April 24, 2015

TO: Gail Murayama  
Clerk, Committee on Zoning & Planning

FROM: Ikaika Anderson  
Chair, Committee on Zoning and Planning

RE: PROPOSED AMENDMENTS TO THE UNILATERAL AGREEMENT,  
EXHIBIT B TO BILL 3 (2015), HONOLULU REZONE HOOPILI

Pursuant to my memorandum dated February 5, 2014 (Council Com. No. 22), the following are proposed amendments to the Unilateral Agreement (Exhibit B) to Bill 3 (2015).

Note that this memorandum and all of the proposed amendments herein supersede all of the proposed amendments submitted via my Council Communication 120, dated March 27, 2015.

These amendments are being submitted with the understanding that minor clarifications or technical revisions may still be necessary.

Please number this memorandum as a Council Communication to be made a part of the public record.

Condition 1., Affordable Housing, is amended in its entirety, to read as follows:

1. Affordable Housing. Prior to residential subdivision approval, or residential building permit approval, whichever comes first, the Declarant shall execute an agreement to participate in an affordable housing plan acceptable to the Department of Planning and Permitting (the “DPP”) and in accordance with the adopted rules. The agreement shall provide no less than thirty percent (30%) of the total residential units in the Ho'opili Project to be
affordable housing units; provided that, said percentage shall be adjusted for credits earned by Declarant for affordable housing commitments made pursuant to the aforesaid adopted rules. Additionally:

a. Declarant or its designee shall be required to deliver the equivalent under the aforesaid adopted rules of:

i. Ten percent (10%) of the total number of residential units in the Ho’opili Project to affordable households with incomes up to and including eighty percent (80%) of area median income using U.S. Department of Housing and Urban Development (“HUD”) standards adjusted for family size for the City and County of Honolulu (“AMI”); provided, that, twenty percent (20%) of the aforesaid number of units in this paragraph (i) shall be rental units pursuant to applicable City and County of Honolulu guidelines and rules; and

ii. Twenty percent (20%) of the total number of residential units in the Ho’opili Project to affordable households with incomes between eighty-one percent (81%) and one hundred twenty percent (120%) of AMI.

b. Affordable dwelling units designated for sale to households with incomes up to and including eighty percent (80%) of AMI shall be marketed for sale to such households for a period of one hundred twenty (120) days (“First Marketing Period”) at prices affordable to such households; provided that if at the end of the First Marketing Period, construction of the affordable dwelling unit has commenced and Developer has been unable to obtain a
contract for sale of the unit to a qualified purchaser, then the affordable
dwelling unit may be marketed to persons with household incomes between
eighty-one percent (81%) and one hundred twenty percent (120%) of AMI at
prices affordable to such households for a period of one hundred twenty (120)
days (“Second Marketing Period”). If, following the Second Marketing
Period, Developer has been unable to obtain a contract for the sale of the
affordable dwelling unit to a qualified purchaser, then the affordable dwelling
unit may be marketed to persons with household incomes between one
hundred twenty percent (120%) and one hundred forty percent (140%) of
AMI at prices affordable to such households for a period of one hundred
twenty (120) days (“Third Marketing Period”). If, following the Third
Marketing Period, the Developer has been unable to obtain a contract for the
sale of the affordable dwelling unit to a qualified purchaser the affordable
dwelling unit may be sold to the general public free of the restrictions in the
Affordable Housing Condition relating to the income level of the household of
the purchaser, but not free from any of the other restrictions of the Affordable
Housing Condition, and applicable rules.

c. Affordable dwelling units designated for sale to households with incomes
between eighty-one percent (81%) and one hundred twenty percent (120%) of
AMI shall be marketed for sale to such persons at prices affordable to such
households for a period of one hundred twenty (120) days. If, following this
initial one hundred twenty (120) day period, the Developer has been unable to
obtain a contract for the sale of the affordable dwelling unit to a qualified
purchaser, then the affordable dwelling unit may be marketed to persons with household incomes between one hundred twenty percent (120%) and one hundred forty percent (140%) of AMI at prices affordable to such households for a period of one hundred twenty (120) days. If, following this second one hundred twenty (120) day period, Developer has been unable to obtain a contract for sale of the unit to a qualified purchaser, then the affordable dwelling unit may be sold to the general public free of the restrictions in the Affordable Housing Condition relating to the income level of the household of the purchaser, but not free from any of the other restrictions of the Affordable Housing Condition and applicable rules.

Developer shall receive full credit for all affordable dwelling units constructed, sold or rented pursuant to these provisions and applicable rules.

Condition 2., Transportation, is amended as follows: Paragraph one and subsections a. and f. contain revisions and the remaining paragraphs of this condition remain unchanged:

2. Transportation. The Declarant shall carry out the following requirements related to traffic and transportation improvements for the Ho‘opili Project consistent with the mitigation measures specified in the applicable Traffic Impact Analysis Report.

a. A time line establishing the anticipated commencement and completion dates of the four (4) major phasing components of this development, including the completion of major roadway improvements, such as the internal parkway, arterial and main streets, Keahumoa Parkway and Farrington Highway, shall be prepared by the Declarant in a format acceptable to the DPP. The time line
shall also identify when the Comprehensive Transportation Master Plan (the
"CTMP"), which shall include a Roadway Master Plan (the "RMP"), the
Construction Management Plan (the "CMP"), and updates to the initial Traffic
Impact Analysis Report (the "TIAR"), dated May 30, 2014, will be submitted
for review and approval. The CTMP shall be submitted to the Department of
Planning and Permitting ("DPP"), in consultation with the Department of
Transportation Services (the "DTS") for initial acceptance prior to any
subdivision which will establish a boundary of any major roadway within this
development. The CMP should be submitted prior to the start of any major
on-site construction or grading work or work on any public street. Updates to
the TIAR should be submitted as determined in the time line. Updates to the
TIAR, as determined by the DPP, shall generally be submitted prior to the
start of each 2,500 dwelling units or about every four (4) years. Interim
updates may be required at two (2) year increments. The primary purpose of
the interim updates is to determine when traffic signal warrants are going to
be met and assure the signals are in place at the time they are warranted.

f. The [Declaration]Declarant shall hold annual meetings with and inclusive of
the affected transportation agencies, including the State Department of
Transportation, the DTS, and the DPP. The purpose of these meetings is to
provide an active forum for discussion between the transportation agencies
with the Declarant. Discussion will tend to be more technical in nature and
the traffic consultant for the Declarant should be available and included in
these discussions. The transportation agencies should provide a representative
to these meetings, if they wish to have their concerns or issues raised with the Declarant.

Condition 6., Urban Design Plan, is amended to read as follows:

6. Urban Design Plan. Prior to subdivision approval or building permit approval, whichever comes first, the Declarant shall submit and have approved by the DPP an urban design plan that defines the vision, character, and principles for the Ho’opili Project. However, Parcel A as depicted in Exhibit A, shall not be included with the Ho’opili Project Urban Design Plan. Parcel A shall have its own urban design plan, separate from the Ho’opili Project. In context to its surroundings, the plan or plans shall address land use patterns, including commercial and residential, neighborhood activity nodes, open spaces and gathering sites, and the provision of a variety of housing types and sizes, with building designs, and street lighting that respond to the region. In commercial areas, street, sidewalks, and building frontages shall be designed as pedestrian-friendly, and promote active streetscapes. In conjunction with the applicable Roadway Master Plan, the plan or plans shall address circulation for multiple transportation modes, including bicycles and pedestrians, providing for convenient and safe connections both within the [Ho’opili Project] Urban Design Plan area, and with surrounding areas.

Condition 7., Daycare Facility, is amended to read as follows:

7. Daycare Facility. Prior to the first residential building permit approval, the Declarant and the City and County of Honolulu’s Department of Community Services shall
enter into a written agreement for a daycare facility for the Ho‘opili Project. The written agreement shall specify that one (1) acre of land within the Ho‘opili Project shall be conveyed by the Declarant to the City and that the location of the property shall be mutually agreeable to both parties at a date to be determined by the Declarant and the City. The written agreement shall be executed prior to conveyance of the one (1) acre property.

Condition 8., Meeting Facilities, is amended to read as follows:

8. Meeting Facilities. The Declarant shall make available for sale a minimum of two (2) acres of land within the Ho‘opili Project for the development of meeting facilities between the 2,500th and 5,000th residential building permit submission and shall market said land for a period of one (1) year. The Declarant shall identify the location(s) and organizations to be contacted prior to sales offering. If there is no buyer [by] within the [time of] aforesaid one (1) year period, [the first commercial or residential building permit approval, the site(s)] the land may be used by Declarant for other purposes.

Condition 9, Fire Station Site, has been added to the UA as follows and all subsequent conditions have been renumbered:

9. Fire Station Site. The Declarant shall provide a 2-acre site for a new fire station within the Ho‘opili Project. Declarant will coordinate the site location within the Ho‘opili Project with the Honolulu Fire Department.
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Proposed Amendments to Bill 3 (2015), Exhibit B (UA)

Condition 10., Parks, has been amended in its entirety as follows:

10. Parks. The Declarant shall develop parks in substantial compliance with the conceptual public and private parks plan referenced in its zone change application and in full compliance with the applicable park dedication requirements of the City (Revised Ordinances of Honolulu, Chapter 22, Article 7 et seq.). This will include the entire acreage required under the subdivision code, currently estimated at net forty-five (45) acres, dedicated to the City and County of Honolulu. Of this forty-five (45) acres, a minimum of thirty-nine (39) shall be dedicated to the City and the additional six (6) acres can be included by applicant as a portion of the remaining acreage to be developed as private parks, if approved by the DPP and the Department of Parks and Recreation (“DPR”).

Condition 11., Subdivision and Building Permit approvals, has been added to the UA and all subsequent conditions are renumbered as follows:

11. Subdivision and Building Permit approvals. If not otherwise specified, references herein to subdivision and building permit approvals under paragraphs 1 through 10 above, apply to conveyance subdivisions and not to the designation of easements. References to building permit approvals do not apply to permits associated with the fixed guideway, its stations and support facilities. Permits associated with minor improvements related to public safety, utilities and infrastructure, and pre-construction activities are also exempt from paragraphs 1 through 10 above.
12. Compliance with Other Governmental Requirements. The Declarant acknowledges that approval of this zone change does not constitute compliance with other LUO or governmental agencies’ requirements. They are subject to separate review and approval. The Declarant shall be responsible for ensuring that the final plans for the proposed Hoʻopili Project approved under this permit comply with all applicable LUO and other governmental agencies’ provisions and requirements.

13. Annual Reports. On an annual basis, the Declarant shall submit a written status report to the DPP documenting its satisfaction and/or describing its progress toward complying with each condition of approval for this zone change. This status report shall be submitted to the DPP by December 31st of each year until such time as the DPP has determined that all conditions of approval have been satisfied. Failure to do so may result in delays in processing of further permits.

14. Noncompliance or Failure to Fulfill Any Conditions. In the event of noncompliance or failure to fulfill any of the conditions set forth herein, the Director of the DPP shall inform the Council and may institute action to terminate or stop the Hoʻopili Project until applicable conditions are met. Noncompliance also may be grounds for revocation of the permits issued under this zone change. Noncompliance also may be grounds for the enactment of ordinances making further zone changes, including revocation of the underlying zoning, upon initiation by the proper parties in accordance with the Revised City Charter.