HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

CITY AND COUNTY OF HONOLULU

No. 26-272

RESOLUTION

AMENDING RESOLUTION 22-291, CD1, FD1, TO EXTEND THE DEADLINE TO COMMENCE CONSTRUCTION OF THE KEAWALAU AFFORDABLE RENTAL HOUSING PROJECT IN WAIPAHU, O'AHU.

WHEREAS, on January 25, 2023, the City Council ("Council"), by adoption of Resolution 22-291, CD1, FD1, authorized certain exemptions and deferrals from planning, zoning, and construction requirements and standards for the subdivision, development and improvement of land, and the construction of units thereon, pursuant to §§ 46-15.1 and 201H-38, Hawai'i Revised Statutes ("HRS"), proposed by Highridge Costa Development Company (the "Applicant") for the Keawalau Affordable Rental Housing Project, to be developed on approximately 3.84 acres of land owned by the Bernice Pauahi Bishop Estate, zoned BMX-3 Community Business Mixed Use zoning district, located on Hikimoe Street at the intersections with Waipahu Depot Road and Kahuailani Street in Waipahu, O'ahu, and identified as Tax Map Keys 9-4-013:046 and 9-4-014:005, 014, 058 through 067, and 075 (the "Project"); and

WHEREAS, the Project site is divided by Hikimoe Street into two distinct areas — the mauka block (50,781 square feet) and the makai block (119,183 square feet); the Project will be developed in three phases: Phase 1 involves construction of the mauka block, which includes senior housing units in a mid-rise building; and Phases 2 and 3 involve construction of the makai block, which includes two residential towers and a parking structure; and

WHEREAS, as proposed, the Project will consist of 531 affordable dwelling units available for rent to households earning 60 percent and below of the area median income ("AMI") based on the U.S. Department of Housing and Urban Development annual income limits for the Honolulu metropolitan statistical area as adjusted for household size (476 units will be rented to households earning 60 percent of the AMI and 55 units will be rented to households earning 30 percent of the AMI); and

WHEREAS, Resolution 22-291, CD1, FD1, required that construction of Phase 1 of the Project commence no later than 48 months after January 25, 2023 (the date of the adoption of the resolution), resulting in a deadline of January 25, 2027; and

WHEREAS, the Applicant requests a 60-month extension of the January 25, 2027, deadline to commence construction of the Project, to allow the Project to participate in additional HHFDC financing cycles to obtain the financing award from the HHFDC needed to move forward with Project permitting and construction (no changes to the Project are proposed); the Applicant also seeks to make this

construction commencement requirement applicable to any phase of the Project (rather than commencing with Phase 1) because the Project may be constructed in a different sequence with Phase 2 or Phase 3 potentially commencing construction before Phase 1; and

WHEREAS, the Applicant has demonstrated progress in developing the Project:

1. The Applicant negotiated a draft Declaration of Land Use Restrictive Covenants and a Development Agreement with the Department of Planning and Permitting ("DPP"), which has not yet been executed; and

2. The Applicant applied for three cycles of HHFDC financing through the 4 percent Low-Income Housing Tax Credit, Hula Mae Multifamily Bonds, and Rental Housing Revolving Fund programs, but has not yet received a financing award;

3. The Applicant has made significant progress with the Project's design drawings and is anticipating submitting a building permit application to the DPP in early 2027 to increase the possibility of receiving a financing award; and

WHEREAS, the Council believes that due to the difficulty and uncertainty in obtaining Project financing, a 60-month extension of the deadline to commence construction of any of the Project's three phases, from January 25, 2027, to January 25, 2032, is appropriate; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that Resolution 22-291, CD1, FD1, is amended to extend the deadline to commence construction of any of the Project's three phases by 60 months, to January 25, 2032; and

BE IT FURTHER RESOLVED that all other conditions and provisions of Resolution 22-291, CD1, FD1, are ratified and confirmed, and remain in full force and effect; and

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BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Hawai'i Housing Finance and Development Corporation, 677 Queen Street, Suite 300, Honolulu, Hawai'i 96813; Highridge Costa Development Company, LLC, 330 W. Victoria Street, Gardena, California 90248; and Dawn Takeuchi Apuna, Director of Planning and Permitting, 650 South King Street, 7th Floor, Honolulu, Hawai'i 96813.

INTRODUCED BY:

Esther Kiaʻāina (br)

DATE OF INTRODUCTION:

NOV 12 2026

Honolulu, Hawai'i

Councilmembers