000sf, high-cube warehouse, \$0.75/sf. Call Alfred Ho (RA), Monroe & Friedlander, Inc., 524-2666.

Hawaii Community Development Authority Regular Meeting

October 4, 1989 — 2 p.m.
677 Ala Moana Blvd., Room 1010

- Action Item:
• Decision on Pentagram Corp.'s Variance
Application for a Burger King Restaurant

NOTE: Agenda items are tentatively set at newsletter press time. Call the HCA office to confirm items.

THE KAKAAKO CONNECTION
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