

DIAMOND HEAD/KAPAHULU/ST. LOUIS HEIGHTS NEIGHBORHOOD BOARD NO. 5

c/o NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BLVD SUITE 160 • HONOLULU, HAWAII, 96817
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**RESOLUTION URGING THE CITY COUNCIL TO DENY AND NOT APPROVE THE PROPOSED
"KUILEI PLACE" HIGH-DENSITY MIXED USE DEVELOPMENT ON KAPIOLANI BOULEVARD
BETWEEN THE ESTABLISHED LOW-DENSITY MO'IILI'ILI AND KAPAHULU COMMUNITIES**

WHEREAS Kobayashi Group LLC is utilizing the HRS 201H affordable housing process for its proposed mixed-use high-density development dubbed "Kuilei Place" at 2599 Kapiolani Boulevard, which requires Honolulu City Council approval; and

WHEREAS the proposed development is reported to rival the tallest condominium buildings on O'ahu within the Kaka'ako, Waikiki, and Downtown Honolulu high-density areas when constructed, exceeding 400 feet in height and comprised of 1,005 residential units in two towers, and

WHEREAS 60 percent of the proposed development's one-, two- and three-bedroom residential units are intended to be affordable to moderate- and high-moderate income owners earning 80 to 140 percent of the area median income, with sale prices ranging from \$371,800 for one-bedroom units to \$813,300 for three-bedroom units; and

WHEREAS the remaining 40 percent of the residential units will be available to upper-income level owners with income beginning at \$182,000 annually and 140 percent of the area median income, with sales market pricing ranging from \$705,465 to \$1.15 million, and marketing for the proposed development reported to be as far away as Japan; and

WHEREAS the developer's claim of affordability does not adequately serve lower-income residents and once monthly fees and utilities added to this cost, low-income families could not hope to gain entry; and .

WHEREAS approximately \$62.7 million of public permitting fees and tax exemptions are being requested, including city fees for building permits, plan reviews, wastewater facility system charges and other developer obligations amounting to over \$7 million, with an additional \$12 million in tax breaks and fee waivers; and

WHEREAS the developer is seeking zoning regulation exemptions to allow proposed development to exceed the legal zoning height limit of **150 feet** by over 2.7 times (270%) to **430 feet** in building height, and to exceed the legal development density with a floor area ratio of 1.9 increased to 8.5 floor area ratio density, **4.5 times (450%)** greater than zoning laws allow for the Mo'ili'ili residential neighborhood and in clear violation of established zoning regulations, and

WHEREAS the city Department of Planning and Permitting advised the developer that the affordability claim was insufficient to warrant requesting zoning exemptions and waiving city housing requirements, and found the project did not include enough truly affordably-priced residential units to qualify; and

WHEREAS the excessive scale of the proposed development is foreseen to cause a significant negative impact on city infrastructure capacity and operations including water supply and wastewater conduit, and no public Environmental Review, Assessment or Impact Statement has been considered, required or undertaken; and

WHEREAS the Honolulu Department of Planning and Permitting has publicly acknowledged the shortage of open public park space and recreational green space that is well below the city's park standards identified as a priority for Honolulu residents, and exempting the developer of the

proposed high-density residential development from the established public park dedication and fee requirements would exacerbate and significantly contribute to the recognized public park shortage; and

WHEREAS the thousands of vehicles accessing the proposed development's 43-story residential tower and 12-story mixed-use residential building fronting Kapiolani Boulevard with a 13-story parking structure for the proposed development's residential and commercial mixed uses will severely impact traffic flow in the surrounding area, particularly during peak commuting times on the heavily-congested arterial section of Kapiolani Boulevard fronting the proposed development near the Date Street intersection and throughfare intersections beyond, and will further seriously impact emergency response time and access within the immediate area; and

WHEREAS renderings of the proposed development's high-rise tower illustrate the scope and scale of the vertical structural wall that will obscure the documented and protected significant view planes of Diamond Head to Punchbowl, cast expansive shadows over the surrounding community and be discordant with the contiguous communities, change and funnel natural wind patterns, and increase the Urban Heat Effect factor that contributes to climate change, and;

WHEREAS the additional housing units for growth projected to 2030 by the Department of Planning and Permitting for the entire area would be consumed solely by the proposed development at this singular location; and

WHEREAS the proposed mis-placed development flies in the face of established zoning and permitting regulations and sets a dangerous and chilling precedent for more to follow with unbridled encroachment into the surrounding established, stable and historic communities and neighborhoods from Manoa to Kaimuki and from McCully-Moi'ilili to Kahala; and

WHEREAS there has been limited solicitation and incorporation of community discussion and feedback relating to the magnitude of the proposed development that will replace the existing multi-family and truly affordable low-income housing throughout the proposed mixed-use development's 3.2-acre site by displacing 141 low-rise, low-income apartment units in 19 low-rise multi-family residential buildings that will be demolished for the proposed mixed-use development, and where present residents and families have received notices from the developer to vacate by September 2023; and

WHEREAS the HHFDC disclosed in their December 20, 2022, introductory letter of support for the proposed development that the 1,005 residential units averaging 3 occupants each would be supported and served by local stores and services within the established Kapahulu community, including local grocery and convenience food stores as well as existing area schools with finite capacity; and

WHEREAS no presentation of the proposed massive development was provided to the contiguous Diamond Head-Kapahulu-St. Louis Heights Neighborhood Board despite being listed on the Board's October 13, 2022 meeting agenda, for which the developer failed to appear; and

WHEREAS the application for approval of the proposed development has been fast-tracked through the City Council review and deliberation process by the City Council Zoning Committee chaired by Councilmember Calvin Say, with no Committee recognition or discussion of clear public concerns including the jurisdictional Neighborhood Board's opposition to the proposed high-density development; and

WHEREAS the City Council has held no Public Hearing to enable the contiguous communities and larger public to respond to this massive development proposed to overwhelm and overshadow the surrounding established and stable community district with myriad adverse physical and visual impacts; now therefore

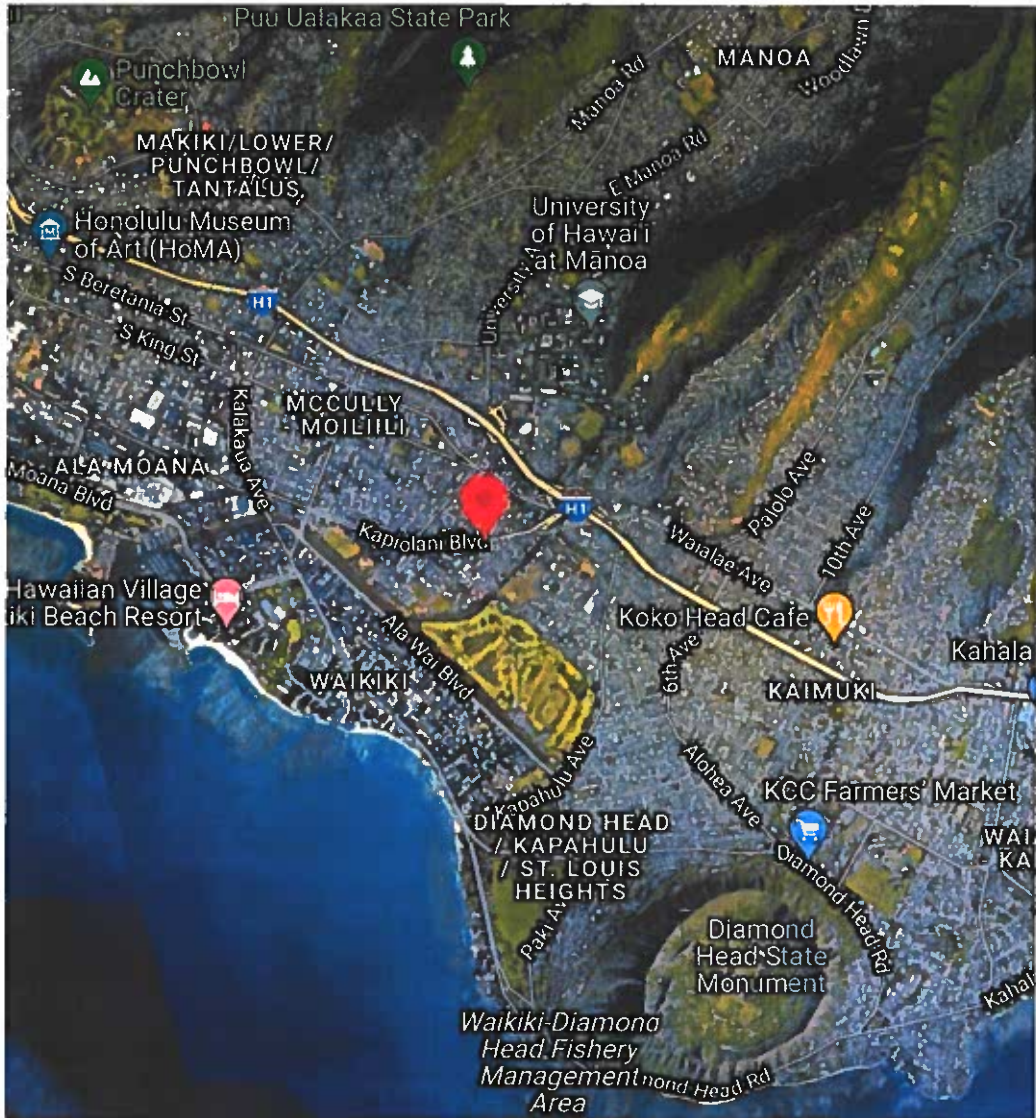
BE IT RESOLVED that the Diamond Head-Kapahulu-St. Louis Heights Neighborhood Board finds the large scale of the proposed high-density development excessive and in violation of established zoning regulations intended to maintain the continuity and character of the community; and

BE IT FURTHER RESOLVED that the Diamond Head-Kapahulu-St. Louis Heights Neighborhood Board supports the provision of truly affordable housing, but finds that the proposed high-density development does not comport with affordability as claimed by the developer, and that minimal housing for lower income households earning 80 percent or below the area median income is designated affordable for only 10 years and thereafter lapses out of affordability requirements; and

BE IT FURTHER RESOLVED that the excessive public subsidies for the proposed private development in the form of myriad exemptions from a) established zoning regulations derived from sound planning practices, b) project permitting fees that support the functions of the associated public agencies, and c) public park allocation exemptions forcing further crowding of the district's public parks and exacerbating the existing recreational park shortages, are detrimental to the functionality of the city's services, the health and welfare of the impacted communities, and the island community at large; and

BE IT FURTHER RESOLVED that the Diamond Head-Kapahulu-St. Louis Heights Neighborhood Board stands in full agreement with the McCully-Mo'ili'ili Neighborhood Board in opposition to approval of the high-density development, and urges the Honolulu City Council to deny the development application and ensure that existing zoning regulations remain effective and truly affordable low-income multi-family housing improvements prevail at this location; and

BE IT FINALLY RESOLVED that this Resolution shall be transmitted to the Honolulu City Council Chair and Members; the Mayor and Managing Director of the City and County of Honolulu, the Director of Department of Planning and Permitting and the Director of Department of Transportation Services; the Senate President and Members and the State House Speaker and Members of the Hawaii State Legislature; and the Chairs and Members of the McCully-Mo'ili'ili Neighborhood Board, the Manoa Neighborhood Board, and the Kaimuki Neighborhood Board.





Rendering by Developer - Kobayashi Group

43-story residential building 430 feet high,
13-story parking structure, 12-story residential mixed-use structure



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Information and renderings are subject to change by the developer.