

RESOLUTION

AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO THE KAKAOKO BLOCK C AFFORDABLE RENTAL AND MIXED-USE PROJECT LOCATED AT 404 AND 416 COOKE STREET, HONOLULU, HAWAII 96813, TAX MAP KEY: (1) 2-1-054: 001

WHEREAS, Kakaako Block C LLC (the "Applicant"), under the control of Stanford Carr Development, LLC, with the approval of the Hawaii Housing Finance and Development Corporation ("HHFDC"), proposes to develop Kakaako Block C, a high-rise project on a 3.66-acre site located at 404 and 416 Cooke Street in Kakaako, Honolulu, Oahu, identified as Tax Map Key (1) 2-1-054: 001 (the "Project"); and

WHEREAS, as proposed, the Project will contain 861 dwelling units (consisting of 12 studio live-work units, 1 traditional studio unit, 232 one-bedroom units, 558 two-bedroom units, and 58 three-bedroom units), of which 124 units (including one manager's unit) will be for rent and 737 units will be for sale; and

WHEREAS, as proposed, 60 percent of dwelling units (519 units) will be rented or sold to households earning 140 percent or below of the area median income for Honolulu, as determined by the U.S. Department of Housing and Urban Development (the "AMI") (7 units at 70 percent or below the AMI, 73 units at 80 percent or below the AMI, 43 units at 100 percent or below the AMI, 155 units at 130 percent or below the AMI, and 241 units at 140 percent or below the AMI), 40 percent of dwelling units (341 units) will be market units, and one unit will be a manager's unit; and

WHEREAS, all rental dwelling units (except for one manager's unit) will remain affordable for a minimum of 61 years, and all affordable for-sale dwelling units will be subject to HHFDC's Shared Appreciation Equity Program and 10-Year Buyback Restrictions; and

WHEREAS, the Project will also provide a parking structure accommodating approximately 1,266 parking spaces, short-term and long-term bicycle parking spaces, recreational amenities for residents, commercial spaces on the ground floor, 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 April 13, 2023, the HHFDC Board of Directors approved the Project with its proposed exemptions, including those certain exemptions from the

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Hawaii Community Development Authority's ("HCDA") Mauka Area Rules (Hawaii Administrative Rules 15-217) and the Kakaako Reserved Housing Rules (Hawaii Administrative Rules 15-218) (collectively, the "HCDA Rules") as listed therein; 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 May 1, 2023, prepared by Alakea Design Group, and submitted to the Council by HHFDC on 05/02/23; 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:

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 \$1,925,000;

Infrastructure and Public Works Fees and Charges

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3. 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 for the 519 affordable units, estimated at \$2,399,000, and an exemption from the definitions of "low-income" and "low-income housing project" under ROH § 43-10.6(d), as well as Resolution 20-262, to allow all Project affordable units at 140 percent AMI and below to qualify for said exemption from the payment of charges;
4. Exemption from ROH § 43-10.1, § 43-10.2, and § 43-10.3, to allow a deferral of the payment of wastewater system facility charges until issuance of a Certificate of Occupancy for the market units;

Fire Department Plan Review Fees

5. Exemption from ROH § 20-1.1, to allow an exemption from the payment of Honolulu Fire Department Plan Review Fees, estimated at \$192,500;

Board of Water Supply Rules and Regulations

6. Exemption from § 1-102, § 2-202(2), and § 2-202(3) of the Board of Water Supply Rules and Regulations, to allow an exemption from the payment of BWS installation and water facilities charges for the 519 affordable units, estimated at \$25,000;
7. Exemption from § 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 for the market units;

City and County of Honolulu's Affordable Housing Requirements

8. Exemption from ROH Chapter 29 and ROH Chapter 32, to allow an exemption from the City's affordable housing requirements. The Project will follow the affordable housing requirements of HHFDC for § 201H-38, HRS projects; and

BE IT FURTHER RESOLVED that as approved, the Project contains the exemptions from the HCDA Rules as listed in the For Action approved by HHFDC's Board of Directors on April 13, 2023; and

BE IT FURTHER RESOLVED that as used in this Resolution:

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- 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 48 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 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

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Hawaii Housing Finance and Development Corporation, 677 Queen Street, Suite 300,

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Honolulu, Hawaii 96813, and Stanford Carr Development, LLC, 1100 Alakea Street, 27th Floor, Honolulu, Hawaii 96813.

INTRODUCED BY:

Tony Watkins (br)

DATE OF INTRODUCTION:

MAY 2 2023

Honolulu, Hawaii

Councilmembers