

2024 North King Street  
Suite 200  
Honolulu Hawaii 96819-3494  
Telephone 808 842 1133  
Fax 808 842 1937  
eMail rmtowill@rmtowill.com



R. M. TOWILL CORPORATION  
SINCE 1930

Planning  
Engineering  
Environmental Services  
Photogrammetry  
Surveying  
Construction Management

May 16, 2022

The Honorable Tommy Waters  
Chair and Presiding Officer  
And Members  
Honolulu City Council  
530 South King Street  
Honolulu Hale, Room 202  
Honolulu, HI 96813

**Subject: Request for an Extension of Time**  
**Project: Kapolei Parkway Mixed-Use Affordable Rental Housing Project**  
**Hawai'i Revised Statutes, Chapter 201H Program**  
**Reference: Resolution No. 20-272, CD1, DPP File No. 2020/GEN-11**  
**Location: Honouliuli, Ewa, Oahu**  
**Tax Map Key: (1) 9-1-160: 018 (por.)**

Dear Chair Waters and Councilmembers:

On behalf of the Applicant, Kobayashi Group LLC and its successor development entity KG Kapolei Parkway, LLC (KG), we are requesting a two-year extension of time to commence construction for Resolution 20-272, CD1, adopted on November 5, 2020. The Resolution indicates the following:

*"BE IT FURTHER RESOLVED that this resolution is null and void unless construction of the Project commences no later than 24 months after the approval date of this resolution; and"*

KG has been actively working towards this goal. However, due to awarded financing, the Project will not commence construction by November 5, 2022, the expiration date of Resolution 20-272, CD1. The City Department of Planning and Permitting has indicated that the extension request would need to be approved by City Council via resolution. To assist in your review of this request, we are providing the following additional information regarding progress since the adoption of the Resolution.

#### **Applications for Financing**

- Hawaii Housing Finance and Development Corporation (HHFDC) did not have a Consolidate Application for financing in February 2020.
- KG submitted two HHFDC Consolidated Application in February 2021, one for Lot 6 and another for Lot 7. The Project did not receive a financial award. Due to limited Hula Mae Bond funds, only four out of eighteen projects were awarded financing.
- KG along with Ahe Group (AG) submitted two HHFDC Consolidated Applications in February 2022. Ahe Group has the Low-Income Housing Tax Credit (LIHTC) experience to boost the

22MAY24 AM 10:04 CITY CLERK

MISC. COM. 207

ZP

project scoring and provided a better opportunity for a HHFDC financial award. HHFDC financial awards will be made in August/September 2022.

- In February 2022, KG and AG submitted applications for the City and County of Honolulu Affordable Housing grants issue by the Department of Community Services.

**Build Permit Plan Submittal & DCAB Approval**

- Building Permit plans were submitted to the Department of Planning and Permitting in June 2021. We continue to respond to agency comments.
- Building plans were submitted to the State Disability and Communication Access Board (DCAB) on April 29, 2021. DCAB approved Kapolei Parkway Lot 7 on December 22, 2021 and Lot 6 plans on February 9, 2022.

**Subdivision Approval and Land Court Filing**

- Final subdivision approval for Lots 6 & 7 plus the Manawai and Wakea Street extensions was granted by DPP on April 30, 2021. KG is working with the Land Court and State Surveyor for a Land Court petition that includes two other subdivisions made by the City. The petition was initially filed with the Land Court on October 2022. The Land Court with agreement from the State Surveyor asked for the three subdivision maps to be consolidated.

As the above demonstrates, KG has pursued moving the project forward and awaits a financial award by HHFDC; however, construction will not start by November 5, 2022. If HHFDC issues a financial award in August/September to the project, HHFDC will need to procure bond counsel and go through a financial closing. The bond counsel procurement and financial closing will take 7-10 months, allowing construction to start April-June 2023. Thus, KG requests a two-year extension for the project commencement.

Should you require additional information or have any questions regarding this request, please contact Isaiah Sato at [isaiahs@rmtowill.com](mailto:isaiahs@rmtowill.com) or (808) 748-7431.

Very truly yours,  
R.M. Towill Corporation



Isaiah T. K. Sato

cc:

City and County of Honolulu, Department of Planning and Permitting  
Kobayashi Group LLC and its successor development entity KG Kapolei Parkway, LLC