# **Highlights of November 3, 2004 HCDA Meeting**

Following is a summary of actions taken at the November 3, 2004 meeting of the Hawaii Community Development Authority (HCDA).

#### IMPROVEMENT DISTRICT 11 PROJECT (QUEEN STREET IMPROVEMENTS)

Following a second public hearing, the Authority gave its final approval to the Improvement District 11 (ID-11 or Queen Street Improvements) Project. The \$15.6 million ID-11 is a continuation of HCDA's Program to facilitate redevelopment in Kaka'ako by constructing roadway and infrastructure improvements in the district. ID-11 would construct improvements in Queen Street between Kamakee Street and Ward Avenue. The conditions that currently exist on this portion of Queen Street are unsafe for vehicular and pedestrian traffic and not conducive for redevelopment. The roadway has no drainage system and no sidewalks from Cummins Street to Ward Avenue. Cars currently park randomly as space permits, either perpendicular or parallel to the street, and many times, hazardously encroach into the public right-of-way. The proposed ID-11 improvements will create a safer environment for pedestrians and vehicles, with new sidewalks and metered-parallel parking stalls. The improved roadway will be defined and pedestrians will not have to dangerously weave in or about randomly parked cars or rubbish containers to walk along Queen Street. Flooding after heavy rains will be eliminated with the construction of a drain system. These improvements, together with the new water, sewer and underground utility systems, will allow the HCDA to continue to provide redevelopment opportunities in Kaka'ako.

The first public hearing on ID-11 was held on April 7, 2004, at which time businesses in the project area expressed concerns about the necessity of the project, the loss of parking, increased traffic and the assessment amounts. In response, and because the ID-11 project area has a larger number of small businesses than in previous improvement districts, the Authority approved an assessment method that reduced individual property assessments on a sliding scale; owners of lots less than 80,000 square feet will pay less on a sliding scale. For ID-11, the state will pay for 69 percent of the project cost, with utility companies paying for 12 percent and landowners paying 19 percent of the project cost. To lessen the impact of construction, assessments will not be charged to properties until at least six months after the construction is completed and landowners have the option of paying their assessments in installments over a 20-year period. Also during the ID-11 construction, temporary parking will be provided for affected businesses in the future site of HCDA's Mauka Park on the Queen Street Extension and on Victoria Ward Limited.

The amendment to Kaka 'ako Rules that establish the ID-11 will be sent to Governor Linda Lingle for approval. If approved, the HCDA anticipates the start of construction on ID-11 in March 2005 with completion in September 2006.

### WARD CENTRE AUAHI STREET RETAIL SHOPS

HCDA members approved a Base Zone Development Permit and modification of the Kaka'ako Mauka Area Rules for the Ward Centre Auahi Street Retail Shops project. Victoria Ward, Limited has proposed to convert a portion of the existing Ward Centre Parking Structure along Auahi Street into retail shops at the street level. The project would involve the renovation of portions of two existing parking levels along Auahi Street into one-story retail shops and the construction of new one-story structures at either end of the parking structure. The remainder of the eight-level parking structure would continue to be used for parking. The project would include approximately 11,000 square feet of new retail floor area while removing a total of 72 parking stalls. New open space areas would be created at the perimeter of the new construction. The Authority granted a modification to the Kaka'ako District rules from a 15-foot landscaped front yard along Auahi Street to a front yard that would vary between five and 15 feet. The modification will allow the creation of functional commercial spaces within the parking structure and an active pedestrian environment along Auahi Street.

## CANCER RESEARCH CENTER ON THE KAKA'AKO WATERFRONT

The Authority deferred action on a request for a fourth extension to the Agreement for Exclusive Negotiations between the HCDA and the University of Hawaii (UH) for the proposed lease of a 5.5-acre parcel of land on the Kakaʻako Waterfront for the development of a comprehensive cancer center, which would include both research and clinical components. In passing its motion deferring action on the extension request until the HCDA's December 1, 2004 meeting, the Authority is requiring that the UH provide the Authority with an UH Regents-approved Request for Proposals and its plans, intentions and development schedules for the second phase of the John A. Burns School of Medicine and the relocation of the Pacific Biomedical Research Center from the Kakaʻako Waterfront.

#### 909 KAPIOLANI PROJECT

A public hearing was conducted to receive testimony on POSEC Hawaii, Inc.'s proposed 909 Kapiolani Project. The project is a residential/commercial/industrial development proposed at the Diamond Head/makai corner of Kapiolani Boulevard and Ward Avenue. The complex would consist of a 29-story residential tower on top of a 5-story podium built next to the existing 2-story Musicians' Association Building. Together with the Musicians' Association Building, the Project will have a total of approximately 254,000 square feet of floor area and 225 residential units contained in a 332-foot tower. The project would also include: approximately 12,000 square feet of industrial floor area, 10,000 square feet of commercial floor area, 7,000 square feet of street level open space and 456 parking stalls. As a joint development between POSEC and the Musicians' Association, the exiting Musicians' Association Building would be integrated within the project, which will provide a

new sound studio. The developer is requesting several modifications of the Kaka'ako Mauka Area Rules for development of the project. Action on the applicant's planned development permit will take place at a future Authority meeting.