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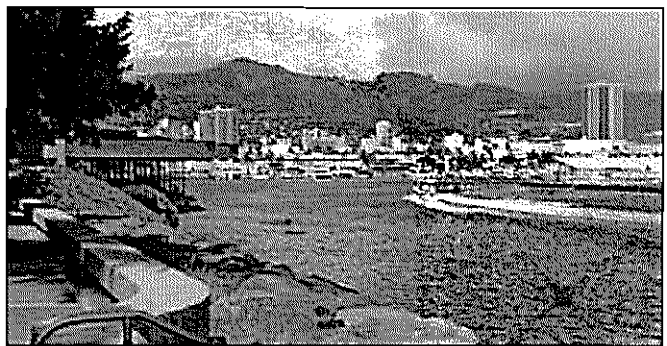
Kaka'ako waterfront housing wins approval

By Andrew Gomes
Advertiser Staff Writer

Prime state waterfront land along Kewalo Basin likely will sprout homes after developers vying to remake 36 acres of what was mostly industrial real estate received approval to build and sell residential housing in the area.

The state agency guiding redevelopment of the area known as Kaka'ako Makai amended its rules yesterday to allow homes in the area after considering public testimony that ranged from support in developing an urban village to concerns over restrictions to public ocean and park access.

"We've got to find a balance," said Curtis Crabbe, a contractor who lives on Moloka'i and has bodysurfed the Point Panic surf break next to the Kewalo Harbor channel since 1965. "Keep Kewalo where I can bodysurf till the day I die."



The rule change approved yesterday by the Hawai'i Community Development Authority includes increasing the building height permitted along the 'ewa edge of Kewalo Basin from 45 to 65 feet. Housing would be allowed where land was designated industrial.

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It would be the first housing development makai of Ala Moana in modern times outside of Waikiki. Most of the area's urban waterfront has been reserved for parks and maritime use.

The state Hawaii Community Development Authority views residential development in Kaka'ako Makai as critical to improving its key asset, especially in light of previous failures to push ahead with redevelopment there.

In January, the agency solicited private development proposals. It expects to make a selection among four plans later this month. Details are being kept confidential until after the selection.

'LIKE BAD FAITH'

Some community members at yesterday's hearing suggested that agency directors had already decided on the residential change because the agency's request for proposals suggested developers provide about 300 residential units in their plans. They also recommended roughly 250,000 square feet of entertainment and retail space and 500,000 square feet of public and commercial space.

"It looks like bad faith," said Nancy Hedlund, an Ala Moana resident who opposes residential use makai of Ala Moana and envisions 20-story condominiums walling off the existing Kaka'ako Waterfront Park.

Michael Kliks, an avid paipo boarder and bodysurfer from Honolulu, also opposed the rule change, which increased maximum building heights from 45 feet to 65 feet along the 'ewa edge of Kewalo Basin.

"It's going to be like Waikiki," he said. "You can't see the ocean anymore."

Kliks predicted that allowing residential development makai of Ala Moana would make the ocean and park accessible to only those who can afford home prices that are close to \$1 million for several nearby condominiums under construction in Kaka'ako.

"This is just shibai ... about living and working in the area," he said. "How many of you can afford a one-bedroom studio that costs a million dollars?"

The state agency's staff said development proposals will expand public access for decades to the Kewalo waterfront largely occupied by industrial businesses. The agency added that replacing some commercial use with residential will reduce local traffic and create a critical mass of people who will take advantage of whatever else is built there.

The rule change fits with the agency's goal mandated by the Legislature to create a mixed-use community with businesses and residents in Kaka'ako, a combination originally included in the agency's makai area plan in 1983.

Housing was excluded in a plan revision in 1987, then intended to be included in 1994 but never adopted.

Agency staff and developers suggested yesterday that not allowing residential housing with commercial uses wouldn't work as part of a redevelopment project.

"Without the residential component, I can't see this being successful," said local developer Stanford Carr, one of four finalists for the redevelopment opportunity.

The other finalists are A&B Properties Inc., Victoria Ward Ltd. and Kewalo Nui Partners LLC. The winning developer would still have to negotiate a detailed development agreement with the state. Construction could begin as early as fall 2006.

Teney Takahashi, agency director of planning and development, said the sale of state land for housing will help pay for maintaining and expanding public facilities such as parks in Kaka'ako.

"We are trying to balance the expenses of public facilities," he said.

TESTIMONY DIVIDED

About 30 people testified at yesterday's hearing. Among them, opinions were closely divided between those with real estate or development interests who favored residential use, and park users or residents who opposed the change.

The balance slightly leaned toward those supportive of mixing homes with new commercial development in the area, including Eric Crispin, surfer and former director of the city Department of Planning and Permitting, and Lowell Chun, the department's community planning chief.

Karl Rhoads, a Chinatown resident, said he looks forward to another urban village in Honolulu where residents such as he and his wife walk to work and the grocery store.

"We live our lives pretty much in a small geographic area," he said. "Traffic is basically irrelevant to us 95 percent of the time."

Developers and planners said integrating residential and commercial uses to revive urban areas has been successful in many Mainland cities, and can help curb urban sprawl, suburban expansion and traffic congestion.

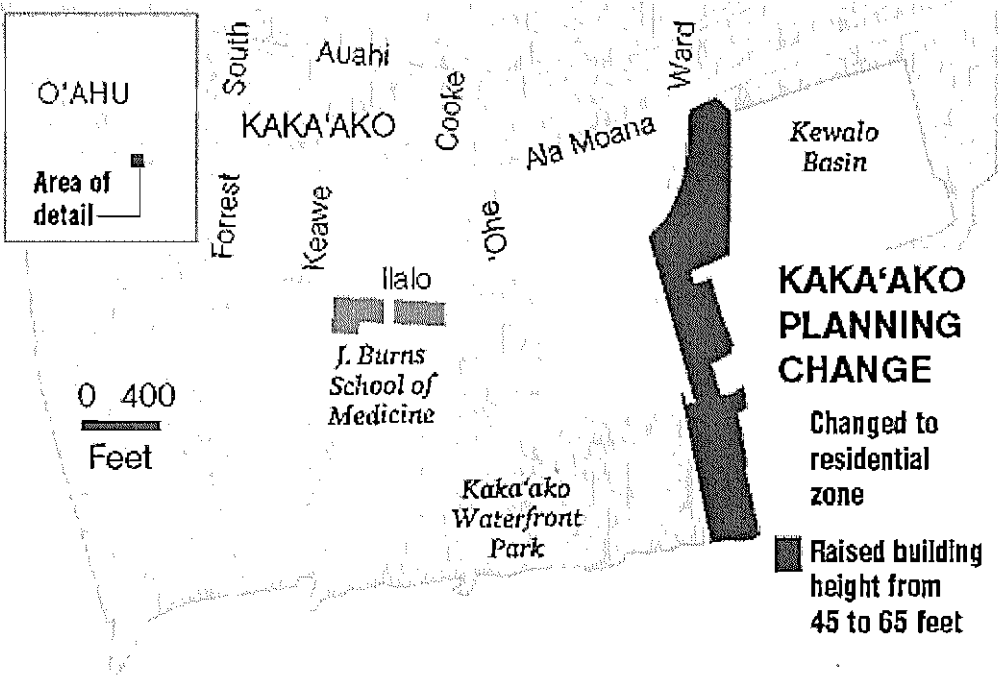
"Honolulu will continue to grow," said Mike Wright, a senior vice president with A&B Properties. "Concentrating residential development ... is in the interest of smart planning and smart urban growth."

Under agency rules, a developer building higher than 45 feet is required to either make 20 percent of residential units affordable for moderate-income families or give the agency an equivalent in cash to build below-market housing in Kaka'ako.

A few opponents of housing in Kaka'ako Makai said they would support dormitories for researchers and students at the new University of Hawai'i medical school in the area, but not high-end condos.

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