



RESOLUTION

AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO THE KAHOAPILI AFFORDABLE RENTAL APARTMENT PROJECT OR AFFORDABLE AND MARKET-RATE FOR-SALE CONDOMINIUM PROJECT IN SALT LAKE.

WHEREAS, Salt Lake Housing, LP (the "Applicant"), under the control of Highridge Costa Development Company, LLC and Form Partners, LLC, with the approval of the Hawaii Housing Finance and Development Corporation ("HHFDC"), proposes to develop Kahoapili, a high-rise project on 0.49-acres of land zoned A-2 Medium Density Apartment District, located at 2965 Ala Napuaa Place in Salt Lake, Honolulu, O'ahu, identified as Tax Map Key 1-1-061:003, as depicted in Exhibits A, B, C-1 and C-2, and D-1 to D-4, attached hereto and made a part hereof (the "Project"); and

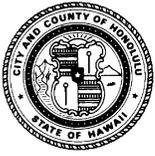
WHEREAS, as proposed, the Project will contain 190 dwelling units (consisting of 19 studio units, 152 one-bedroom units, and 19 two-bedroom units), and the Applicant has requested approval to develop the Project either: (1) as a 100 percent affordable (excluding 2 manager's units) rental apartment project ("Rental Project"); or (2) as a 60 percent affordable and 40 percent market-rate for-sale condominium project ("For-Sale Project"). The Project's development as a Rental Project or For-Sale Project will be based on whether the Applicant is successful in securing financing for low income housing tax credit ("LIHTC") development from the HHFDC; and

WHEREAS, as proposed, if the Project is developed as a Rental Project, all dwelling units (except for two managers' units) will be rented to households earning 60 percent and below of the area median income for Honolulu, as determined by the U.S. Department of Housing and Urban Development (the "AMI") (20 units at 30 percent or below of the AMI, 20 units at 50 percent or below of the AMI, and 148 units at 60 percent or below of the AMI); and

WHEREAS, all Rental Project units (except for two managers' units) will remain affordable for a minimum of 61 years; and

WHEREAS, as proposed, if the Project is developed as a For-Sale Project, 114 dwelling units will be offered for sale to households earning 140 percent and below of the AMI (14 units at 95 percent or below of the AMI, 94 units at 125 percent or below of the AMI, and six units at 140 percent or below of the AMI), and 76 units (including two manager units) will be market-rate units; and

WHEREAS, the Applicant has offered to modify the affordability levels of the For-Sale Project as follows: 17 units will be offered to households earning 80 percent or



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below of the AMI, 17 units will be offered to households earning 100 percent or below of the AMI, 57 units will be offered to households earning 120 percent or below of the AMI, 23 units will be offered to households earning 140 percent or below of the AMI, and 76 units may be market-rate units; and

WHEREAS, all affordable For-Sale Project units will remain affordable for a minimum of 10 years and be subject to the HHFDC's buy-back and shared appreciation restrictions; and

WHEREAS, the Council is approving the Rental Project and the For-Sale Project; provided that the Applicant shall first submit to the HHFDC a complete joint application for the financing of LIHTC development for a minimum of two separate funding cycles, and the Applicant may only proceed with the For-Sale Project if the Applicant is not successful in obtaining a financing award for LIHTC development after submitting complete joint applications for a minimum of two separate funding cycles; and

WHEREAS, as proposed, the Project will also provide a parking structure (with a rooftop photovoltaic ("PV") system) accommodating approximately 227 vehicle parking spaces, short-term and long-term bicycle parking spaces, recreational amenities for residents, and common areas and circulation space; and

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

WHEREAS, on December 8, 2022, the HHFDC Board of Directors approved the Project with its proposed exemptions; and

WHEREAS, the City Council ("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 land, and the construction of dwelling units thereon pursuant to Section 201H-38, Hawaii Revised Statutes ("HRS"); and

WHEREAS, the Council has reviewed the preliminary plans and specifications for the Project dated August 8, 2022, prepared by RMA Architects, Inc., and submitted to the Council by the HHFDC on December 28, 2022, by Miscellaneous Communication 529 (2022); and



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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 and fees approved by the Public Utilities Commission or the Board of Water Supply; now, therefore,

BE IT RESOLVED by the 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:

1. Exemption from Revised Ordinances of Honolulu 2021 ("ROH") § 18-6.1, to allow an exemption from the payment of plan review fees, estimated at \$25,000.
2. Exemption from ROH § 18-6.2, to allow an exemption from the payment of building permit fees, estimated at \$323,800.
3. Exemption from ROH § 18A-2.4, to allow an exemption from the payment of grading and grubbing permit fees, estimated at \$1,145.

Infrastructure and Public Works Fees and Charges

4. Exemption from ROH § 43-10.1, § 43-10.2, and § 43-10.3, to allow an exemption from the payment of wastewater system facility charges either: (i) for the Rental Project, attributed to 190 affordable units rented to households earning 60 percent and below of the AMI, estimated at \$879,928; or (ii) for the For-Sale Project, attributed to 91 affordable units offered for-sale to households earning 120 percent and below of the AMI, estimated at \$421,902.

Fire Department Plan Review Fees

5. Exemption from ROH § 20-1.1, Item 3, to allow an exemption from the payment of Honolulu Fire Department plan review fees, estimated at \$32,380.



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Board of Water Supply Rules and Regulations

6. Deferral from Sections 1-102, 2-202(2), and 2-202(3) of the Board of Water Supply Rules and Regulations, to allow a deferral of the payment of water system facility and installation of water service fees until the installation of the water meter, estimated at \$575,618 for the Rental Project or estimated at \$278,930 for the For-Sale Project; provided that all Board of Water Supply requirements are satisfied. The actual fees to be deferred will be determined by the Board of Water Supply during review of the Project's building permit application.

Park Dedication Ordinance Requirements

7. Exemption from ROH Chapter 22, Article 7, to allow exemption from park dedication requirements either: (i) for the Rental Project, attributed to 190 affordable units rented to households earning 60 percent and below of the AMI, totaling 15,191 square feet of park space or payment of an equivalent in-lieu fee estimated at \$2,300,000; or (ii) for the For-Sale Project, attributed to 91 affordable units offered for-sale to households earning 120 percent and below of the AMI, totaling 7,292 square feet of park space or payment of an equivalent in-lieu fee estimated at \$1,104,009.

Land Use Ordinance ("LUO")

8. Exemption from LUO § 21-3.80-1(b) and Table 21-3.3, relating to maximum density, to allow a maximum floor area ratio ("FAR") of 7.10 (instead of a maximum FAR of 1.53).
9. Exemption from LUO § 21-3.80-1(b) and Table 21-3.3, relating to maximum building area, to allow a maximum building area of 70 percent of the total zoning lot area (approximately 14,941 square feet) (instead of 40 percent of the total zoning lot area).
10. Exemption from LUO § 21-3.80-1(b) and Table 21-3.3, relating to yard setbacks, to allow a side yard setback of 5 feet (instead of 10 feet).
11. Exemption from LUO Section § 21-3.80-1(c)(3) and Table 21-3.3, relating to height setbacks, to allow for no height setbacks – the Project will encroach into all required setbacks (above 40 feet, an additional 1-foot setback for each additional 10 feet of height).



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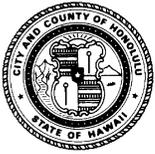
12. Exemption from LUO § 21-3.80-1(b) and Table 21-3.3, and the applicable zoning map relating to maximum height, to allow a maximum building height of 250 feet (instead of 150 feet). Rooftop structures must conform to LUO § 21-4.60(c).
13. Exemption from LUO § 21-6.150, relating to bicycle parking, to allow the Project to provide for a minimum of 12 short-term parking spaces and 64 long-term parking spaces (instead of 19 short-term spaces and 95 long-term spaces).

City and County of Honolulu Affordable Housing Requirements

14. If the Project is developed as a For-Sale Project, an exemption from ROH Chapter 29, relating to the City and County of Honolulu's affordable housing requirements, to allow the For-Sale Project to be developed, marketed, and sold in accordance with HHFDC affordable housing requirements, including pursuant to HRS § 201H-47, § 201H-49, and § 201H-50; and

BE IT FURTHER RESOLVED that the Project is approved subject to the following conditions:

- A. The Project must be developed as follows:
 1. The Applicant shall first pursue development of the Rental Project by submitting to the HHFDC a complete joint application for financing of LIHTC development for a minimum of two separate funding cycles. The HHFDC accepts applications and awards financing for LIHTC development once a year based on funding available that year. If the Applicant is not successful in obtaining a financing award for LIHTC development under its initial joint application submittal, the Applicant shall submit a second complete joint application to the HHFDC for financing of LIHTC development during a subsequent funding cycle.
 2. If the Applicant receives a financing award for LIHTC development, the Applicant shall develop the Rental Project, which must comply with the following affordability requirements (excluding the two managers' units): 148 units must be rented to households earning 60 percent or below of the AMI, 20 units must be rented to households earning 50 percent or below of the AMI, and 20 units must be rented to households earning 30 percent or below of the AMI. All Rental Project units (except for two managers' units) must remain affordable for a minimum of 61 years.



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3. If, after submitting to the HHFDC complete joint applications for financing of LIHTC development for a minimum of two separate funding cycles, the Applicant is not successful in obtaining a financing award for LIHTC development, the Applicant may pursue development of the For-Sale Project; provided that the For-Sale Project must comply with the following affordability requirements: 17 units must be offered to households earning 80 percent or below of the AMI, 17 units must be offered to households earning 100 percent or below of the AMI, 57 units must be offered to households earning 120 percent or below of the AMI, 23 units must be offered to households earning 140 percent or below of the AMI, and 76 units may be market-rate units. All affordable For-Sale Project units must remain affordable for a minimum of 10 years and be subject to the HHFDC's buy-back and shared appreciation restrictions.
- B. Except for the exemptions from certain City application fees, infrastructure or public works fees and charges, and development standards provided herein, the Project must comply with all statutes, ordinances, Charter provisions, and rules of any government agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of dwelling units thereon.
- C. Prior to the issuance of any building permits for the Project, the Applicant shall submit to the Department of Planning and Permitting ("DPP") for its review and approval:
 1. A timeline or phasing of the anticipated dates to obtain major building permits for demolition and construction work, including the projected date of occupancy, in a format acceptable to the DPP. The timeline should identify when the construction management plan ("CMP"), traffic management plan ("TMP"), and updates to the initial traffic impact analysis report ("TIAR") will be submitted to the DPP for its review and approval.
 2. A CMP that identifies the type, frequency, and routing of heavy trucks and construction-related vehicles. The Applicant shall make every effort to minimize impacts from construction vehicles and related construction activities. The CMP must identify and limit construction-related vehicular activity to periods outside of the peak traffic hours using alternative routes for heavy trucks, provisions for either onsite or offsite staging areas for construction-related workers and vehicles to limit the use of on-street parking around the Project site, and other mitigation measures related to



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traffic and potential neighborhood impacts. The CMP must also include plans for all work within or affecting public streets and preliminary or conceptual traffic control plans. The Applicant shall document the condition of roadways prior to the start of construction activities and provide remedial measures, as necessary, such as restriping, road resurfacing, or roadway reconstruction if the condition of the roadways has deteriorated as a result of the construction-related activities.

3. A TMP that includes traffic demand management ("TDM") strategies to minimize the number of vehicular trips for daily activities. TDM strategies may include carpooling and ride sharing programs; transit, bicycle, and pedestrian incentives; and other similar TDM strategies. The TMP must include a pedestrian circulation plan that provides accessibility and connectivity to the surrounding public sidewalks, and includes a determination of effective sidewalk widths taking into account the City's complete streets initiatives. A post TMP will be required approximately one year after the issuance of the Project's certificate of occupancy ("CO") to validate the relative effectiveness of the various TDM strategies identified in the initial TMP.
 4. An update to the initial TIAR, dated October 2022, prepared by AECOM, to reflect changes to and a traffic signal warrant analysis for the intersection of Ala Napunani Street and Ala Ilima Street. The Applicant shall prepare the updated TIAR in consultation with the Department of Transportation Services ("DTS"). The updated TIAR must include recommendations to mitigate traffic impacts resulting from the Project, and the Applicant shall implement the updated TIAR recommendations.
- D. Approximately one year after the issuance of the CO for the Project, the Applicant shall submit to the DPP for review and approval a post-occupancy TIAR to validate the traffic projections, distribution, and assignment contained in the updated TIAR. If the post-occupancy TIAR recommends additional traffic mitigation measures or modifications to address traffic impacts directly attributable to the Project, the Applicant shall implement the post-occupancy TIAR recommendations. If the updated TIAR is inconclusive, a second updated TIAR may be required one year after the date of the first updated TIAR, as the Director of Planning and Permitting determines is necessary.
- E. Bicycle parking spaces or racks must be located in safe and convenient locations on the Project site. If the TDM strategies in the TMP indicate the existing number of bicycle parking spaces or racks is inadequate to meet latent demand, the



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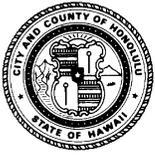
Applicant shall install additional onsite bicycle parking spaces or racks in safe and convenient locations.

- F. All vehicular access points must be constructed as City dropped driveways. Adequate sight distance to pedestrians and other vehicles must be maintained from all driveways. Driveway grades must not exceed five percent for a minimum distance of 25 feet from the Project site property line. Entry gates and ticket dispensers must be recessed as far into the driveway as necessary to avoid queuing of vehicles onto the public streets.
- G. All loading and trash pickup areas must be designed so that vehicles enter and exit front first. Adequate turn-around areas for large vehicles must be provided on the Project site, and the layout of parking spaces in the loading and trash pickup areas must not interfere with large vehicle turning maneuvers.
- H. The Project's building area must be set back from the storm drain easement on the Project site near to Salt Lake Boulevard a minimum of 4.5 feet to the east, with the setback narrowing to no setback to the west; provided that the Project's building area may not encroach into the storm drain easement.
- I. The Applicant shall comply with all Federal Aviation Administration ("FAA") and State of Hawai'i Department of Transportation ("HDOT") regulations, rules, requirements, and guidelines regarding development and activities in close proximity to airports and airport runways, including but not limited to the submittal to the FAA of FAA Form 7460-1 Notice of Proposed Construction or Alteration. If the PV system installed on the top level of the Project's parking structure creates hazardous glint or glare conditions for pilots, or emits radio-frequency that interferes with aviation-dedicated radio signals, the Applicant shall immediately mitigate the hazard upon notification by the FAA or HDOT.

BE IT FURTHER RESOLVED that as used in this resolution:

- 1. References to HHFDC include any successor agency; and
- 2. 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 36 months after the effective date of this resolution; and



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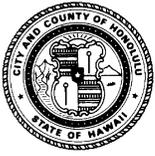
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BE IT FURTHER RESOLVED that the exemptions granted for this Project are not transferrable to any other real property; and

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 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 its 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



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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, Hawai'i 96813, and Salt Lake Housing, LP, c/o Highridge Costa Development Company, LLC, 330 W. Victoria Street, Gardena, CA 90248.

INTRODUCED BY:

Tommy Waters (br)

DATE OF INTRODUCTION:

December 29, 2022
Honolulu, Hawai'i

Councilmembers

LOCATION MAP

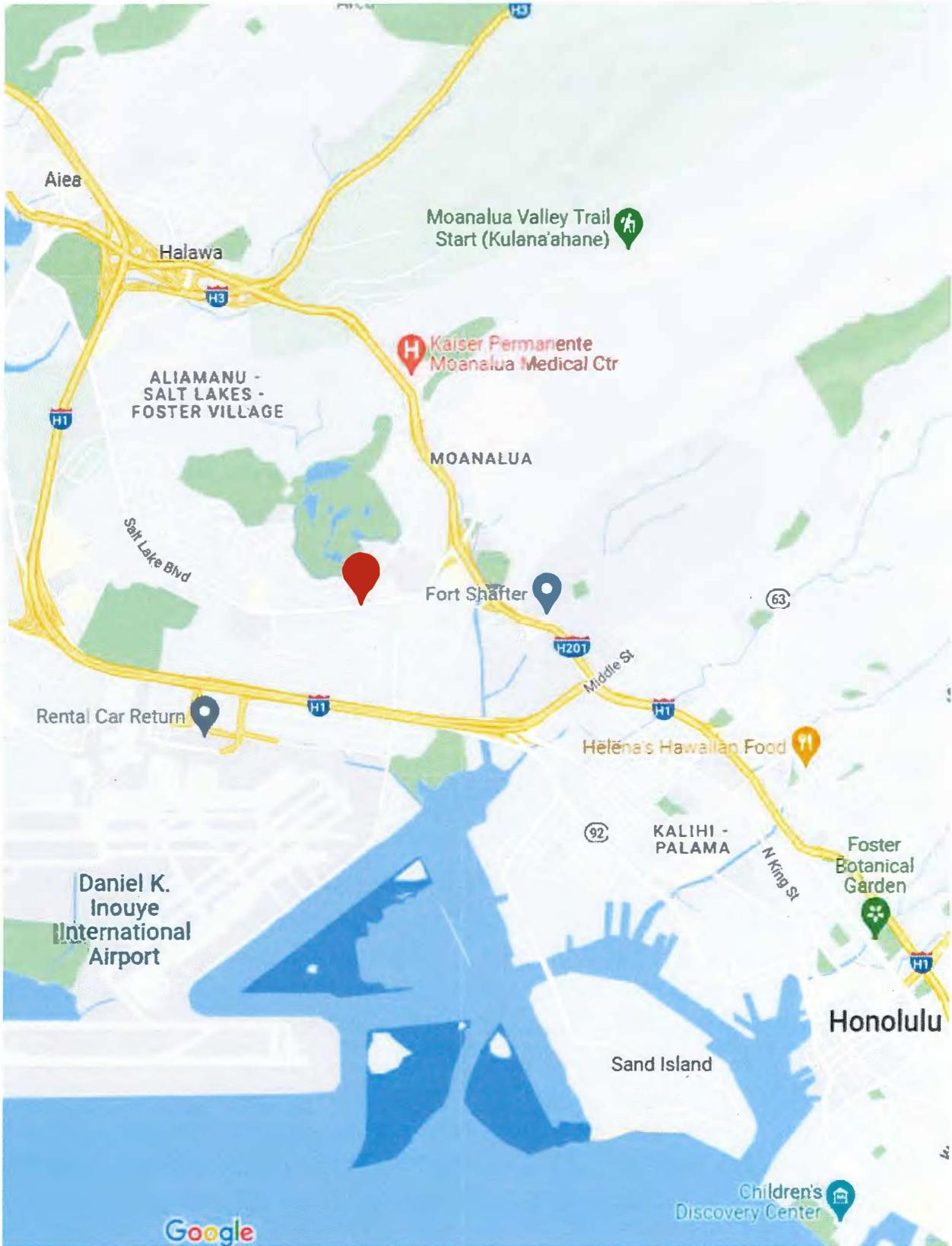
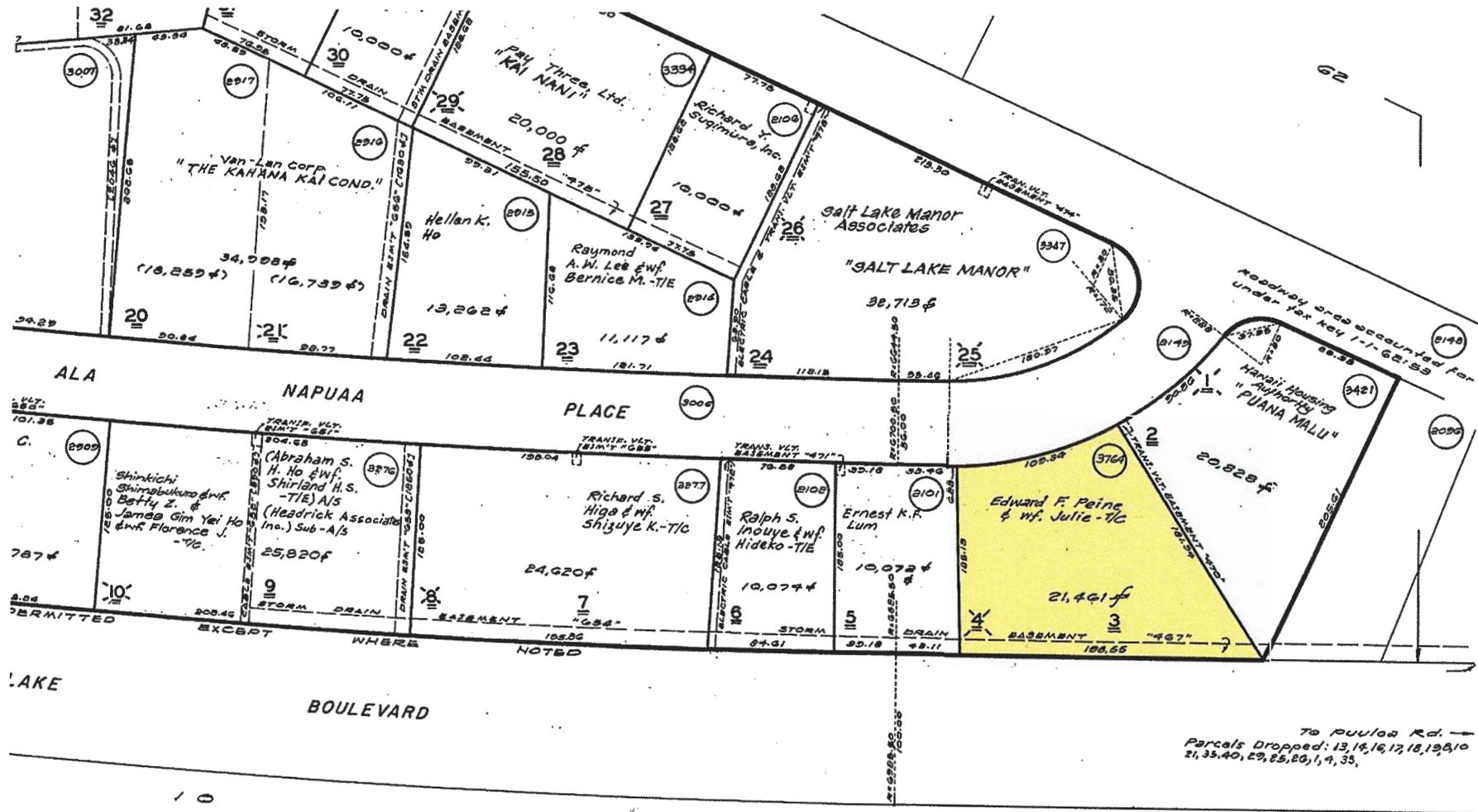


EXHIBIT A

EXHIBIT B



TMK MAP

NOTE: All lots owned by
Clarence T. C. Ching,
Fong Ting Mau - 1/4
unless otherwise noted.

NOTICE: Owner's, lessee's and
vendee's names recorded on this
tax map print may not be current.

FOR REAL PROPERTY TAXATION PURPOSES
SUBJECT TO CHANGE

| | | |
|-------------------------|------|------|
| DEPARTMENT OF TAXATION | | |
| TAXATION MAPS BUREAU | | |
| STATE OF HAWAII | | |
| TAX MAP | | |
| FIRST TAXATION DIVISION | | |
| ZONE | SEC. | PLAT |
| 1 | 1 | 61 |
| SCALE: 1 IN. = 60 FT. | | |

3-D RENDERING



EXHIBIT C-1

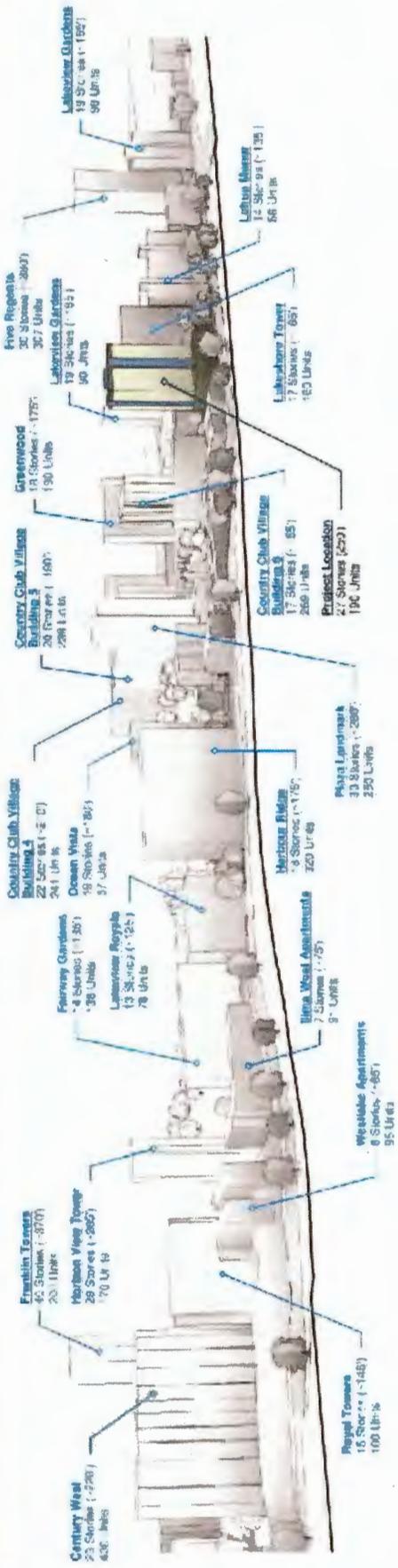


EXHIBIT C-2

SELECTED PRELIMINARY DRAWINGS
TYPICAL PARKING GARAGE FLOOR PLAN

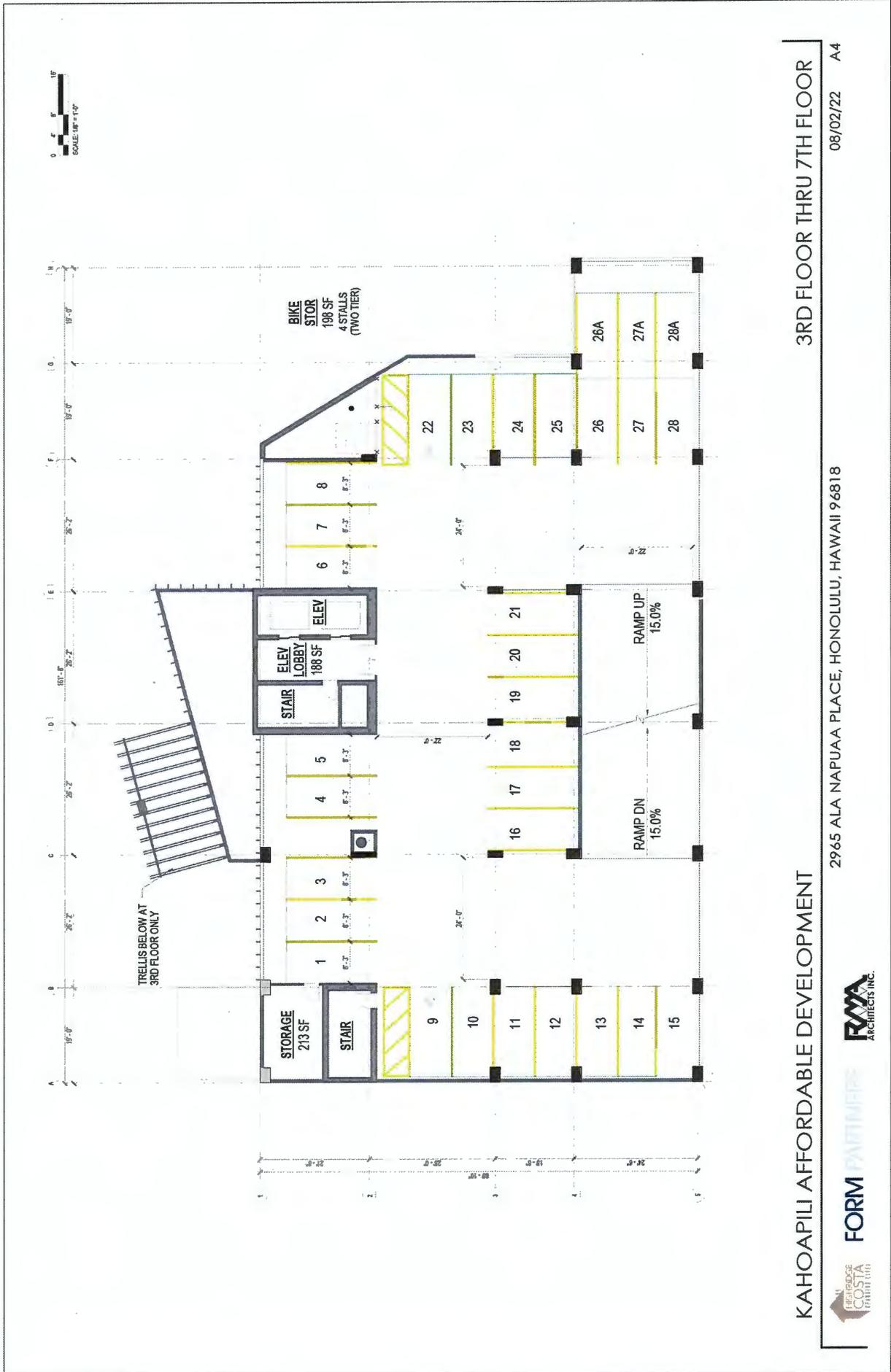


EXHIBIT D-2

KAHOAPII AFFORDABLE DEVELOPMENT

3RD FLOOR THRU 7TH FLOOR

2965 ALA NAPUAA PLACE, HONOLULU, HAWAII 96818

08/02/22 A4



SELECTED PRELIMINARY DRAWINGS
TYPICAL RESIDENTIAL FLOOR PLAN



9TH THRU 27TH FLOOR

08/02/22 A6

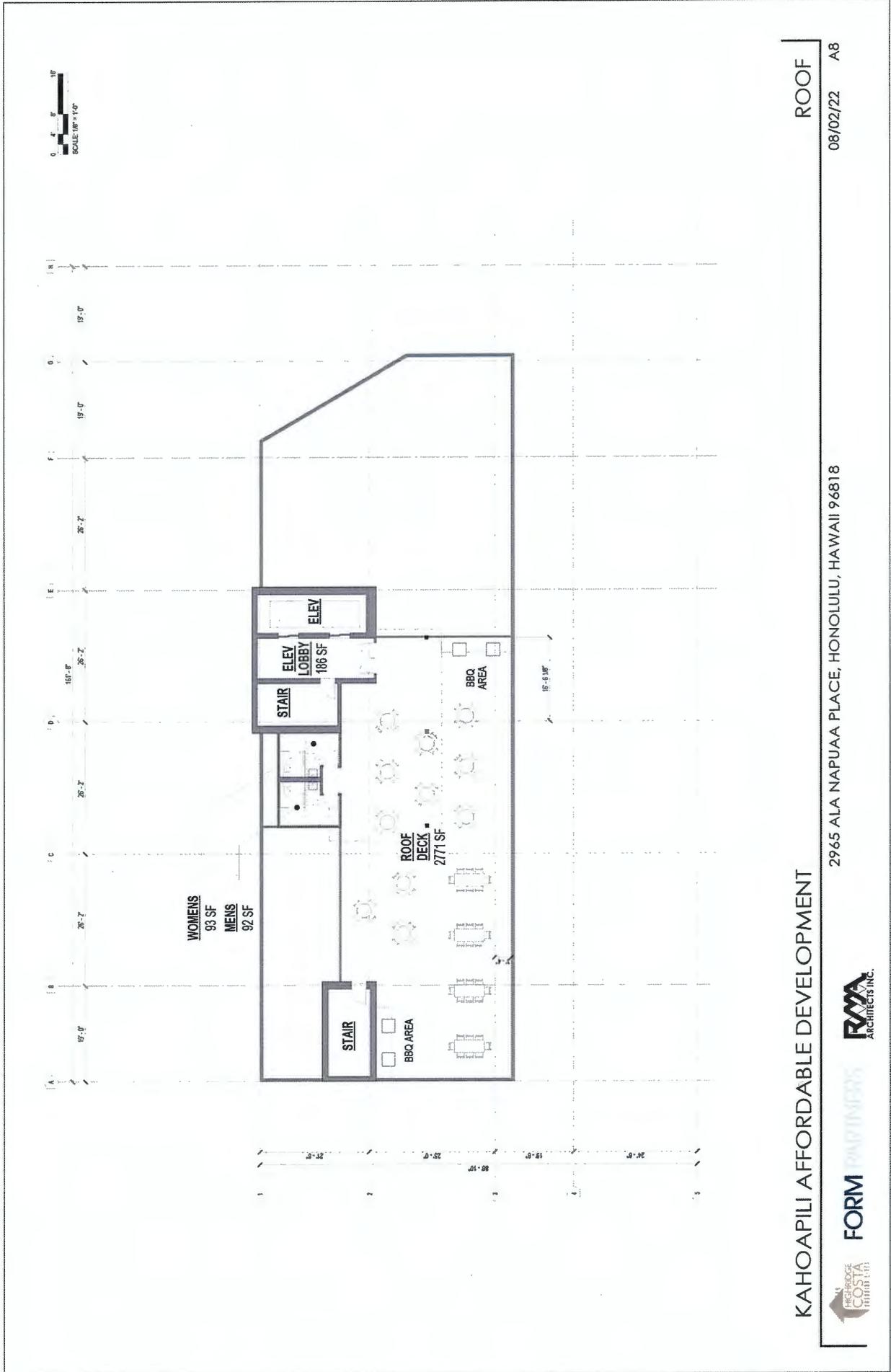
KAHOAPI'I AFFORDABLE DEVELOPMENT

2965 ALA NAPUAA PLACE, HONOLULU, HAWAII 96818



EXHIBIT D-3

SELECTED PRELIMINARY DRAWINGS
ROOF PLAN



KAHOAPILI AFFORDABLE DEVELOPMENT

ROOF

2965 ALA NAPUAA PLACE, HONOLULU, HAWAII 96818

08/02/22 A8



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 22-297, CD1

Introduced: 12/29/22 By: TOMMY WATERS - BY REQUEST Committee: ZONING (ZON)

Title: AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO THE KAHOAPII AFFORDABLE RENTAL APARTMENT PROJECT OR AFFORDABLE AND MARKET-RATE FOR-SALE CONDOMINIUM PROJECT IN SALT LAKE.

Voting Legend: * = Aye w/Reservations

| | | |
|----------|-------|---|
| 12/29/22 | INTRO | Introduced. |
| 01/11/23 | ZON | Reported out for adoption as amended in CD1 form. CR-7 (23) 5 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, SAY, WEYER |
| 01/25/23 | CCL | Committee report and Resolution as amended were adopted. 9 AYES: CORDERO, DOS SANTOS-TAM, KIA'ĀINA, OKIMOTO, SAY, TULBA, TUPOLA, WATERS, WEYER |

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN I. TAKAHASHI, CITY CLERK



TOMMY WATERS, CHAIR AND PRESIDING OFFICER