
RESOLUTION

AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO THE KUILEI PLACE AFFORDABLE AND MARKET RATE CONDOMINIUM PROJECT LOCATED AT 2599 KAPIOLANI BOULEVARD, HONOLULU, HAWAII, 96826, TAX MAP KEYS: (1) 2-7-022:011; 015; 031 - 049

WHEREAS, 2599 Kapiolani, LLC ("Developer"), with the approval of the Hawaii Housing Finance and Development Corporation ("HHFDC") proposes to develop Kuilei Place, a high-rise project consisting of a mid-rise and high-rise tower and parking structure complex on a 3.15 acre site located at 2599 Kapiolani Boulevard in the Moiliili District of Central Honolulu, Oahu, identified as Tax Map Keys (1) 2-7-022:011; 015; 031 - 049 (the "Project"); and

WHEREAS, the proposed towers will together contain 1,005 for-sale residential units, of which 60 percent or 603 units (60 percent of total units) will be offered to households earning between 80 percent and 140 percent or below the U.S. Department of Housing and Urban Development Area Median Income ("AMI") for Honolulu; 402 units (40 percent of the total number of units) will be offered at an approximate average 180 percent of AMI; and

WHEREAS, the affordable residential units are proposed to be offered as follows: 13 units to households at 80 percent or below the AMI; 28 units to households at 90 percent or below the AMI; 75 units to households at 100 percent or below the AMI; 61 units to households at 110 percent or below the AMI; 69 units to households at 120 percent or below the AMI; 182 units to households at 130 percent or below the AMI; 175 units to households at 140 percent or below the AMI; and

WHEREAS, 165 of the affordable residential units may be offered as rental units to households earning between 80 to 100 percent or below the AMI; and

WHEREAS, the affordable residential units will consist of 148 one-bedroom units, 382 two-bedroom units, and 73 three-bedroom units; and

WHEREAS, the Project will also offer 50,643 square feet (1.16 acres or 37% of total site area) of open, at-grade resident recreation space, 7,211 square feet of street level, storefront commercial space fronting Kapiolani Boulevard, a parking garage accommodating 1,670 parking stalls and 7 loading spaces, storage accommodations for approximately 600 bicycles; and

WHEREAS, the Project will help address the critical need for affordably priced housing within Central Honolulu's urban core in convenient proximity to a comprehensive range of educational facilities, employment centers, and multiple shopping, dining, and family services opportunities; and

WHEREAS, the HHFDC Board of Directors approved the Project with its proposed exemptions on October 13, 2022; and

WHEREAS, the City Council is empowered and authorized to approve the Project, which may include exemptions from statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivision, development and improvement of the land, and the construction of units thereon pursuant to Section 201H-38 of the Hawaii Revised Statutes ("HRS"); and

WHEREAS, the Council has reviewed the preliminary plans and specifications for the Project dated May 17, 2022 and February 2022, respectively, prepared by Design Partners, Inc., and submitted to the Council by the HHFDC on December ____, 2022; and

WHEREAS, the Project is consistent with the housing and community development goals and objectives of the City; and

WHEREAS, the granting of the exemptions is necessary for the timely and successful implementation of the Project; and

WHEREAS, the requested exemptions meet minimum requirements of health and safety; and

WHEREAS, the Project does not contravene any safety standards, tariffs, or rates/fees approved by the Public Utilities Commission; now, therefore,

BE IT RESOLVED by the City Council of the City and County of Honolulu that it approves the Project, which approval includes exemptions from certain requirements for the Project, as follows:

Application Fees and Infrastructure and/or Public Works Fees and Charges

1. Exemption from Revised Ordinances of Honolulu ("ROH") Section 18-6.2, to allow an exemption from payment of building permit fees estimated at \$1,948,300.
2. Exemption from ROH Section 18-6.1, to allow an exemption from payment of plan review fees estimated at \$389,660.
3. Exemption from ROH Sections 14-10.1 and 14-10.3, to allow exemption from wastewater system facility charges, estimated at \$4,654,356.
4. Exemption from ROH Section 14-14.4, to allow exemption from grading, grubbing, and stockpiling fees, estimated at \$40,000.
5. Exemption from ROH Chapter 14 Article 17 Subsection 14-17.1(c), to allow exemption from trenching permit fees, estimated at \$30,000.
6. Exemption from ROH Chapter 14 Article 17 Subsection 14-17.1(c), to allow exemption from utility connection fees, estimated at \$10,000.
7. Exemption from ROH Section 14-12.12(f), to allow exemption from Private storm drain connection fees, estimated at \$10,000.
8. Exemption from Board of Water Supply ("BWS") Rules and Regulations, Sections 1-102, 2-202(2), and 2-202(3), to allow exemption from BWS installation and water facilities charges, estimated at \$3,031,328, to the extent approved by the BWS.

Fire Department Plan Review Fees

9. Exemption from ROH Section 20-1.1, to allow exemption from Honolulu Fire Department Plan Review Fees, estimated at \$194,830.

Park Dedication Ordinance Requirements

10. Exemption from ROH Chapter 22, Article 7, to allow exemption of from park dedication requirements for dedication of land or payment of in-lieu fees, estimated at \$23,215,500.

Land Use Ordinance

11. Exemption from Land Use Ordinance ("LUO") Section 21-3.80-1(b), Table 21-3.3 to allow exemption from the maximum allowable density of 1.9 FAR, to enable a project density of 8.5 FAR
12. Exemption from LUO Section 21-3.80-1(b), Table 21-3.3 to allow exemption from the maximum height limit of 150 feet, to enable a project height of 400 feet plus elevator and mechanical overrides.
13. Exemption from LUO Section 21-3.80-1(c)(3), Table 21-3.3 to allow exemption from tower height setbacks, to allow buildings with no height setbacks.
14. Exemption from LUO Section 21-3.80-1(b), Table 21.3.3, to allow exemption from the lot coverage ratio to allow a lot coverage of 56% or 76,594 square feet.
15. Exemption from LUO Section 21-3.80-1(a), Table 21.3.3, to allow exemption from A-2 Medium Density Apartment zoning use to enable Mixed-Use Multi-Family Residential (apartment) use and Commercial (7,211 square feet of commercial) Uses.
16. Exemption from Primary Urban Center Development Plan to allow for a density of 321 units/acre.

BE IT FURTHER RESOLVED that as used in this Resolution:

- A. References to HHFDC include any successor agency; and
- B. References to specific statutes, ordinances, or regulations include any respective successor statutes, ordinances or regulations; and

BE IT FURTHER RESOLVED that this resolution is void unless construction of the Project commences no later than 24 months after the effective date of this resolution, provided that if required, a 1 year extension to this period may be administratively granted by the Director of the Department of Planning and Permitting; and

BE IT FURTHER RESOLVED that the exemptions granted for this Project are not transferrable to any other real property; and


BE IT FURTHER RESOLVED that the final plans and specifications for the Project constitute the zoning, building, construction, and subdivision standards for the Project, and

are approved if those plans and specifications do not substantially deviate from the preliminary plans and specifications submitted to the Council; provided that minor modifications to the design character of the building or landscaping may be approved by the HHFDC if such modifications are consistent with the prevailing neighborhood character; and

BE IT FURTHER RESOLVED that no action may be prosecuted or maintained against the City and County of Honolulu, its officials or employees, on account of the actions taken by them in reviewing or approving the plans and specifications, or in granting the exemptions listed herein; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Hawaii Housing Finance and Development Corporation, 677 Queen Street, Suite 300, Honolulu, Hawaii. 96813, and 2599 Kapiolani, LLC, Waikiki Business Plaza, 2270 Kalakaua Avenue, Suite 1788, Honolulu, Hawaii 96815.

INTRODUCED BY:



(br)

DATE OF INTRODUCTION

DEC 29 2022

Honolulu, Hawaii

Councilmembers