

SUMMARY OF PROPOSED FLOOR DRAFT:

**RESOLUTION 22-298, CD1
AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO
THE KUILEI PLACE AFFORDABLE AND MARKET RATE CONDOMINIUM
PROJECT IN MOILILI.**

The PROPOSED FD1 makes the following amendments to the proposed CD1:

- A. Adds a new Condition B to require the Applicant to offer the 402 market-rate units exclusively to qualified owner-occupant households for a minimum 60-day period that consists of a 30-day lottery period followed by a 30-day offering on a first-come, first-served basis. Realphabetizes subsequent conditions.
- B. Makes miscellaneous technical and nonsubstantive amendments.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 22-298, CD1, FD1
Proposed

RESOLUTION

AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO THE KUILEI PLACE AFFORDABLE AND MARKET RATE CONDOMINIUM PROJECT IN MOILIILI.

WHEREAS, 2599 Kapiolani, LLC (the "Applicant"), with the approval of the Hawaii Housing Finance and Development Corporation ("HHFDC") proposes to develop Kuilei Place, a mixed-use project consisting of a 12-story mid-rise tower, 43-story high-rise tower, and 13-story parking structure complex on 3.15 acres of land located at 2599 Kapiolani Boulevard in the Moiliili District of Central Honolulu, O'ahu, identified as Tax Map Keys (1) 2-7-022:011; 015; and 031 through 049, as depicted in Exhibits A-1 to A-3, B, C, and D-1 to D-7, attached hereto and made a part hereof (the "Project"); and

WHEREAS, the two proposed towers will contain a total of 1,005 for-sale residential units, of which 603 units (60 percent of the 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; and 402 units (40 percent of the total units) will be market-rate units offered to households earning an approximate average 180 percent of the AMI; and

WHEREAS, as proposed, the Project's affordable units will be offered for sale as follows: 13 units to households earning 80 percent of the AMI; 28 units to households earning 90 percent of the AMI; 75 units to households earning 100 percent of the AMI; 61 units to households earning 110 percent of the AMI; 69 units to households earning 120 percent of the AMI; 182 units to households earning 130 percent of the AMI; and 175 units to households earning 140 percent of the AMI; and

WHEREAS, the Applicant has offered to modify the affordability levels of the Project's for-sale units as follows: 41 units offered to households earning 80 percent (or below) of the AMI, 91 units to households earning 100 percent (or below) of the AMI, 219 units to households earning 120 percent (or below) of the AMI, 252 units to households earning 140 percent (or below) of the AMI, and 402 units may be market-rate units; and

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

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



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WHEREAS, as proposed, the Project will also provide 1.16 acres (37 percent of the total Project site area) of open, at-grade resident recreation space; 7,211 square feet of street level, storefront commercial space fronting Kapiolani Boulevard; a parking structure accommodating 1,670 parking spaces and seven loading spaces; and long-term and short-term bicycle parking spaces; 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, on October 13, 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 the land, and the construction of 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 May 17, 2022 and February 2022, respectively, prepared by Design Partners, Inc., and submitted to the Council by the HHFDC on November 1, 2022, by Miscellaneous Communication 485 (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 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:



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Application Fees

1. Exemption from § 18-6.2, Revised Ordinances of Honolulu 2021 ("ROH"), to allow an exemption from the payment of building permit fees, estimated at \$1,948,300.
2. Exemption from ROH § 18-6.1, to allow an exemption from the payment of plan review fees, estimated at \$389,660.
3. Exemption from ROH § 18A-2.4, to allow an exemption from the payment of grading, grubbing, and stockpiling fees, estimated at \$40,000.
4. Exemption from ROH § 14-2.1(c), to allow an exemption from the payment of trenching permit fees, estimated at \$30,000.
5. Exemption from ROH § 14-2.1(c), to allow an exemption from the payment of utility connection fees, estimated at \$10,000.

Infrastructure and Public Works Fees and Charges

6. 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 attributed to 351 affordable units offered for sale to households earning 120 percent and below of the AMI, estimated at \$1,625,551; and to allow the deferral until the issuance of a certificate of occupancy for the Project of the payment of wastewater system facility charges attributed to 654 Project units offered to households earning more than 120 percent of the AMI, estimated at \$3,028,674.
7. Exemption from ROH § 43-11.12(f), to allow an exemption from the payment of private storm drain connection fees, estimated at \$10,000.

Fire Department Plan Review Fees

8. Exemption from ROH § 20-1.1, Item 3, to allow an exemption from the payment of Honolulu Fire Department plan review fees, estimated at \$194,830.

Board of Water Supply Rules and Regulations:

9. 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, estimated at \$3,031,328; provided that all Board of Water Supply requirements are satisfied. The actual



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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

10. Exemption from ROH Chapter 22, Article 7, to allow exemption from park dedication requirements attributed to 351 affordable units offered for sale to households earning 120 and below of the AMI, totaling 38,610 square feet of park space or payment of an equivalent in-lieu fee estimated at \$8,108,100 (instead of 110,550 square feet of park space or an equivalent in-lieu fee estimated at \$23,215,500 for all Project units).

Land Use Ordinance ("LUO")

11. Exemption from LUO § 21-3.80-1(b) and Table 21-3.3, relating to maximum density, to allow for a maximum floor area ratio ("FAR") of 8.5 (instead of an FAR of 1.9).
12. Exemption from LUO § 21-3.80-1(b), Table 21-3.3, and the applicable zoning map relating to maximum height, to allow for a maximum building height of 400 feet for the Project's makai tower (instead of 150 feet). Rooftop structures must conform to LUO § 21-4.60(c).
13. Exemption from LUO § 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).
14. 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 56 percent of the total zoning lot area (76,594 square feet) (instead of 40 percent of the total zoning lot area).
15. Exemption from LUO § 21-3.80-1(a) and Table 21.3.3, relating to permitted uses in the A-2 Medium Density Apartment zoning district, to allow for up to 7,211 square feet of commercial use in the A-2 District (commercial uses are not permitted in the A-2 District).
16. Exemption from Section 3.2.2.3 of the Primary Urban Center Development Plan, relating to density for high-density residential mixed uses, to allow for a density of up to 321 dwelling units per acre (instead of up to 140 dwelling units per acre).



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City and County of Honolulu Affordable Housing Requirements

17. Exemption from ROH Chapter 29, relating to the City and County of Honolulu's affordable housing requirements, to allow the 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 comply with the following affordability requirements: 41 units must be offered to households earning 80 percent (or below) of the AMI, 91 units must be offered to households earning 100 percent (or below) of the AMI, 219 units must be offered to households earning 120 percent (or below) of the AMI, 252 units must be offered to households earning 140 percent (or below) of the AMI, and 402 units may be market-rate units.
- B. The Applicant shall offer the 402 market-rate units exclusively to qualified owner-occupant households for a minimum 60-day period that consists of a 30-day lottery period followed by a 30-day offering on a first-come, first-served basis.
- C. 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; including but not limited to right-of-way improvement requirements and bicycle parking space requirements.
- D. 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") and traffic management plan ("TMP") will be submitted to the DPP for its review and approval.



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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 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 City 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. An annual TDM compliance report will be required for the first five years following the issuance of the Project's CO.
- E. Approximately one year after the issuance of the certificate of occupancy for the Project, the Applicant shall submit to the DPP for review and approval an update to the initial traffic impact analysis ("TIA") (dated March 2022, and prepared by Wilson Okamoto Corporation) to validate the traffic projections, distribution, and assignment contained in the initial TIA. If the updated TIA recommends additional traffic mitigation measures or modifications to address traffic impacts directly attributable to the Project, the Applicant shall implement the updated TIA recommendations. If the updated TIA is inconclusive, a second updated TIA may be required one year after the date of the updated TIA, as the DPP Director determines is necessary.
- F. The Applicant shall construct the section of the proposed Kapiolani Boulevard Tier 1 Walkway project fronting the Project site.



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- G. All Project sidewalks and sidewalks fronting the Project site must have a minimum of 6 to 8 feet of clear zone separate from the furniture, utilities, and landscaping area.
- H. The Applicant shall make a contribution for complete streets improvements as recommended by the initial TIA.
- I. All Project driveways or streetscape improvements must be designed to minimize potential conflict between vehicles and bicyclists using the Priority 1 Protected Bicycle Lane located on Kapiolani Boulevard fronting the Project site; and

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 null and void unless construction of the Project commences no later than 24 months after the effective date of this resolution; 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 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 2599 Kapiolani, LLC, Waikiki Business Plaza, 2270 Kalakaua Avenue, Suite 1788, Honolulu, Hawai'i 96815.

INTRODUCED BY:

Tommy Waters (br)

DATE OF INTRODUCTION:

December 29, 2022
Honolulu, Hawai'i

Councilmembers



2601 Kapiolani Blvd

Kuilei Place



Map data ©2022 Google 200 ft

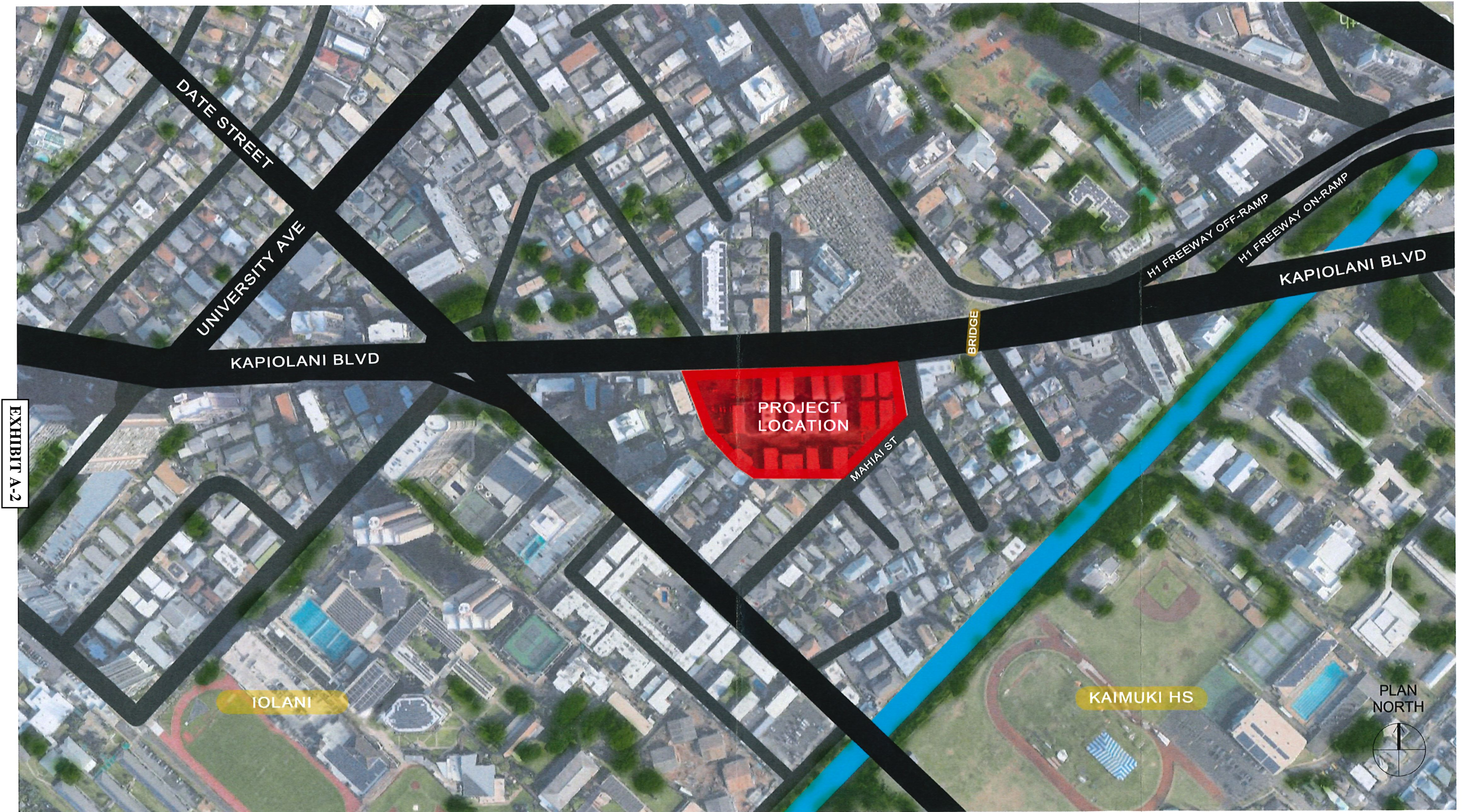


EXHIBIT A-2

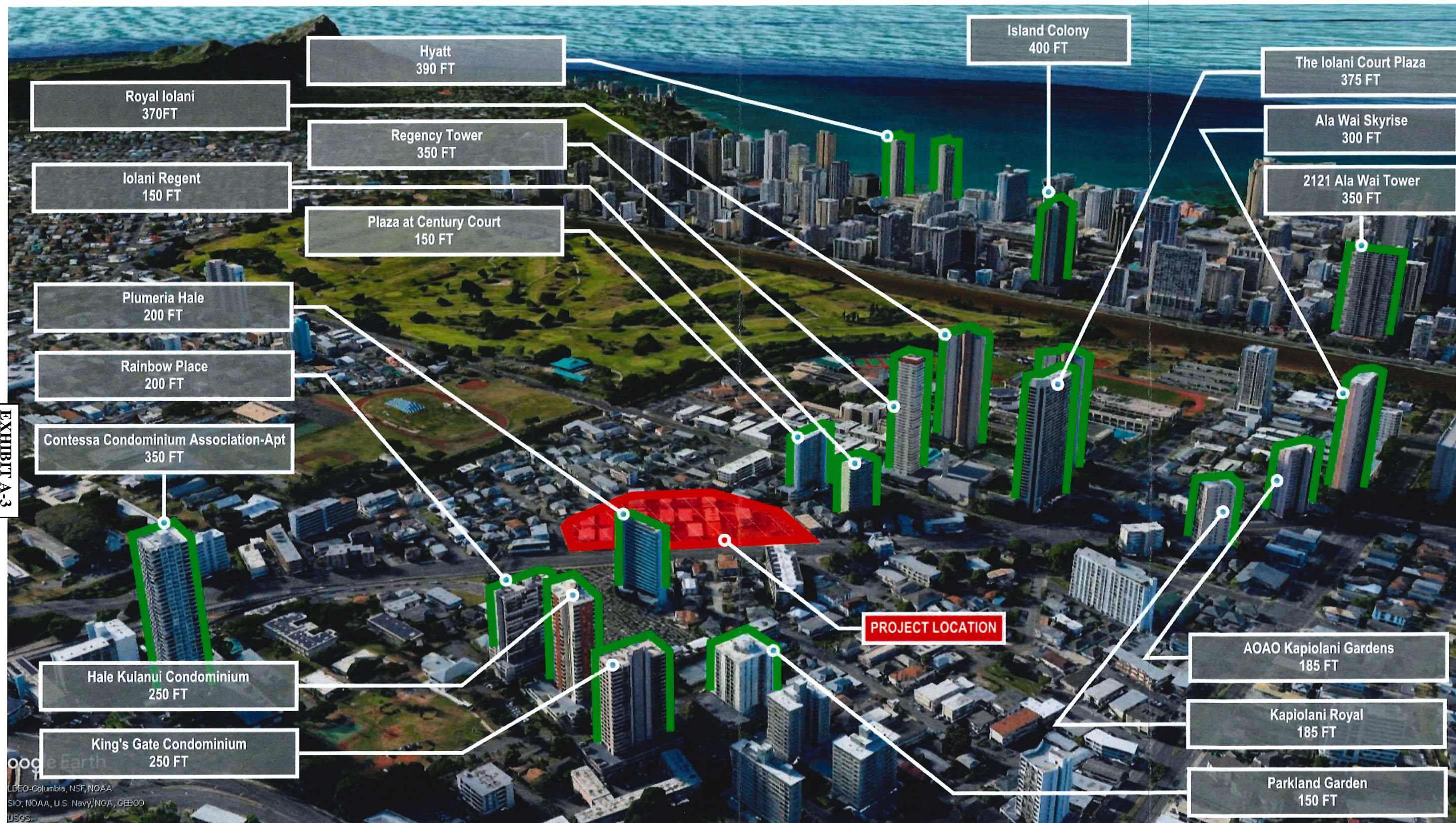
VICINITY MAP

KUILEI PLACE

| Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

| Project Number: 21046 | Date: 5/17/2022

 DESIGN PARTNERS
INCORPORATED



EXISTING SURROUNDING BUILDING HEIGHTS

KUILEI PLACE
Scale:

| Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

| Project Number: 21046 | Date: 5/17/2022

SUBJECT TO CHANGE



3D VIEW

KUILEI PLACE
Scale:

EXHIBIT C

| Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

| Project Number: 21046 | Date: 5/17/2022

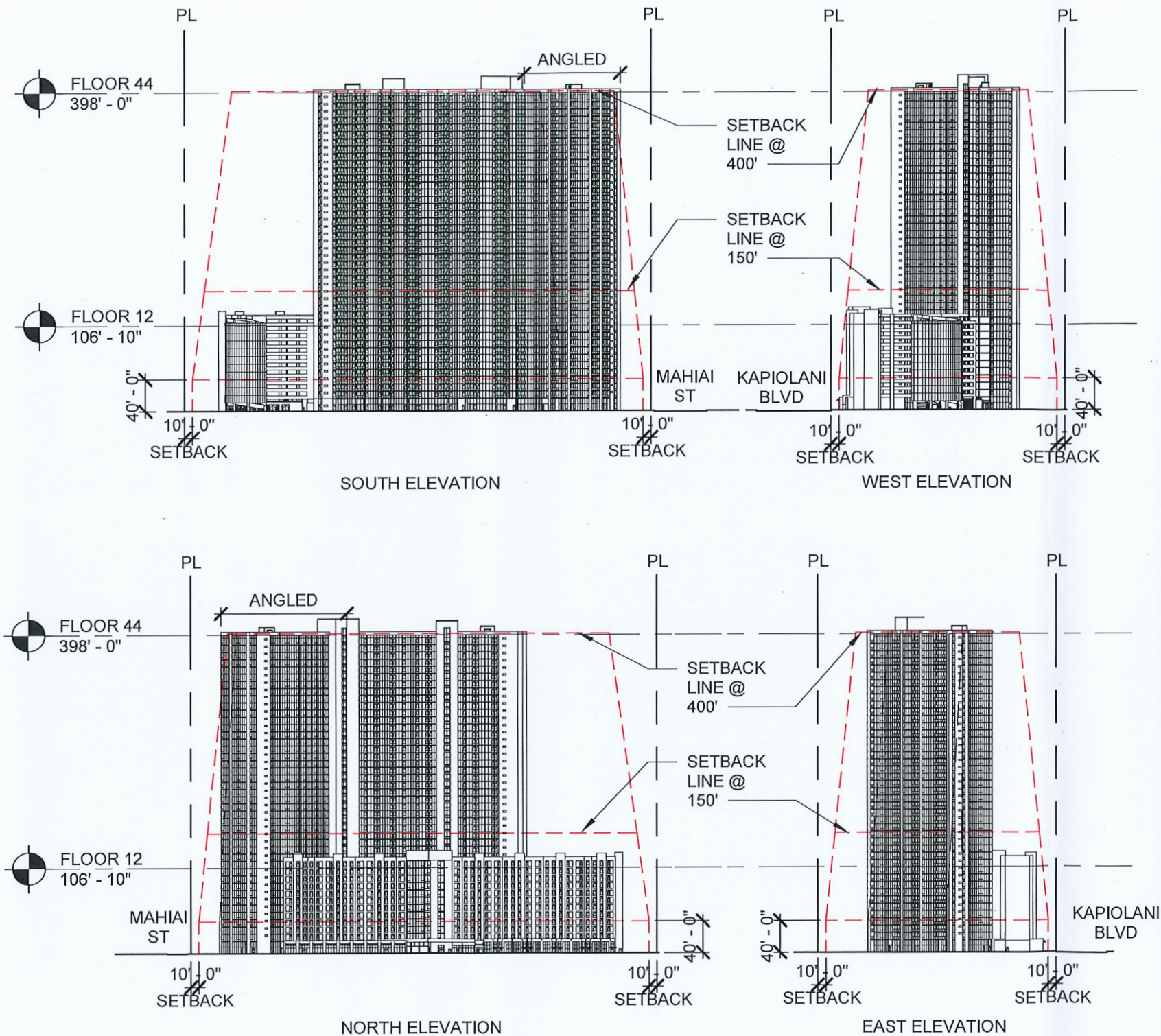


EXHIBIT D-1

KUILEI PLACE DESIGN ANALYSIS

Address: 2601 Kapiolani Blvd
 Tax Map Key: 2-7-022: 011, 015, 030-049
 Total Lot Size: 137,195 sf
 Zoning Designation: A2

Land Use:
 Existing: Multi-Family Residential
 Proposed: Mixed Use Multi-Family Residential

Zoning:

	LUO	Proposed
Height Limit:	150'-0"	400'-0"
FAR:	260,805 (1.9)	1,166,761 sf (8.5)
Open Area:	58,438 sf	50,643 sf
Lot Coverage:	54,906 sf (40%)	80,939 sf (59%)

Site Setbacks:

	LUO	Proposed
Front Yard	10'	10'
Side & Rear	10'	10'
Transitional	Req'd	Not Met

Parking Requirements

	LUO	Proposed	
Parking (Table 21-6.1):	1644	1670	26
Loading Spaces:	7	7	0
Bike Storage (Long-term):	490	490	0
Bike Storage (Short-term):	104	104	0

Area Breakdown:

	Proposed
Commercial Area:	7,211 sf
Dedicated Residential Area:	1,159,550 sf

Residential Unit Count:

	Proposed
1 Bedroom	202
2 Bedroom	635
3 Bedroom	159
Live / Work	9
Total	1005

PROJECT INFORMATION

KUILEI PLACE | Address: 2601 KAPIOLANI BLVD | Project Number: 21046 | Date: 5/17/2022
 Scale: 1" = 160'-0" | HONOLULU, HI 96826



FIRST FLOOR PLAN

KUILEI PLACE
Scale: 1" = 40'-0"

Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

Project Number: 21046 | Date: 5/17/2022



ROOM TYPES

- BOH
- Commercial
- Parking
- Res Amenity
- Residential

PLAN
NORTH

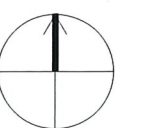


EXHIBIT D-3

2ND THROUGH 12TH FLOOR PLAN

KUILEI PLACE

Scale: 1" = 40'-0"

| Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

| Project Number: 21046 | Date: 5/17/2022



- ROOM TYPES**
- BOH
 - Commercial
 - Parking
 - Res Amenity
 - Residential

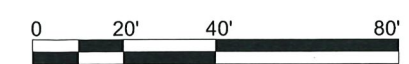


EXHIBIT D-4

13TH FLOOR PLAN

KUILEI PLACE
Scale: 1" = 40'-0"

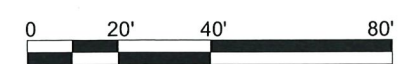
Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

Project Number: 21046 | Date: 5/17/2022



ROOM TYPES

- BOH
- Commercial
- Parking
- Res Amenity
- Residential



PLAN NORTH

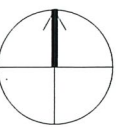


EXHIBIT D-5

43RD FLOOR PLAN

KUILEI PLACE
Scale: 1" = 40'-0"

Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

Project Number: 21046 | Date: 5/17/2022

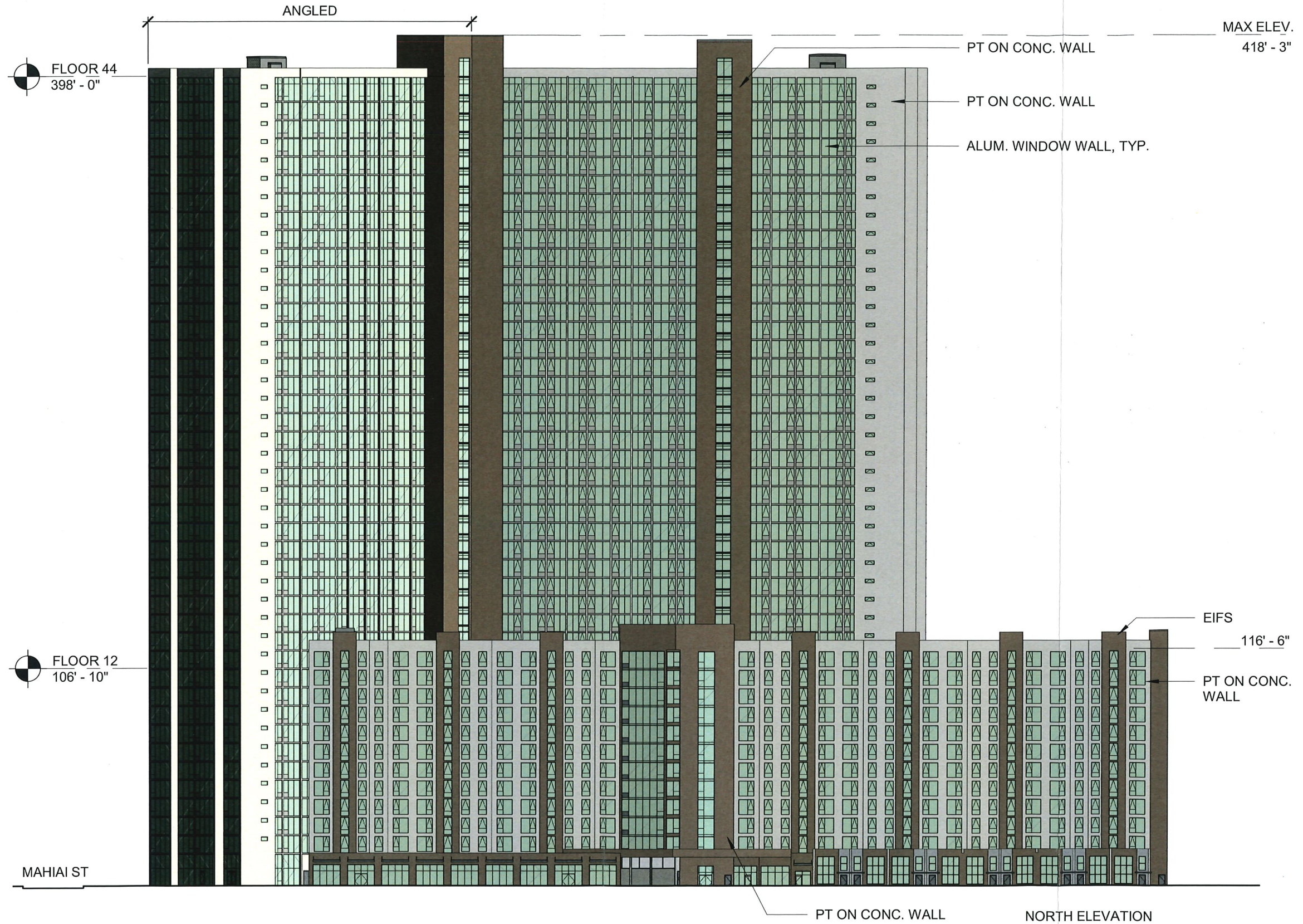


EXHIBIT D-6

BUILDING ELEVATIONS

KULEI PLACE
Scale: 1" = 50'-0"

Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

Project Number: 21046 | Date: 5/17/2022



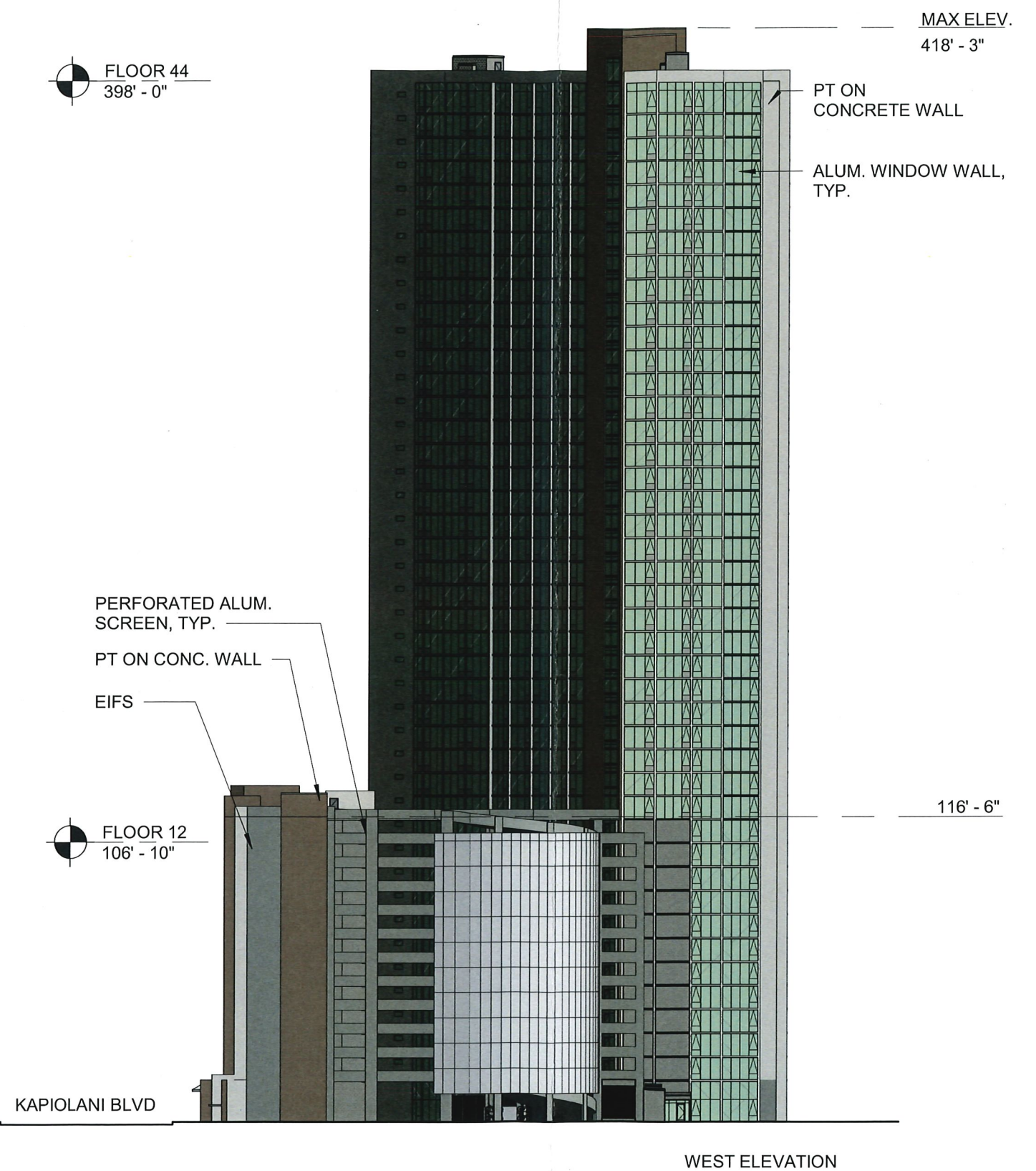
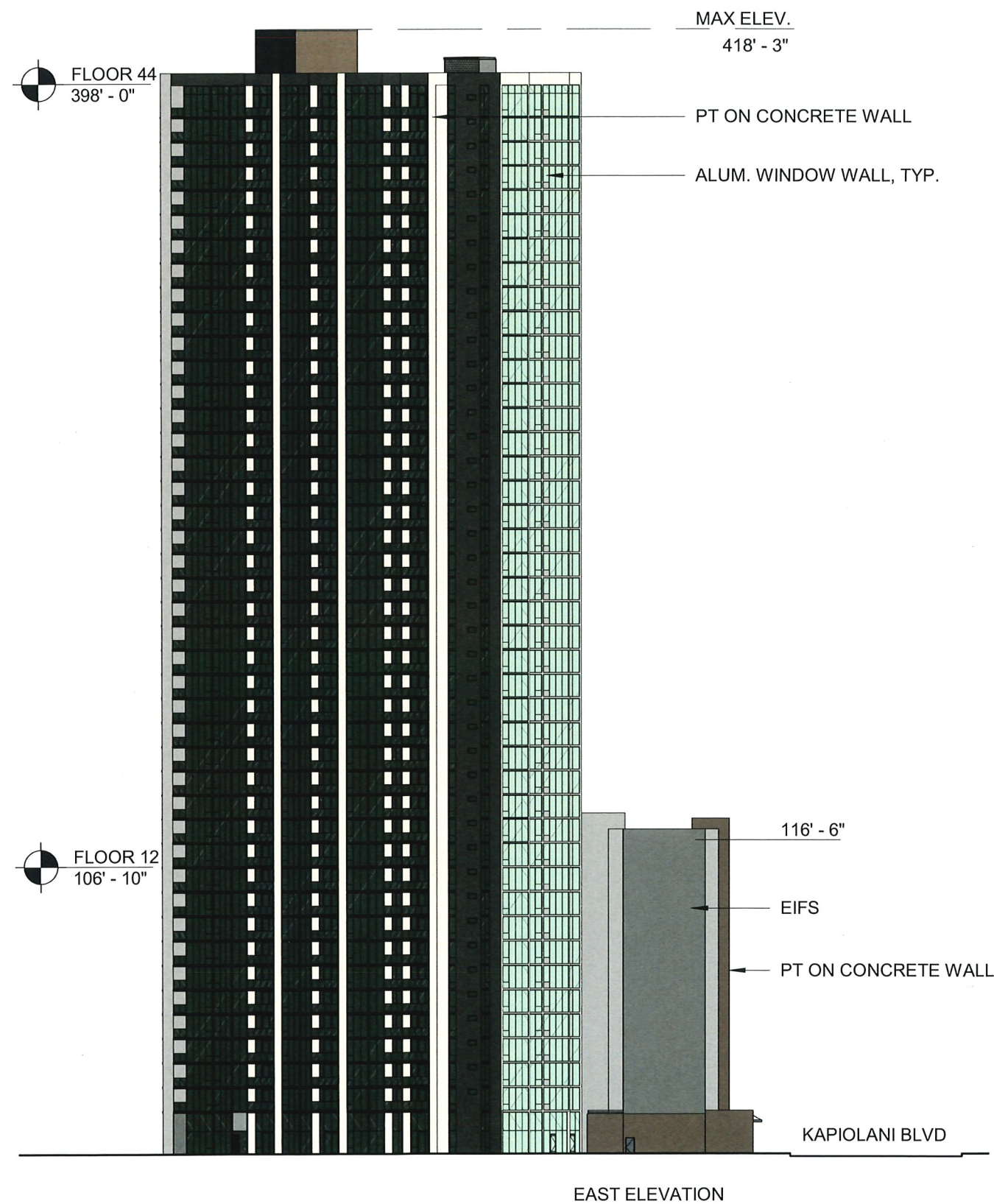


EXHIBIT D-7

BUILDING ELEVATIONS

KUILEI PLACE
Scale: 1" = 50'-0"

Address: 2601 KAPIOLANI BLVD
HONOLULU, HI 96826

Project Number: 21046 | Date: 5/17/2022

