

HIGHLIGHTS OF SEPTEMBER 7, 2005 HCDA MEETING

Following is a summary of actions taken at the September 7, 2005 meeting of the Hawaii Community Development Authority (HCDA).

Amendments Relating to Residential Use in the Makai Area

Following a public hearing, the Authority approved amendments to the Kaka'ako District Makai Area Plan and Rules that will allow residential use in portions of the Kaka'ako's waterfront lands. The intent of the Makai Area Plan is to create an active and vibrant community with a variety of new developments, including an expansive waterfront park, maritime uses along the waterfront, restaurants, markets, entertainment, educational and research facilities as well as residential and commercial development. The amendments adopted by the Authority will:

- redesignate approximately 62 acres of commercial-only use to Mixed Use Zone and add residential use in the 22-acre Waterfront Commercial zone along Kewalo Basin. The purpose of the Waterfront Commercial zone is to allow commercial and residential uses as well as fishing and boating services
- increase the Waterfront Commercial zone height limit from 45 feet to 65 feet along the Ewa edge of Kewalo Basin, an adjustment necessary because the high water table in the area precludes below-grade construction and to observe tsunami precautions; and
- minor typographic adjustments and updates to the infrastructure plans, historical references, and other non-substantive items.

A Residential Use Study (RUS) was recently conducted, in conjunction with a Final Environmental Assessment, to assess market conditions for residential development in Kaka'ako's Makai Area. The RUS found that residential use is not only appropriate from a development and market standpoint, but would be a cornerstone to HCDA's vision for Kaka'ako as a place to "live, work, learn and play." The study found that allowing residential use would also provide much needed housing in Honolulu's urban core, reduce commuting loads and make more efficient use of the area's infrastructure, and enhance the planned retail and office markets, among other benefits. At the public hearing, 17 individuals testified in favor of the proposed amendments while seven testifiers expressed concerns about what they perceive as negative impacts (increased traffic, lack of parking, and constraints to Kaka'ako parks usage) of the changes.

Communication Site License between the Children's Discovery Center and Coral Wireless, LLC

HCDA members authorized the HCDA Executive Director to consent to a communication site license between the Children's Discovery Center (CDC) and Coral Wireless, LLC. Since 1996, the CDC has leased the former incinerator site on Olomehani Street (across from the Kaka'ako Waterfront Park) from the HCDA for the operation of its non-profit children's center and ancillary uses. Coral

Wireless has approached the CDC to sublease space in the Center for a transponder site to be located on the rooftop of the CDC building with ancillary ground level equipment area. HCDA requested CDC and Coral Wireless to structure the transaction as a license agreement as opposed to the sublease format. Coral Wireless will pay 50 percent of the license fee to HCDA.

Special Counsel and Development/Financial Consultant(s) for the Kaka'ako Waterfront Development Project

The Authority authorized the expenditure of up to \$250,000 in general obligation bond funds to retain special outside legal counsel and development/financial consultant(s) to provide real estate and legal documentation support for the Kaka'ako Waterfront Development Project. In January 2005, HCDA issued a Request for Proposals for the development of approximately 36.5 acres of land in the Kaka'ako Waterfront and management of Kewalo Basin. A master developer is expected to be selected in September 2005, starting a four-month period whereby a letter of intent is to be completed.