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June 28, 2022

2021/ED-4 (JML)

Ms. Mary Alice Evans, OPSD Director
State of Hawaii
Office of Planning and Sustainable Development
Environmental Review Program
235 South Beretania Street, Room 702
Honolulu, Hawaii 96813

Dear Ms. Evans:


SUBJECT: Draft Environmental Assessment (DEA)
Chapter 343, Hawaii Revised Statutes,
Title 11, Chapter 200, Hawaii Administrative Rules
Project: The Hocking Building Adaptive Reuse
Applicant: The Hocking Building LLC
Agent: Environmental Communications, Inc.
Location: 2 North King Street - Chinatown
Tax Map Key: 1-7-003: 001

With this letter, the Department of Planning and Permitting hereby transmits the DEA and anticipated finding of no significant impact for the Hocking Building Adaptive Reuse Project at 2 North King Street in Chinatown (Tax Map Key 1-7-003: 001), on the island of Oahu, for publication in the next edition of "*The Environmental Notice*" on **July 8, 2022**.

Enclosed, please find a completed publication form and a digital copy of the DEA.

Should you have any questions, please contact Janet Meinke-Lau, of our staff, at (808) 768-8033, or j.meinkelau@honolulu.gov.

Very truly yours,


for Dean Uchida
Director

Enclosures

From: webmaster@hawaii.gov
To: [DBEDT OPSD Environmental Review Program](#)
Subject: New online submission for The Environmental Notice
Date: Wednesday, June 29, 2022 2:34:00 PM

Action Name

The Hocking Building Adaptive Reuse

Type of Document/Determination

Draft environmental assessment and anticipated finding of no significant impact (DEA-AFNSI)

HRS §343-5(a) Trigger(s)

- (4) Propose any use within any historic site as designated in the National Register or Hawai'i Register

Judicial district

Honolulu, O'ahu

Tax Map Key(s) (TMK(s))

(1) 1-7-003:001

Action type

Applicant

Other required permits and approvals

Building Permits

Discretionary consent required

Chinatown Special District Permit

Approving agency

City and County of Honolulu, Department of Planning and Permitting

Agency contact name

Janet Meinke-Lau

Agency contact email (for info about the action)

j.meinkelau@honolulu.gov

Agency contact phone

(808) 768-8033

Agency address

650 South King Street
7th floor
Honolulu, HI 96813
United States
[Map It](#)

Applicant

The Hocking Building LLC

Applicant contact name

Mark Hashem

Applicant contact email

mhashme@sofoserealty.com

Applicant contact phone

(808) 388-7693

Applicant address

1600 Ala Moana Boulevard
Suite 103
Honolulu, Hawaii 96815
United States
[Map It](#)

Was this submittal prepared by a consultant?

No

Action summary

The Project consists of an adaptive reuse Project for affordable rental housing in downtown Honolulu. This Project will be restricted to qualified households within the 30 percent to 50 percent Area Median Income level. Adaptive reuse of the building involves converting the commercial office space building into an affordable rental housing Project with 40 units. 25 units will be studio units, six units will be one-bedroom units, and nine units will be two-bedroom units. Tenant storage will be located in the basement. A community room, gym, laundry room, computer room and existing courtyard will be located on the ground floor. The building will retain its historic appearance and efforts have been made to restore the building close to its original exterior design. The proposed Project will involve the use of Federal Historic Tax Credits, State Low Income Housing Tax Credits, and Rental Housing Revolving Fund administrated by the Hawaii Housing Finance and Development Corporation.

Reasons supporting determination

See section 7.0 Determination of Significance beginning on page 63 of the DEA.

Attached documents (signed agency letter & EA/EIS)

- [Hocking-DEA-6.25.22.pdf](#)
- [DEA-to-ERP-Transmittal-Letter.pdf](#)

Action location map

- [HH.zip](#)

Authorized individual

Janet Meinke-Lau

Authorization

- The above named authorized individual hereby certifies that he/she has the authority to make this submission.

DRAFT ENVIRONMENTAL ASSESSMENT

Hocking Hale

THE HOCKING BUILDING ADAPTIVE REUSE

TMK (1) 1-7-003: 001

HONOLULU, OAHU, HAWAI‘I



THIS DOCUMENT IS PREPARED PURSUANT TO CHAPTER 343, HAWAI‘I REVISED STATUTES

APPROVING AGENCY:

DEPARTMENT OF PLANNING AND PERMITTING

APPLICANT:

HOCKING BUILDING LLC

PROJECT PLANNING CONSULTANT:

ENVIRONMENTAL COMMUNICATIONS, INC.

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| H | Board of Water Supply will serve update request |
| I | Ingress and Egress Plan |
| J | Photos of Hocking Building |
| K | NPS Part 1 application acceptance |
| L | Low Income Housing Tax Credit Award Letter |
| M | Disability and Access Communications Board |

ACRONYMS AND ABBREVIATIONS

| | |
|-----------------|---|
| 343 | Environmental Law Hawaii Revised Statutes (343 HRS) |
| AAQS | Ambient Air Quality Standards |
| AGL | Above Ground Level |
| ANSI | American National Standards Institute |
| BLNR | Board of Land and Natural Resources |
| BMPs | Best Management Practices |
| BWS | Board of Water Supply |
| CDUP | Conservation District Use Permit |
| CEQ | Council on Environmental Quality |
| CERCLA | Comprehensive Environmental Response Compensation and Liability Act |
| CFR | Code of Federal Regulations |
| City | City and County of Honolulu |
| CO | Carbon Monoxide |
| CO ₂ | Carbon Dioxide |
| COC | Contaminant of Concern |
| COPC | Contaminant of Potential Concern |
| CT | Census Tract |
| CWA | Clean Water Act of 1977 |
| CZMA | Coastal Zone Management Act |
| DA | Department of the Army |
| dB | Decibel |
| dBA | Decibels A-Weighted Scale |
| DBEDT | Dept. of Business, Economic Development and Tourism |
| DCAB | Disability and Communication Access Board |
| DHS | U.S. Department of Homeland Security |
| DLM | Department of Land Management (City and County of Honolulu) |
| DLNR | Department of Land and Natural Resources |
| DNL | Day-night sound level |
| DOA | Department of Agriculture (State of Hawaii) |
| DOD | U.S. Department of Defense |
| DOE | Department of Education (State of Hawaii) |
| DOH | Department of Health (State of Hawaii) |
| DOT-A | Department of Transportation, Airports Division (State of Hawaii) |

| | |
|------------------|--|
| DOT-H | Department of Transportation, Harbors Division (State of Hawaii) |
| DPP | Department of Planning and Permitting (City and County of Honolulu) |
| DU | Decision Units |
| EA | Environmental Assessment |
| EFH | Essential Fish Habitats |
| EHE | Environmental Health Evaluation |
| EHMP | Environmental Hazard Management Plan |
| EIS | Environmental Impact Statement |
| EISPN | Environmental Impact Statement Preparation Notice |
| EMS | Emergency Medical Services (City and County of Honolulu) |
| EO | Executive Order(s) |
| EPA | U.S. Environmental Protection Agency |
| ERP | Environmental Review Program |
| ESA | Endangered Species Act of 1973 |
| ESA | Environmental Site Assessment |
| F | Fahrenheit |
| FAA | Federal Aviation Administration |
| FAQ | Frequently Asked Questions |
| FAR | Federal Aviation Regulations |
| FEMA | Federal Emergency Management Agency |
| FHA | Federal Housing Administration |
| FIRM | Flood Insurance Rate Map(s) |
| FONSI | Finding of No Significant Impact |
| FR | Federal Register |
| FWCA | Fish and Wildlife Coordination Act |
| GHG | Greenhouse gas |
| GHGRP | Greenhouse Gas Reporting Program |
| GWP | Global warming potential |
| H ₂ S | Hydrogen Sulfide |
| HAR | Hawai'i Administrative Rules |
| HART | Honolulu Authority for Rapid Transit |
| HCDA | Hawaii Community Development Authority (State of Hawaii) |
| HCM | Highway Capacity Manual |
| HECO | Hawaiian Electric Company |
| HEER | Hazard Evaluation and Emergency Response Office (State of Hawaii) |
| HEPA | Hawaii Environmental Policy Act |
| HFD | Honolulu Fire Department (City and County of Honolulu) |
| HHFDC | Hawaii Housing Finance and Development Corporation (State of Hawaii) |
| HIA | Honolulu International Airport |
| HISC | Hawaii Invasive Species Council |
| HPD | Honolulu Police Department (City and County of Honolulu) |
| HRS | Hawaii Revised Statutes |
| HTCO | Hawaiian Telcom |
| HUD | U.S. Department of Housing and Urban Development |
| IBC | International Building Code |
| IPCC | Intergovernmental Panel on Climate Change |

| | |
|-----------------|---|
| JBP HH | Joint Base Pearl Harbor-Hickam |
| kV | Kilovolt |
| LED | Light emitting diode |
| Leq | Equivalent sound level |
| LIHTC | State Low Income Housing Tax Credits |
| LOS | Level of Service |
| LUC | Land Use Commission (State of Hawaii) |
| LUO | Land Use Ordinance |
| MHHW | Mean higher high water |
| MLLW | Mean lower low water |
| MS4 | Municipal Separate Storm Sewer System |
| MSL | Mean sea level |
| MUS | Management Unit Species |
| NAAQS | National Ambient Air Quality Standards |
| NAS | National Airspace System |
| NEC | Network Enterprise Center |
| NEPA | National Environmental Policy Act |
| NHPA | National Historic Preservation Act |
| NMFS | National Marine Fisheries Service (National Oceanic and Atmospheric Administration) |
| NO ₂ | Nitrogen Dioxide |
| NOAA | National Oceanic and Atmospheric Administration |
| NOI | Notice of Intent |
| NPDES | National Pollutant Discharge Elimination System |
| NPS | National Park Service |
| NRHP | National Register of Historic Places |
| O ₃ | Ozone |
| OCCL | Office of Conservation and Coastal Lands (State of Hawaii) |
| OEQC | Office of Environmental Quality Control |
| OHA | Office of Hawaiian Affairs (State of Hawaii) |
| OMPO | Oahu Metropolitan Planning Organization |
| ORMP | Ocean Resources Management Plan (State of Hawaii) |
| OU1C | Operating Unit 1C |
| Pb | Lead |
| PCB | Polychlorinated biphenyl |
| PET | Polyethylene terephthalate |
| PUC | Public Utilities Commission |
| PVC | Polyvinyl chloride |
| RFP | Request for Proposals |
| RHRF | Rental Housing Revolving Fund |
| ROH | Revised Ordinances of Honolulu |
| ROI | Region of influence |
| ROW | Right of way |
| SB | Senate Bill |
| SHPD | State Historic Preservation Division |

| | |
|-----------------|---|
| SLUC | State Land Use Commission |
| SMA | Special Management Area |
| SOEST | School of Ocean and Earth Science and Technology (University of Hawaii) |
| SO ₂ | Sulfur dioxide |
| SPS | Sewage Pump Station |
| State | State of Hawaii |
| SVOC | Semi-volatile organic compounds |
| SWMP | Storm Water Management Plan |
| TMDL | Total Maximum Daily Load(s) |
| TMK | Tax Map Key |
| UH | University of Hawaii |
| US | United States |
| USACE | U.S. Army Corps of Engineers |
| USCG | U.S. Coast Guard |
| USDA | U.S. Department of Agriculture |
| USFWS | U.S. Fish and Wildlife Service |
| USGS | U.S. Geological Survey |
| UST | Underground storage tanks |
| VA | U.S. Department of Veterans Affairs |
| VOC | Volatile organic compound |
| VPH | Vehicles per hour |
| WQC | Water Quality Certification |

SECTION ONE PROJECT SUMMARY

| | |
|---------------------------------|---|
| APPLICANT: | Hocking Building LLC 1600 Ala Moana Blvd. Ste 103 Honolulu, Hawaii 96815 |
| APPROVING AGENCY: | Department of Planning and Permitting City and County of Honolulu C/O Janet Meinke – Lau 650 South King Street Honolulu, HI 96813 Tel: (808) 768-8033 Email: j.meinkelau@honolulu.gov |
| AGENT: | Environmental Communications, Inc. P.O. Box 236097 Honolulu, Hawaii 96823 |
| PROJECT NAME: | The Hocking Hale |
| PROJECT LOCATION: | 2 North King Street, Honolulu, Hawaii The project is located at corner of North King Street and Nuuanu Avenue. |
| TAX MAP KEY: | (1) 1-7-003: 001 |
| LOT AREA: | 14,980 square feet / 0.3439 acres |
| ZONING: | The project site is zoned BMX-4 Business Mixed Use on the City and County of Honolulu Zoning Map. |
| HEIGHT LIMIT: | 40-feet |
| SPECIAL DISTRICT: | The project is located within the Historic Chinatown Special District. |
| SPECIAL MANAGEMENT AREA: | Not in SMA |
| STATE LAND USE: | Urban |
| EXISTING LAND USE: | The project site consists of a structure that includes the entirety of the Hocking Building constructed in 1914 and the facade of the Aseu Building which |

was constructed in 1886. The Hocking Building and the facade of the Aseu Building and structure behind the facade are now collectively known as the Hocking Building. This building is presently in commercial use and most recently was in use as a commercial bank, office space and other vacant commercial spaces.

To the northwest (*Ewa*), southeast (*Diamond Head*), southwest (*makai*), and northeast (*mauka*), lay commercial street frontages with office spaces located on the second or higher floors. The core Downtown financial district lies further along King Street in the Diamond Head direction.

In general, the project site and surrounding area is located in a transition area where historic Chinatown and the high-rise downtown converge. The overall character of the site is one of a low-rise high density urban commercial and residential community that abuts the high-rise commercial business area.

NATURE OF DEVELOPMENT:

The proposed project was conceived as an adaptive reuse project where much needed affordable rental housing would be located in the heart of the downtown Honolulu. This project will be restricted to qualified households within the 30% to 50% Area Median Income (AMI) level.

The proposed adaptive reuse of the building will convert the commercial office space building into an affordable rental housing project with 40 units. Twenty five (25) units will be in studio configuration, six (6) units will be in one-bedroom configuration, and nine (9) units will be configured as two-bedroom units. Tenant storage will be located in the basement, a community room, gym, laundry room, computer room and existing courtyard will be located on the ground floor. The building will retain its historic appearance and efforts have been made to restore the building close to its original exterior design.

The proposed project was awarded State Low Income Housing Tax Credits (LIHTC), and Rental Housing Revolving Fund (RHRF) administrated by the Hawaii Housing Finance and Development Corporation (HHFDC) on July 2021. The project will also incorporate Federal Historic Tax Credits. Project is a historic building which must meet the provisions of Chapter 343 of the Hawaii Revised Statutes (HRS).

The project will provide critical affordable rental housing inventory within the core of the downtown Honolulu population center.

TOTAL PROJECT COST:

Approximately \$30,000,000

PROJECT SCHEDULE:

The project is anticipated to commence at the fourth quarter of 2022 and will be completed in fourth quarter 2023.

PERMITS REQUIRED:

Chinatown Special District Permit
Dept. of Planning and Permitting

Building Permits
Dept. of Planning and Permitting

Certificate of Occupancy
Dept. of Planning and Permitting

Sewer Connection Permit
Dept. of Environmental Services

SECTION TWO

PROPOSED PROJECT AND STATEMENT OF OBJECTIVES

2.1 PROJECT LOCATION AND BUILDING INFORMATION

The project site is an existing building located at the corner of North King Street and Nuuanu Avenue within the Chinatown Historic District. The site has a street address of 2 North King Street and is also identified as TMK: (1) 1-7-003: 001, a privately owned 14,980 square foot property.

Contextually, the project block consists of older two, three and four story buildings which are representative of turn-of-the-century to mid-century downtown Honolulu. In the *Ewa* and *makai* directions, this historic character continues while the *mauka* and *Diamond Head* directions are more representative of contemporary Honolulu.

The Chinatown Gateway complex located *Diamond Head* of the project site represents the closest housing opportunity with the Marin Tower apartment building located approximately one block away in the *Ewa* direction. Other high-density housing developments include the Harbor Court complex, Executive Center and the recently completed 1132 Bishop Street building which was also converted from a commercial high-rise to a residential tower.

Traditional apartments over commercial storefronts are scattered throughout Chinatown and several County and State housing developments are also located within Chinatown. The Hocking Building represents a unique opportunity to fully adapt a historic building into a transition density apartment complex that is analogous to the transition of Historic Chinatown to urban Downtown Honolulu and its financial district.

The Hocking Building was originally built by Mr. Alfred Hocking a prominent businessman and Republic of Hawaii Senator from Maui. He was born in Cornwall, England in 1852 and arrived in the United States as a young man. He spent several years in Wyoming, South Dakota, and Montana before moving to Maui to work for H.P. Baldwin. Hocking later started a lumber mill at Makawao, Maui. Hocking later sold the mill to Baldwin in order to invest in his own sugar plantation at Nahiku. This plantation was not successful, and Mr. Hocking moved to Honolulu in 1899. He began the Honolulu Brewing and Malting Company (Primo Beer) and served as its president and general manager. In 1914 Mr. Hocking built the Hocking Hotel at the current site.

Construction began on the Hocking Building in March 1914; however, the scope of the project changed on July 9, 1914, it was reported in the Pacific Commercial Advertiser “Hocking Building to be Enlarged.” Hocking had acquired the neighboring Aseu Building. An article by the Honolulu Star-Bulletin, July 14, 1914 noted, “A. Hocking, having bought the intervening land, will extend the three story building...he is erecting on King street to include the Nuuanu street corner and give it a frontage on the latter street.” The initial cost was approximately \$45,000. The first floor was divided into six stores,

the second floor was for rent as “sample rooms” where traveling salesmen could display their goods and the third floor was leased for rent. A marketing point of the era was “all the rooms are to be provided with electric lights and running water.”

The building served as residential and office space until 1967 when it was leased to American Security Bank, then subsequently assigned to First Hawaiian Bank, when it was completely converted to office space. In 1979 the interior of the Hocking building was completely gutted by fire. Between 1979 and 1981, Tax Office records indicate that the building lessee spent over \$2.3 million renovating the building. The lessee renovated portions of the building again in 1987 at additional expense.



Figure 1: Aerial View

Source: Google Earth

2.2 PROJECT DESCRIPTION

2.2.1 PROJECT NEED AND PURPOSE OF THIS DOCUMENT

The primary purpose of the subject project is to develop affordable rental housing in the Honolulu Chinatown Historic District in a manner contextually consistent with the historic district. The proposed project will increase the affordable housing inventory for the City and County of Honolulu in urban Honolulu and will diversify housing types available in this important area.

Below is the conclusion page of an affordable rental housing market study done in February 2021 by Pacific PGK, LLC. for the Hocking Hale project. They determined “Based on our demographic information and rental demand analysis, we believe that there is adequate demand in the primary market area for the subject property, as proposed.”

IX. ANALYSIS OF MARKET RATE PROPERTIES IN THE AREA

The following section calls for an analysis of “practically available rents, vacancy rates, operating expenses and turnover rates of market properties in the market area.”

Again, the following tables summarizes and analyzes the data. We note that while the underlying data comes from interviewing developers and searching on the Internet, not all of our inquiries received answers to all questions, particularly the operating expenses and turnover rates of comparable properties in.

Note that there are no large operators to call and survey for their rents, vacancy rates, etc. Instead, the Internet was used to research websites that specialize in rental units. The rental averages below are drawn data downloaded from the websites advertising rental units.

MARKET RENTALS, AVERAGE RATES

| | Studio Rents | 1 Bed Rents | 2 Bed Rents | 3 Bed Rents | 4 Bed Rents |
|--------------|--------------|-------------|-------------|-------------|-------------|
| 2016 | \$1,322 | \$1,705 | \$2,238 | \$2,687 | \$3,000 |
| 2017 | \$1,316 | \$1,706 | \$2,268 | \$2,712 | \$2,891 |
| 2018 | \$1,333 | \$1,738 | \$2,296 | \$2,800 | \$3,375 |
| 2019 | \$1,404 | \$1,823 | \$2,282 | \$2,844 | \$3,200 |
| 2020 | \$1,342 | \$1,731 | \$2,228 | \$2,955 | \$3,032 |
| 2019 to 2020 | -4% | -5% | -2% | 4% | -5% |

As seen, rent rates overall were rising 2017-2019, but have fallen last year.

MARKET LISTINGS

| | List Studio | List 1 Bed | List 2 Bed | List 3 Bed | List 4 Bed |
|--------------|-------------|------------|------------|------------|------------|
| 2016 | 180 | 571 | 892 | 243 | 9 |
| 2017 | 239 | 760 | 1,189 | 311 | 22 |
| 2018 | 295 | 935 | 1,436 | 403 | 31 |
| 2019 | 365 | 934 | 1,429 | 416 | 25 |
| 2020 | 317 | 887 | 1,146 | 345 | 26 |
| 2019 to 2020 | -13% | -5% | -20% | -17% | 4% |

Listings showed a similar trend.

X. EXPECTED ABSORPTION AND FORECASTED EFFECT ON MARKET AREA

Based on our demographic information and rental demand analysis, we believe that there is adequate demand in the primary market area for the subject property, as proposed. That said, we are seeing a reversal in trends over the last few years, all due to the pandemic and the ensuing softness in the economy. It is uncertain how long this condition will last, however it is going to be 2 to 3 years before this project will come to market. At that time, rental market conditions will be much improved.

Therefore, we expect the proposed development will attain and maintain a 99 percent occupancy rate upon stabilization.

And, in light of the paltry supply and growing demand for affordable housing, we do not foresee any negative impact on the existing rental housing stock.

XI. PROPOSED PROJECTS IN THE MARKET AREAS

According to the governor’s office, the following are affordable family projects that are in planning or under construction on the Oahu: Keahumoa Pl. 4 (81 units), Kulana Hale Mixed-Use (154 units), 630 Cooke Street (111), Alder Street (180), Hale Makana O Maili (51), Kapolei N/W Corner (168), Kukui Tower (378), and Village Of Kapolei Village 8 Cluster (50).

A parallel purpose of this project is to rehabilitate the project site and structure to in consonance with Secretary of the Interior’s Standards for Rehabilitation, as well as the Chinatown Special District Design Guidelines. By using an existing historic building to address current needs is emblematic of the adaptive reuse concept in environmentally sound and highly desirable manner.

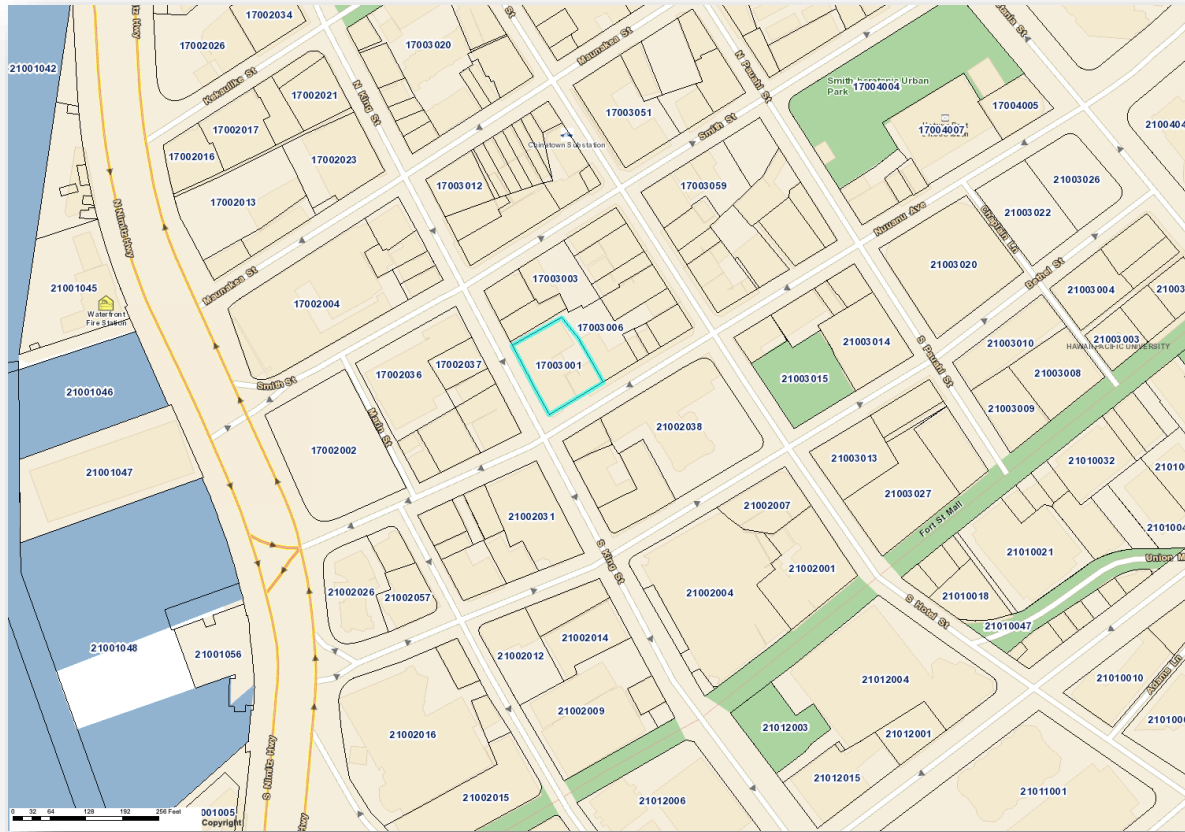


Figure 2: Street Map

Source: City and County of Honolulu

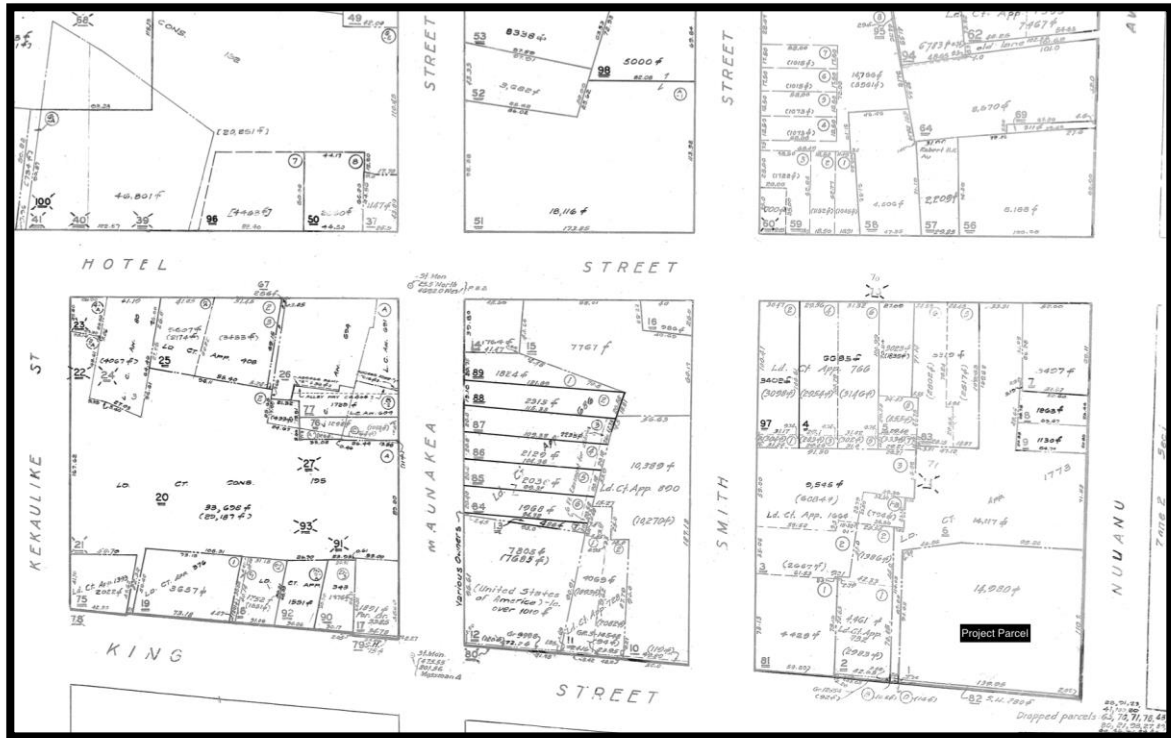


Figure 3: Tax Map Plat

Source: City and County of Honolulu



Figure 4: North King Street View

Source: Google Earth



Figure 5: Nuuanu Avenue View

Source: Google Earth

In accordance with the requirements of Chapter 343, HRS, this Environmental Assessment (EA) is being prepared as the proposed project is a significant historic building within the Chinatown Historic District, a historic site included in the National Register of Historic Places, the proposed project utilizes administered state and county funds, HRS 343-5(1). The content of this EA is guided by Hawaii Administrative Rules (HAR) Department of Health, Title 11, Chapter 200, Environmental Impact Statement Rules. The draft EA will be published in the Environmental Review Program (ERP) within the Office of Planning and Sustainable Development, which commenced a thirty-day review period. Upon acceptance of a Final EA, a Finding of No Significant Impact (FONSI) is anticipated.

2.2.2 PROJECT DESIGN

Presently the first-floor commercial space of the building is occupied by a First Hawaiian Bank, while the basement, second and third floors of the building are vacant. First Hawaiian Bank has indicated they will vacate the premise. The project proposes to place a Community Center on the ground floor and basement of the building, 6 residential units on the first floor, 21 units on the second floor and 13 units on the third floor for a total of 40 units. The adaptive reuse of this structure will be conducted as allowed by Section 21-9.6(d) of the Revised Ordinances of Honolulu (ROH).

The proposed improvements will occur within a structure that features two distinct street frontages. The North King Street frontage consists of three stories and a basement level which abruptly ends as it wraps around towards the Nuuanu Avenue frontage. The North King Street view of the building reflects the former hotel/apartment use of the building. The structure features a stucco finish and a highly detailed parapet cornice. Other than restoring the store fronts to the original design, no other exterior features will be changed. The intent is to restore the original historic features such as, spandrel panels, large display windows, clerestory windows, and the double door entrance on the corner of King Street and Nuuanu Avenue with the clock above the doors. All windows will be replaced with historic replicas consistent with windows used in the late 1800's or early 1900's (the current windows are not original and are inoperable). The exterior will be repainted with a similar color pattern. No other exterior features will be changed. See photo on page 55 for storefront changes.

The adjacent facade of the same building along Nuuanu Avenue consists of a two-story red brick structure with arched, shuttered windows located on the second floor. The first floor consists of contemporary street storefronts. Somewhat unique to the building aside from its split facades is the interior courtyard with a centrally located banyan tree.

2.2.3 RESIDENTIAL UNITS

The proposed project will consist of 40 affordable rental units located on floors. The unit mix per floor is as follows:

| Level | Studio | 1-Bedroom | 2-Bedroom | Total |
|-------|--------|-----------|-----------|-------|
| 1 | 3 | 0 | 3 | 6 |
| 2 | 14 | 3 | 4 | 21 |
| 3 | 8 | 3 | 2 | 13 |
| Total | 25 | 6 | 9 | 40 |

Studio units will range from approximately 260 to 390 square feet in size. One bedroom unit will range from approximately 350 to 560 square feet in size. Two bedrooms will range from approximately 560 to 700 square feet. Elevators and two stairwells will provide vertical circulation to the units. Access to the units will be through Nuuanu Avenue.

2.2.4 COMMON AREAS

The Hocking Building will feature the below amenities throughout the building.

- Courtyard, immediately upon entry from Nuuanu Avenue, residents may use an interior courtyard that is located directly across the elevator bank and stairs.
- Community room, located at the corner of Nuuanu Avenue and North King Street is a large community room that can be used by resident and possible community members organizations.
- Computer room, a small secured computer area will also be located in the community room area.

- Laundry room located on the first floor
- Gym located on the first floor.
- Tenant storage lockers in the basement
- Bicycle parking in the basement.
- Garbage shoot.
- Lanai, the current lanai will be extended on the second floor to overlook the courtyard.

Common areas not open to residents:

- Building manager's office (first floor).
- Building maintenance workshop (basement).
- Electrical equipment room(second and third floors).
- Janitor's room (second and third floors).

2.2.5 VEHICULAR ACCESS, PARKING, BICYCLE, AND PUBLIC TRANSPORTATION

The Hocking Building adaptive reuse project will not directly affect traffic as no parking or vehicular access will be provided to the site. The intent of the subject project is to provide housing opportunities in an area that has an abundance of employment, shopping and recreational activities. The project also promotes the use of public transportation by virtue of its location along the major bus line and its proximity to the upcoming rail transit line. The project is three blocks away from the Chinatown Rail Station. The close proximity to the rail station will reduce the need for residents to own a car and encourage the use of public transportation.

Vehicular & Multimodal Traffic

The proposed project involves an existing nationally recognized historic building which occupies virtually the entire lot. Altering the building to accommodate driveway design, the handling of service vehicles on site, and vehicle parking are not allowed by the Chinatown special district regulations, State Historic Preservation Division, and the Department of Interior National Parks Service therefore not relevant. Long term vehicular and multimodal traffic generation as a result of the proposed project should be insignificant and should not significantly impact existing traffic conditions. No mitigation measures are required.

Parking

The property is within the Chinatown Special Design District's Historic Core with its forty feet height limit, and is exempt from off-street parking requirements in accordance with Sec. 21-9.60-9(e): "Parking Exemption. Dwelling units within the 40-foot height limit shall be exempt from off-street parking requirements." The project does not have any accommodations for onsite vehicles, nor is not required to provide parking for any unit. Adjacent to the building, there are 7 metered street parking stalls along Nuuanu Avenue. There is a freight loading zone directly in front of the Nuuanu entrance of the building. Public parking is allowed on King street directly in front of the building on

weekdays after 6:30 pm and before 6:30 am, and on Saturday, Sundays and State holidays.

The project is located along the main bus line and provides very convenient access to major transportation hubs. Most importantly, the project is centrally located and within easy walking distance of major retail, employment, professional service areas.

Within a three-block radius of the building there are twelve parking lots. These are located at: 1016 Maunakea Street, 1171 Maunakea Street, 1188 Maunakea Street, 1021 Smith Street, 1125 Smith Street, 888 Nuuanu Avenue, 1031 Nuuanu Avenue, 1170 Nuuanu Avenue, 155 North Beretania, 120 North Nimitz Highway, 60 North Nimitz, and 22 South Pauahi Street.

HART – Rail

It is anticipated with the construction of the proposed HART station, a mere three blocks away at the foot of Maunakea Street, many patrons and employees will avail themselves to this means of traveling to the building. See figure 16, TOD map.

Bicycle Access

The proposed project complies with County and State Complete Street policies, pursuant to section 264-20.5, HRS. There are 3 bike share locations within a two-block radius of the project. One is located on the corner of Fort & King Street, second is located on Fort & Hotel Street and third is located on South Pauahi Street and Nuuanu Avenue. One short term bicycle parking provided by the city is directly in front of the main entrance of the building, short term parking will be provided in the courtyard and long-term bicycle parking will be provided inside the building basement. Each unit will be provided with a storage unit where tenants are able to securely store their bicycles. The project compliments the Oahu Bike Plan (2019 Update), by “develop seamless connections between bikes and transit,” and “provide safe bike access to transit stations” quote from Oahu Bike Plan (2019 Update). The main ingress and egress for bicyclist is at Nuuanu Avenue and King Street. Both streets have shared bike lanes which allows the rider to safely access City’s bike lane network. Once on the City’s bike lane network, the rider has safe access to other types of public transportation such as the bus and rail system.

Bus

The Bus has bus stops on Hotel and King Street, less than one block from the Hocking Building. The proposed project will not interfere with bus transportation services at this location. No adverse impacts are anticipated to public transportation facilities and no mitigation measures are required.

Handi-Van

Handi-Van access will be directly in front of the Nuuanu Avenue entrance. There is a 2 stall dedicated loading zone on the Ewa side of Nuuanu Avenue directly in front of Nuuanu entrance of the building. The Handi-Van will be able to stop directly in front of the entrance and pickup or drop off passengers without the riders having to cross the street.

2.2.6 LANDSCAPING

The project's interior courtyard is the only opportunity for landscaping on the project site. A large banyan tree is located in the center of the courtyard and supplemental above ground plants may be incorporated into the courtyard. Along the North King Street side of the building, the City and County's street trees are located immediately outside of the project boundaries and add an attractive green shade element to the front of the Hocking Building.

2.3 PROJECT OBJECTIVE

The Applicant is proposing the development of affordable rental housing units in a highly desirable location in the central Honolulu District. Demand for housing opportunities is significant and this location, which is arguably the primary urban employment center of Honolulu is particularly well suited for the creation of new affordable housing. The need for affordable rental housing is well recognized but very few opportunities are available in this area at prices intended for renters in the 30-50% Area Median Income (AMI) level. The project is 100% Low Income Housing Tax Credit Project. According to the IRS Chapter 42 regulations governing LIHTC projects, we are not allowed to charge higher than 60% of AMI. There will be no market rent units provided.

The in addition to the provision of critical affordable housing, the Hocking Building Adaptive Reuse project will sensitively restore the building in a historical manner that is consistent with Federal Historic Preservation Guidelines.

All of the rental units in the project will remain affordable to households earning 30% to 50% of the U.S. Department of Housing and Urban Development (HUD) area median income. The 2021 HUD affordable rental guidelines presently call for maximum allowable income per household as shown below:

Affordable rents are based on 30% of income (including utilities)**

| <u>Area</u> | <u>\$106,000</u> | <u>Studio</u> | <u>1 Bedroom</u> | <u>2 Bedroom</u> | <u>3 Bedroom</u> | <u>4 Bedroom</u> |
|------------------------|------------------|---------------|------------------|------------------|------------------|------------------|
| HONOLULU COUNTY | | | | | | |
| 30% of Median | | \$634 | \$679 | \$816 | \$942 | \$1,051 |
| 50% of Median | | \$1,057 | \$1,133 | \$1,360 | \$1,570 | \$1,752 |
| 60% of Median | | \$1,269 | \$1,359 | \$1,632 | \$1,885 | \$2,103 |
| 80% of Median | | \$1,692 | \$1,813 | \$2,176 | \$2,513 | \$2,804 |
| 100% of Median | | \$2,115 | \$2,266 | \$2,720 | \$3,141 | \$3,505 |
| 120% of Median | | \$2,538 | \$2,719 | \$3,264 | \$3,769 | \$4,206 |
| 140% of Median | | \$2,961 | \$3,172 | \$3,808 | \$4,397 | \$4,907 |

Source: Hawaii Housing Finance and Development Corporation

2.4 FUNDING AND SCHEDULE

This affordable rental housing project will employ the use of Federal and State financing mechanisms including Historic Tax Credits, Low-Income Housing Tax Credits (LIHTC) as well as Rental Housing Revolving Fund (RHRF) monies. The project total development cost is approximately \$30,000,000. The use of LIHTC and RHRF require Hocking Hale to provide affordable housing units of 30% - 50% area median income or below for a period of 65 years.

Upon completion of the Environmental Assessment process, the project will be reviewed and processed through the City and County of Honolulu Chinatown Special District process. The anticipated construction start date is beginning of 2023. The project is anticipated to be completed by the end of 2023.

Figure 7: Basement Plan - Proposed

Source: CDS International

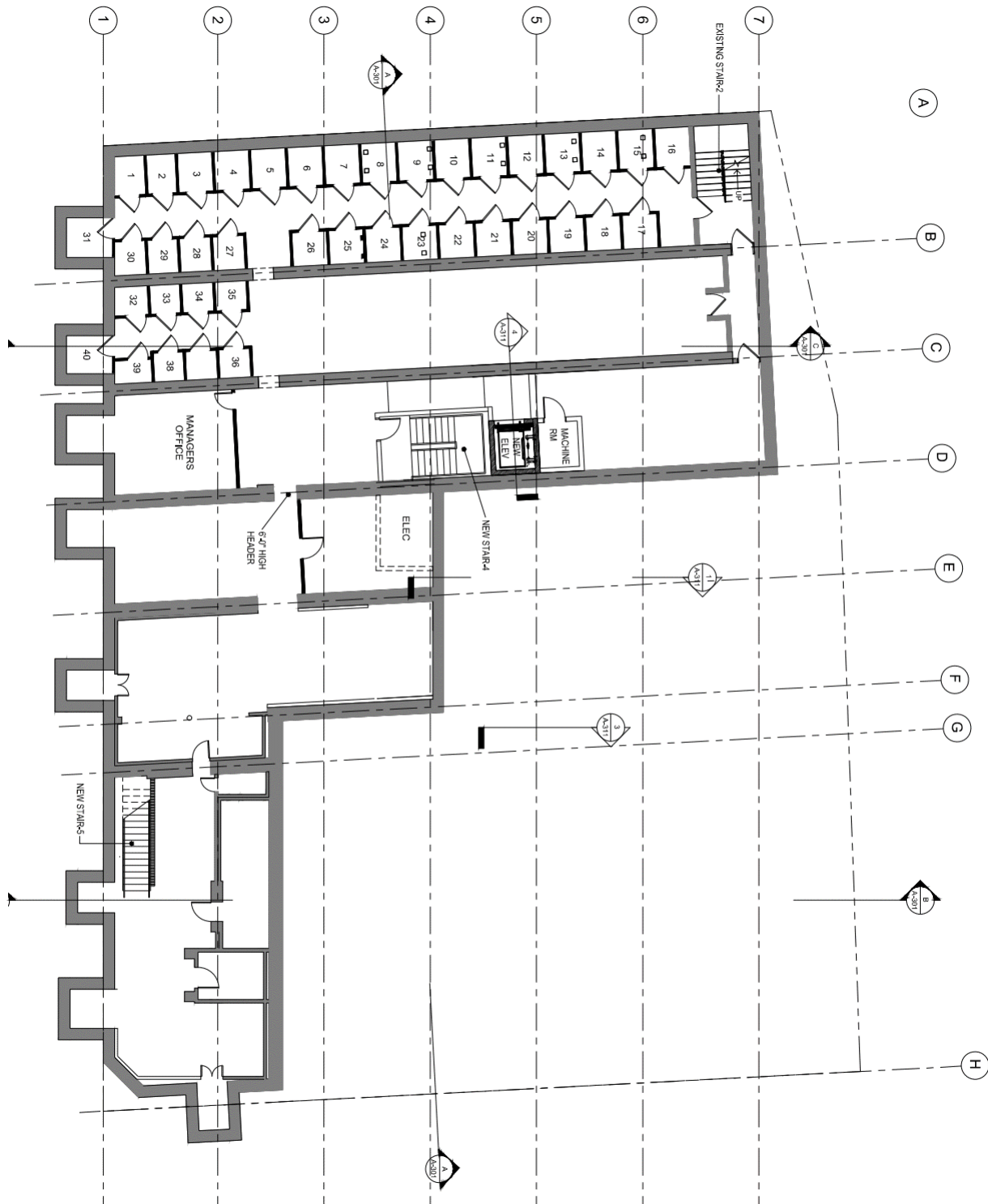


Figure 8: First Floor Plan – Proposed

Source: CDS International

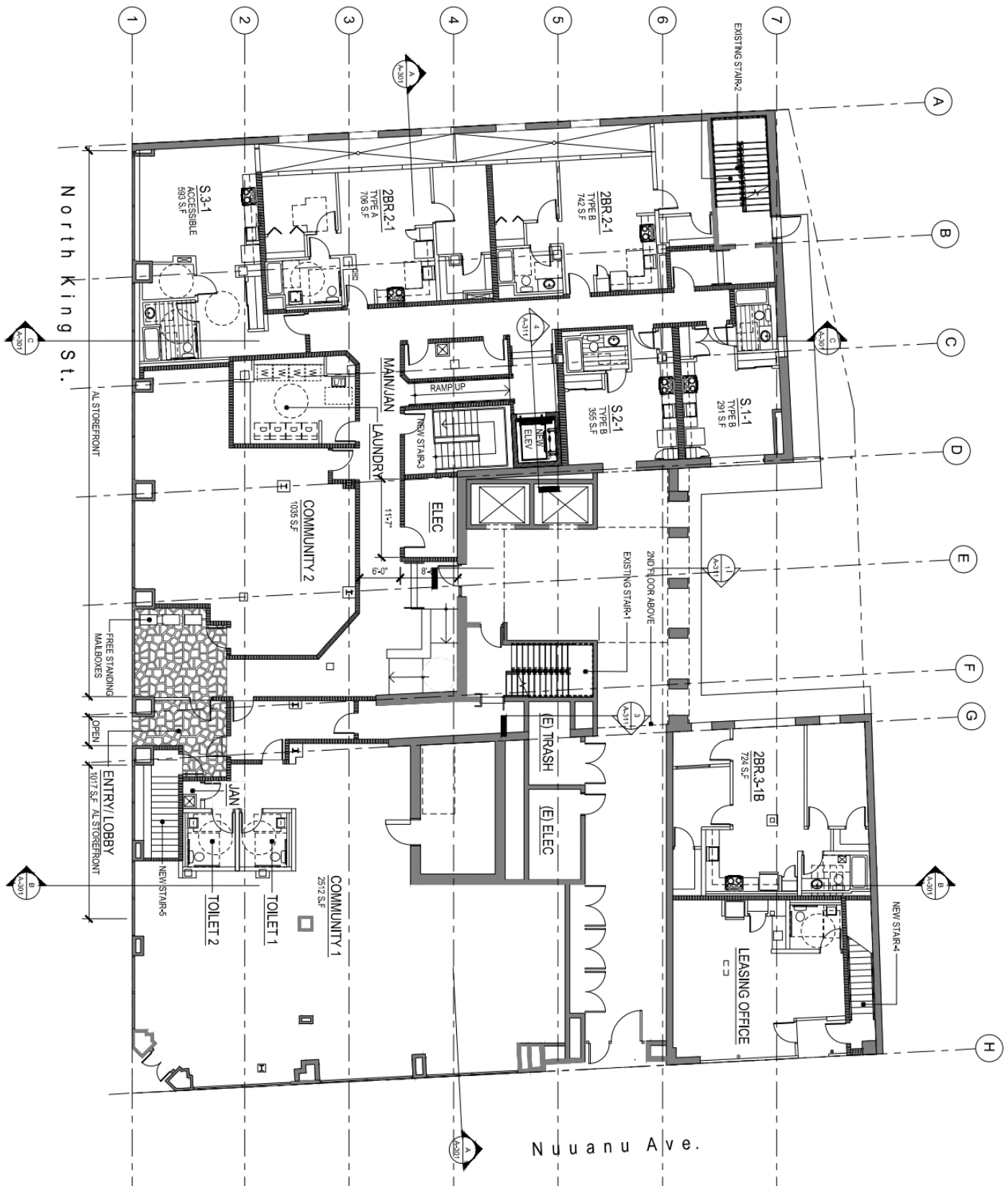


Figure 9: Second Floor Plan - Proposed

Source: CDS International

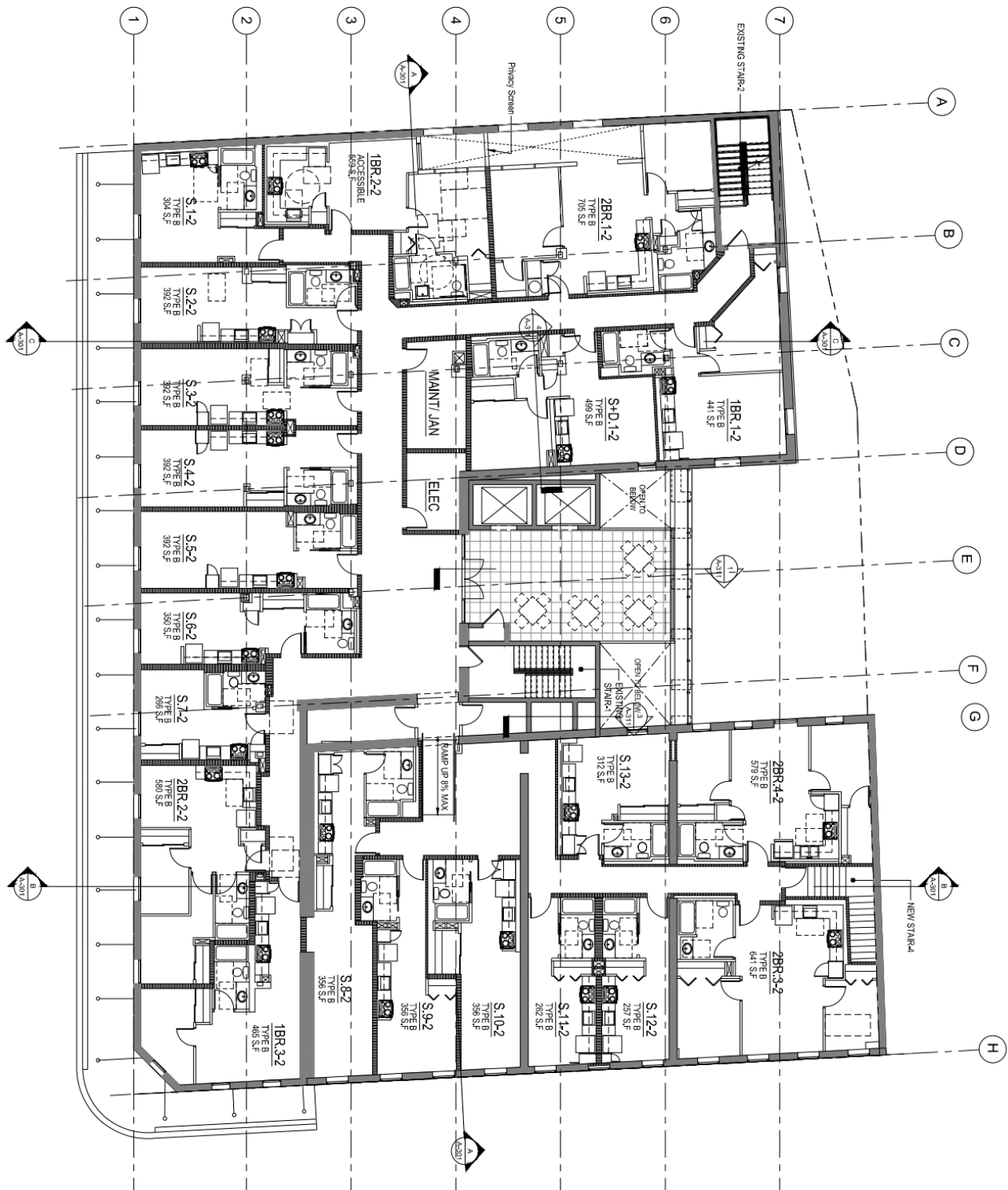


Figure 10: Third Floor Plan - Proposed

Source: CDS International

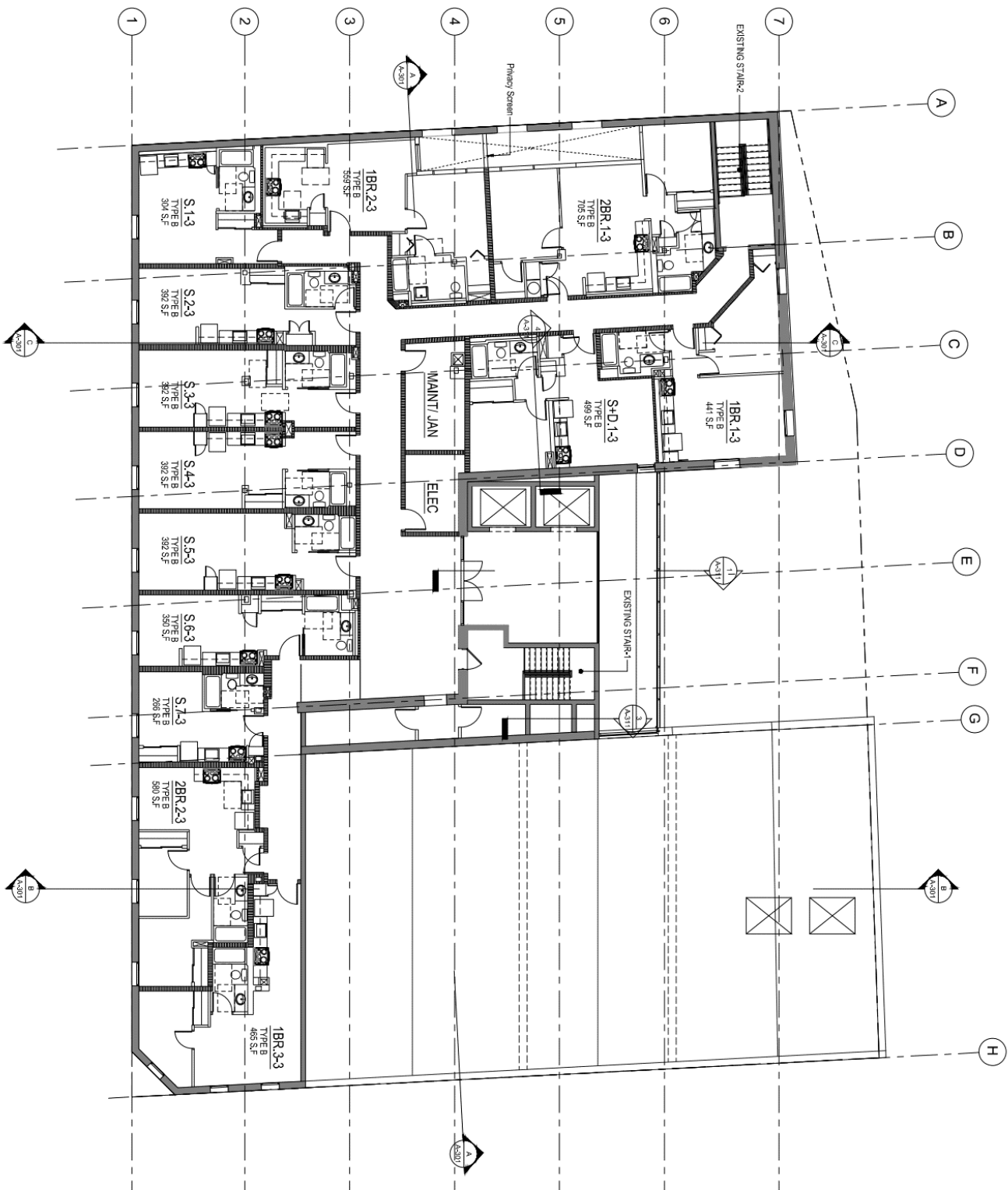
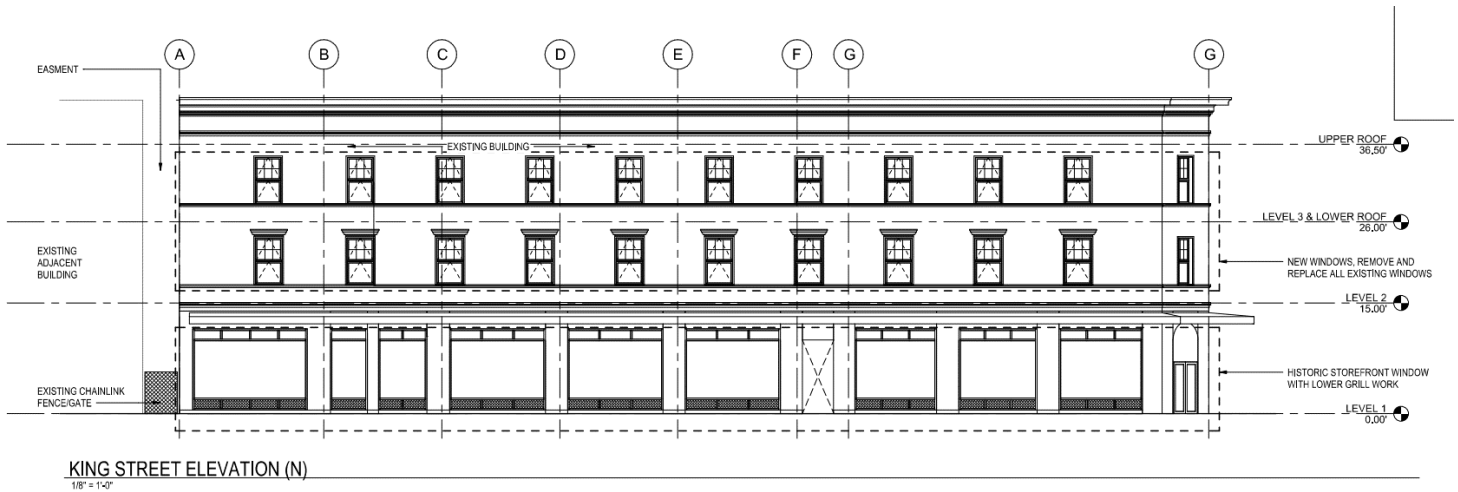


Figure 11: West and South Elevations

Source: CDS International



DESCRIPTION OF ENVIRONMENT, ANTICIPATED IMPACTS AND MITIGATION MEASURES

3.1 ENVIRONMENTAL SETTING

The project site is located in a dense, highly urban, historic district of downtown Honolulu. Located on what could be considered the border of Chinatown and the Financial District, the project block primarily consists of low-rise buildings with commercial storefronts on the ground level and office or residential units on the second or third floors. A map of the district and the historic significance of the buildings is shown in Figures 11.

The Nuuanu Avenue frontages are primarily red brick buildings with two stories with the North King Street frontage consisting of three and four story buildings of more modern design. The overall character of the neighborhood is one of a walking community that reflects the original mixed-use commercial center nature of the district. While many of the buildings in the area included residential units, many were converted to commercial office use over the years.

Chinatown Special District Design Standards

The project is designed to comply with the Chinatown Special District architectural design standards. It is our intent to restore the original historic features such as, spandrel panels, large display windows, and clerestory windows. The renovation is designed with commercial type uses on the first floor with the leasing office facing Nuuanu avenue, the main entrance on the corner of King street and Nuuanu avenue opens to a large community room, the laundry room and the gym faces King Street. Ground floor residential units face the alley or interior courtyard and is not visible to the public.

3.2 SURROUNDING USES

The Historic Core Precinct of the Chinatown Special District lies in the *Ewa* (northwestern) and *mauka* (northeastern) directions. To the Diamond Head (southern) direction lie the central financial district and further to the southeast, the Honolulu Civic Center. In the Chinatown District, the predominant mix of uses consist of street level storefronts with second floor apartments or commercial uses. Large high-rise residential units are found around the perimeter of the Chinatown District.

The building at 2 North King Street was placed in the National Register of Historic Places on January 17, 1973, as part of the Chinatown Historic District (Hawaii Historic Site Number 80-14- 9988). It is not individually listed in the Hawaii Register of Historic Places.

Through owner and designer sensitivity and guidance provided by the City and County's Chinatown Design Guidelines, State Historic Preservation Division, and Historic Hawaii Foundation the proposed addition meets the Secretary of the Interior's Standards for Historic Preservation and will not adversely impact any historic resources such as the individual building or the Chinatown District as a whole. No mitigation measures are required.



3.3 ENVIRONMENTAL CONSIDERATIONS

3.3.1 GEOLOGICAL CHARACTERISTICS

Topography

The project site consists of flat urban lands that are fully occupied by low-rise commercial buildings. The block is essentially devoid of any natural topographic features. The proposed adaptive reuse will not have any topographical impacts

Climate

The geography of the Honolulu District is typically warm and dry in climate. Prevailing trade winds arrive from the northeast. According to the National Weather Service Honolulu Office, over a period of 30 years, normal monthly high temperatures range from 80 degrees in January to a high of 89 degrees in August for an average of 84 degrees. Normal month low temperatures range from a low of 65 degrees in February and a high of 74 degrees in August for a monthly average of 70 degrees. Precipitation typically ranges from 0.44 inches in August to a high of 3.8 inches in December. The annual average rainfall in Honolulu is 17 inches per year.

USDA Soil Survey Report and Detailed Land Classification – Island of Oahu

The soil type within the project area is identified in the U.S. Department of Agriculture's Soil Conservation Service Soil Survey of Islands of Kauai, Oahu, Maui, Molokai and Lanai, State of Hawaii (1972) as being Makiki Clay Loam (MkA). Makiki Clay Loam underlies the building. Makiki Clay Loam soil consists of well drained soils in alluvium mixed with volcanic ash and cinders. Permeability is moderately rapid, runoff slow, and the erosion hazard is no more than slight.

No impacts to topographical, climate or soils are anticipated as a result of the adaptive reuse of the Hocking Building.

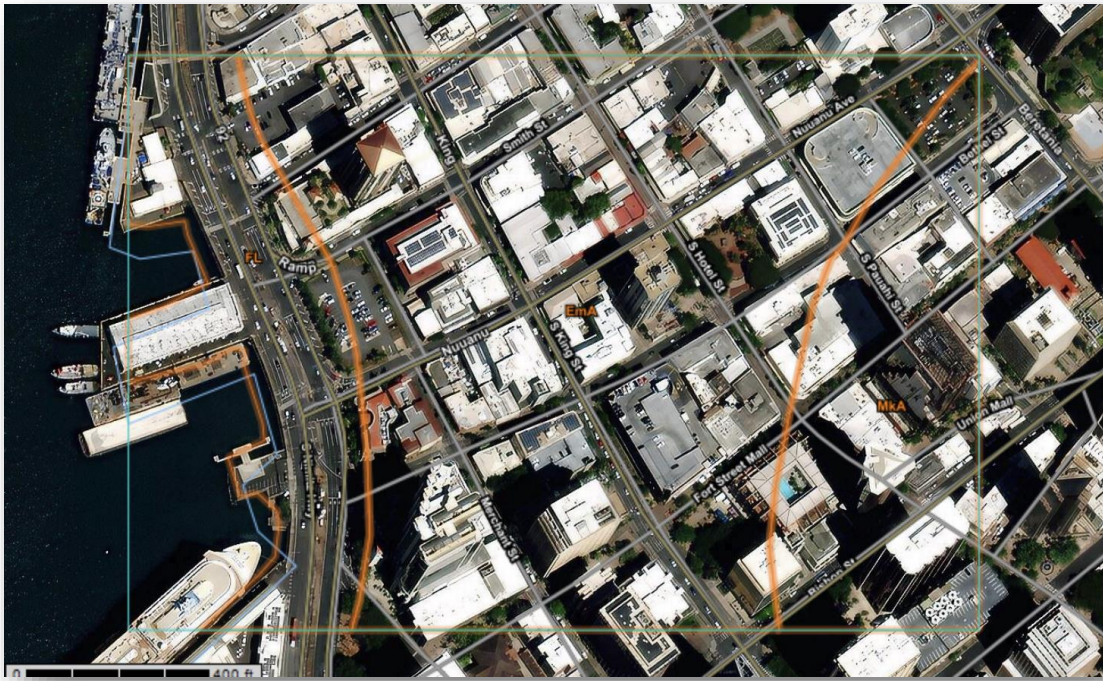


Figure 13: Soils Map Source: Natural Resource Conservation Service

3.3.2 WATER RESOURCES

There is no surface water, such as streams, lakes, ponds, open bodies of water or wetlands, on the premises or within close proximity to the project site. With regard to ground water, all of Chinatown overlies the Nuuanu aquifer of the Honolulu aquifer sector. The Nuuanu aquifer is characterized by an unconfined sedimentary basal aquifer above a confined flank basal aquifer. The upper aquifer is classified as currently used, contains moderately brackish water (between 1000 and 5000 parts per million chloride) that is not used for drinking and is not ecologically important. The flank aquifer is currently used for drinking, contains fresh water (less than 250 parts per million chloride) is irreplaceable, and has a low vulnerability to contamination (Mink and Lau, 1990).

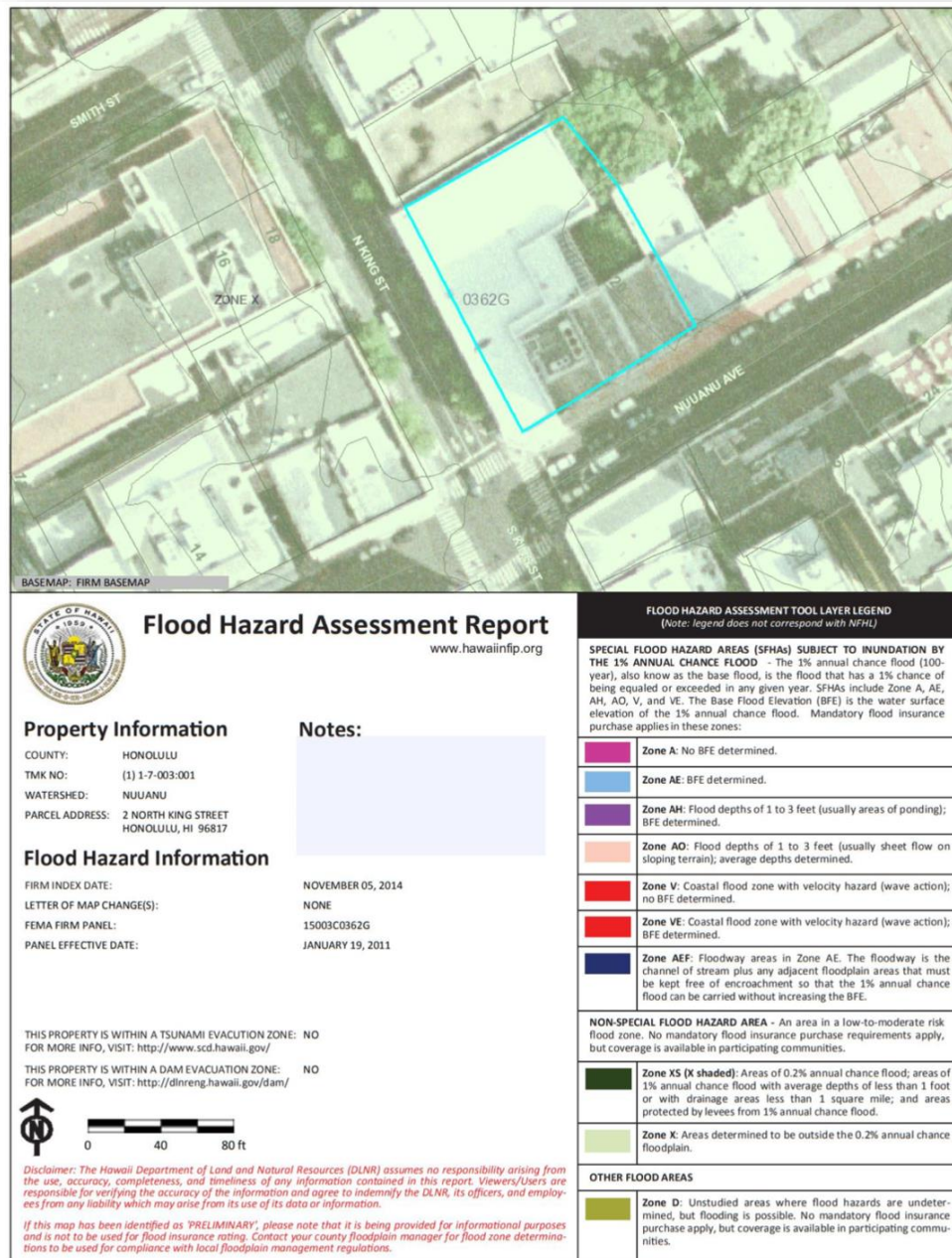


Figure 14: Flood Hazard Map Source: Department of Land and Natural Resources

Hydrologic Hazards and Resources

According to Panel 150003C0362G of the Federal Emergency Management Agency Flood Insurance Rate Map, the project site is predominantly located in Zone X, an area determined to be outside of the floodplain.

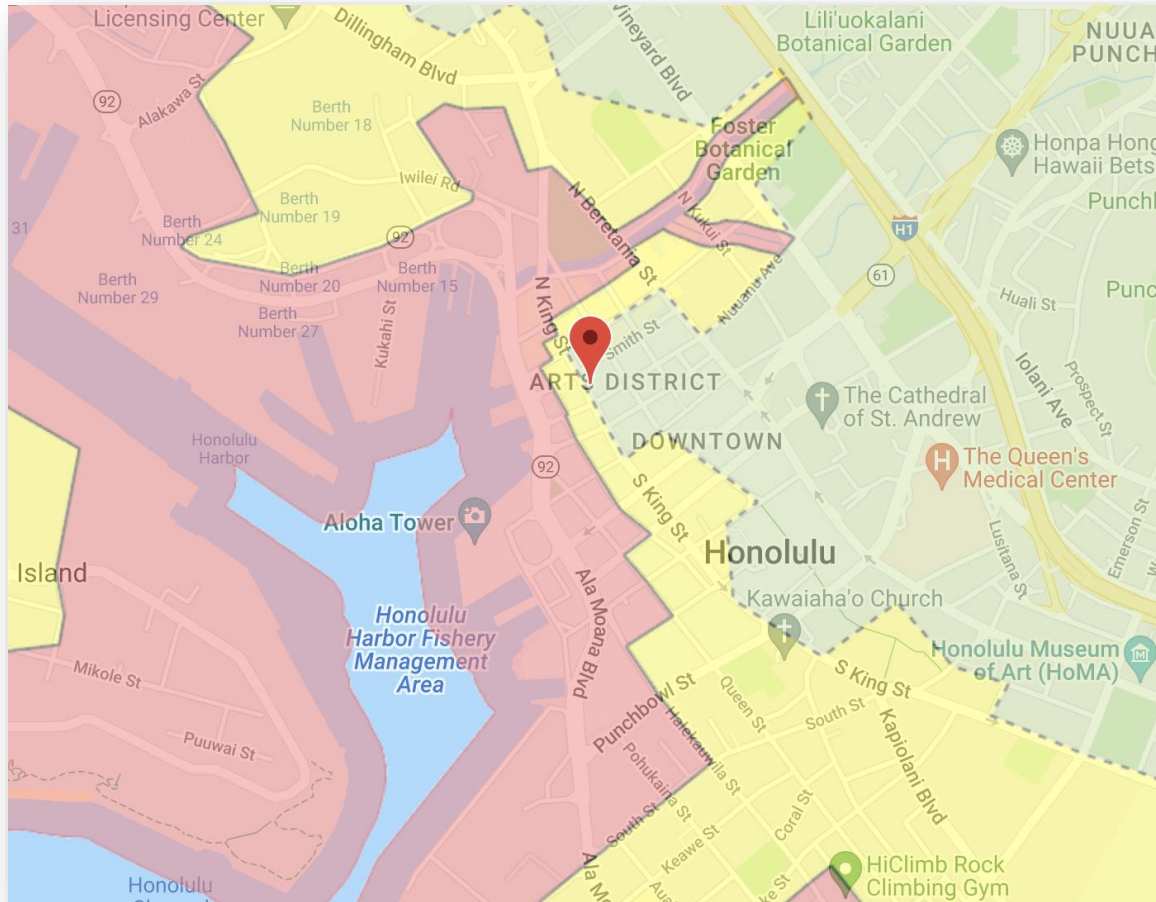


Figure 15: Tsunami Hazard Map

Source: NOAA

Tsunami Inundation

According to the National Ocean and Atmospheric Administration (NOAA), the project site is located in a safe zone on the Tsunami Hazard Map.

Special Management Area

The project site is not located within the boundaries of the Special Management Area (SMA) Map.

Sea Level Rise Vulnerability

According to the *Hawaii Sea Level Rise Vulnerability and Adaption Report* (<https://www.pacioos.hawaii.edu/shoreline/slr-hawaii/>)

authored by the Department of Land and Natural Resources, State of Hawaii Office of Planning, Terta Tech, the University of Hawaii School of Ocean and Earth Science and Technology, the University Sea Grant Program, and the Pacific Islands Climate Science Center, sea level rise has been historically noted and is projected to increase throughout the remained of the century. It is now widely accepted that rising sea levels by the year 2100 may reach 3.2 feet above current mean sea level. The project site is located 20 feet above sea level. It is not located in the sea level rise exposure area and is not located within a flood zone.

No impacts to water resources are anticipated from the adaptive reuse of the Hocking Building nor is the building likely to be adversely affected by flooding or sea level rise.

Sea Level Rise : State of Hawai'i Sea Level Rise Viewer

An Interactive Mapping Tool in Support of the State of Hawai'i Sea Level Rise Vulnerability and Adaptation Report

[view f](#)

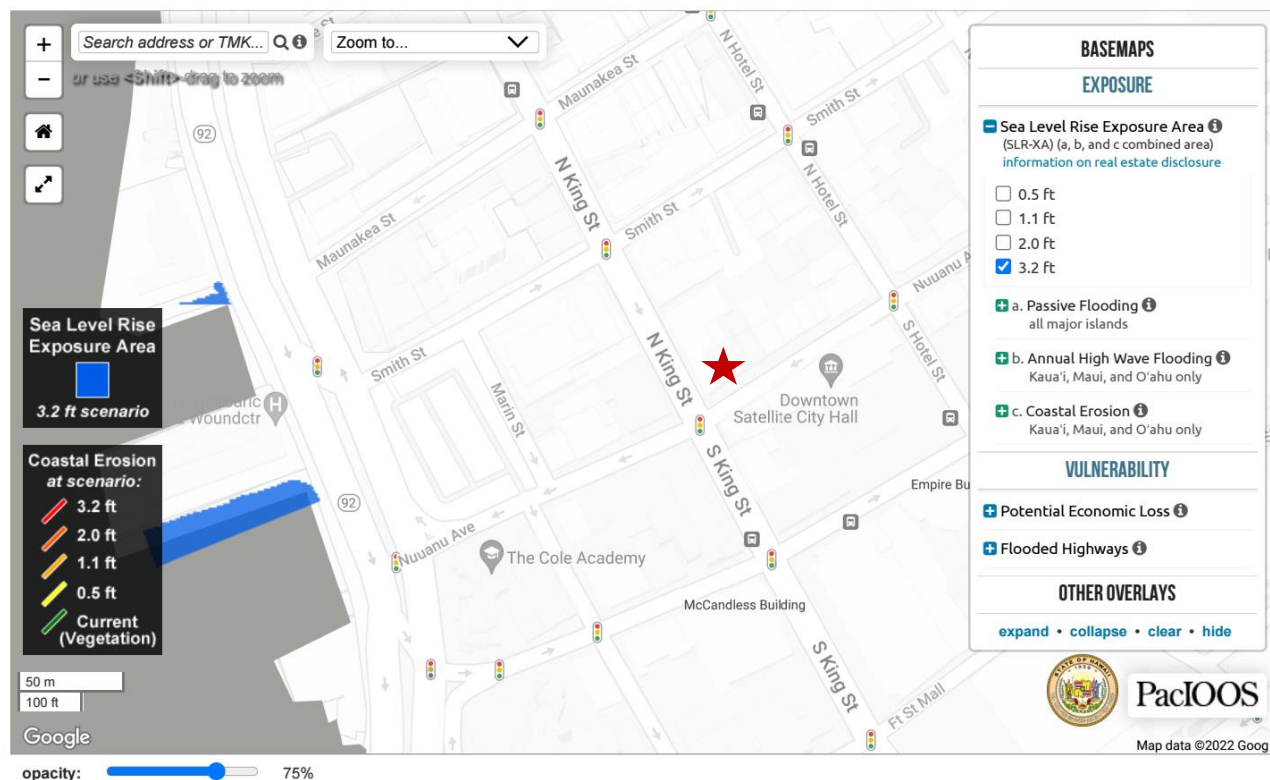


Figure 16: Sea Level Rise

3.3.3 HISTORICAL AND ARCHAEOLOGY

Historical

The Hocking Building was originally built by Mr. Alfred Hocking a prominent businessman and Republic of Hawaii Senator from Maui. He was born in Cornwall, England in 1852 and arrived in the United States as a young man. He spent several years

in Wyoming, South Dakota, and Montana before moving to Maui to work for H.P. Baldwin. Hocking later started a lumber mill at Makawao, Maui. Hocking later sold the mill to Baldwin in order to invest in his own sugar plantation at Nahiku. This plantation was not successful, and Mr. Hocking moved to Honolulu in 1899. He began the Honolulu Brewing and Malting Company (Primo Beer) and served as its president and general manager.

In 1914 Mr. Hocking built the Hocking Hotel at the current site. The scope of the project changed on July 9, 1914, it was reported in the Pacific Commercial Advertiser “Hocking Building to be Enlarged.” Hocking had acquired the neighboring Aseu Building. An article by the Honolulu Star-Bulletin, July 14, 1914 noted, “A. Hocking, having bought the intervening land, will extend the three story building...he is erecting on King street to include the Nuuanu street corner and give it a frontage on the latter street.” He then integrated the two buildings allowing access to both. The initial cost was approximately \$45,000. The first floor was divided into six stores, the second floor was for rent as “sample rooms” where traveling salesmen could display their goods and the third floor was leased for rent. A marketing point of the era was “all the rooms are to be provided with electric lights and running water.”

The building served as residential and office space until 1967 when it was leased to American Security Bank, then subsequently assigned to First Hawaiian Bank, when it was completely converted to office space. In 1979 the interior of the Hocking building was completely gutted by fire. Between 1979 and 1981, Tax Office records indicate that the building lessee spent over \$2.3 million renovating the building. The lessee renovated portions of the building again in 1987 at additional expense.

On November 15, 2021 Part 1, evaluation of significance application was submitted to State Historic Preservation Division (SHPD). On December 15, 2021 Part 2, description of rehabilitation was submitted to SHPD. On March 16, 2022 Part 1 & 2 application outlining our proposed changes was accepted by SHPD and the application was forwarded to the National Parks Service (NPS). On March 16, 2022 the NPS confirmed receipt of Part 1 & 2 application. Our application was approved on May 5, 2022 signifying the building qualifies for historic tax credits. Our plans, layout and general concept for restoration has been accepted by the National Parks Service. Part 3 is to confirm compliance with NPS comments. Historic review is deemed complete. See Appendences H for National Parks Service Part 1 & 2 application.



Photo to the left is the oldest known photo of the Hocking building taken on January 4, 1949. This is the baseline for our restoration. We are attempting to restore the Hocking building as closely as possible to the original appearance.

Using the photo as our basis, it is our intent to restore the original historic features such as, spandrel panels, large display windows, and clerestory windows. We will

restore the double door entrance on the corner of King Street and Nuuanu Avenue with the clock above the doors. The side entrances on King Street and Nuuanu Avenue will also be restored. The all windows will be replaced with historic replicas consistent with windows used in the early 1900's (the current windows are not original and all are inoperable). No other features will be changed. The exterior will be repainted with a similar color pattern.

Archaeology

The existing building covers majority of the lot. There are no surface archaeological resources on the property and there are no known archaeological sites in the near vicinity. Other than landscaping, the project will not entail any ground disturbance. In the event any significant archaeological resources or burial sites are encountered the State Historic Preservation Division (SHPD) will be coordinated with, and an Archaeological Inventory Survey following an archaeological reconnaissance survey plan approved by SHPD will be conducted. An appropriate mitigation plan will be developed.

3.3.4 CULTURAL IMPACT ASSESSMENT

The project site has been in urban use since Honolulu became the seat of government in Hawaii. Through the evolution of the district, all uses have become highly urban and no known Hawaiian cultural practices have been associated with the site. Culturally, the district has become identified as an Asian gateway area where more contemporary cultural traditions take place and continue to evolve. The site is within the Chinatown District and a modern cultural practice of note is the Lunar New Year celebration activities that take place in the district. Other notable events included the former Hoolaulea Festival and monthly Friday Art Walks. Many of these activities have ceased either temporarily or permanently due to the COVID pandemic of 2020 and 2021 but

may resume at some time in the future.

The assessment did not identify any cultural practices currently taking place in the project area.

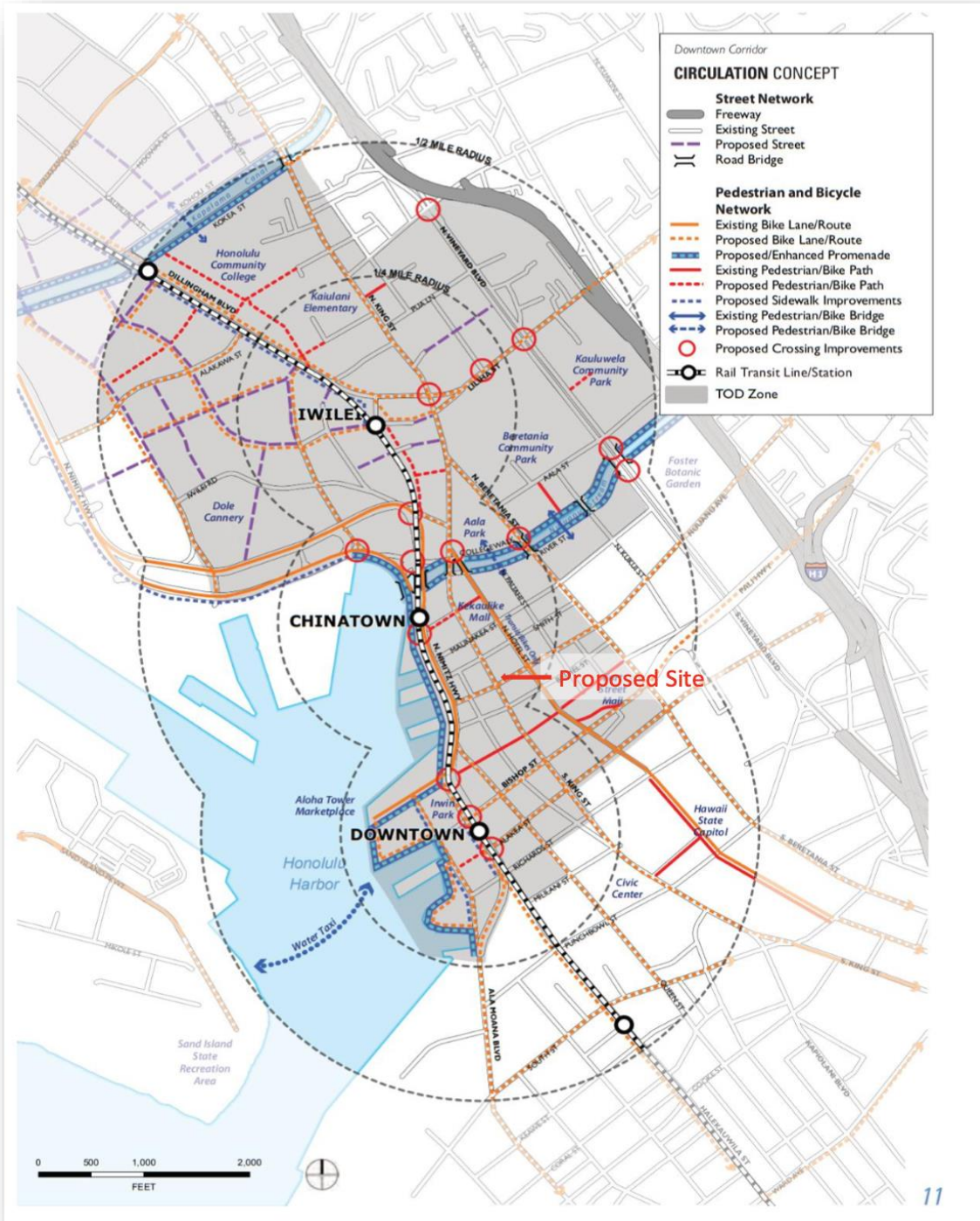


Figure 17: TOD Map Source: City and County of Honolulu

3.3.5 TRAFFIC CONDITIONS

Nuuanu Avenue is a one-way street in the makai direction. It accommodates 3 lanes of traffic with 7 metered parking stalls on the Ewa side of Nuuanu Avenue between Hotel and King Street. There is also a 2 stall dedicated loading zone on the Ewa side of Nuuanu Avenue directly in front of back entrance of the building. King Street is a one-way street with four lanes in the Diamond Head direction. Both streets are fully improved with curbs, gutters, and sidewalks on both sides. Utilities are placed underground. The posted speed limit is 25 miles per hour.

The primary vehicular access to the property is from Nuuanu Avenue with reliance upon on street parking and the loading zone.

Traffic, as a result of construction activities, will increase minimally. The construction crew will consist of approximately 5 to 10 laborers and their supervisor. The crew will arrive at and depart the construction site in the supervisor's vehicles. Authorization to reserve the three parking stalls along Nuuanu Avenue between King and Hotel streets will be requested from the Department of Transportation Services. Similarly, all construction materials will be delivered during off-peak traffic hours (8:30 am to 3:30 pm) and off-loaded in the loading zone adjoining the building. A construction management plan (CMP) will be submitted to the City & County's Traffic Review Branch for approval and a street usage permit will be obtained. The first floor of the building will serve as a staging area for the construction activities. No sidewalk or crosswalk closures are anticipated. No damage to existing roadways is anticipated; however, if such damage occurs the road will be repaired to City standards and will meet the Americans with Disabilities Act requirements. Also, the proposed project will not impinge on bus transit activities on Hotel Street and King Street as Nuuanu Avenue will provide access to the proposed project area.

When construction is completed any impacts to traffic will be positive; currently there is no parking onsite, no additional parking will be added, employees and tenants will be encouraged to use public transportation or will park off site, therefore there should be no measurable change to overall traffic. Converting from a high-density office space averaging 200 square feet per employee to lower density residential usage averaging 400 square feet per person should have a positive impact of 53 less people commuting to the site. No mitigation measures are required.

The Hocking Building adaptive reuse project will not directly affect traffic as no parking or vehicular access will be provided to the site. Public parking is readily available however the intent of the subject project is to provide housing opportunities in an area that has an abundance of employment, shopping and recreational activities. The project also promotes the use of public transportation by virtue of its location along the major bus line and its proximity to the upcoming rail transit line. The project is three blocks away from the Chinatown Rail Station. The close proximity to the rail station will reduce the need for residents to own a car and encourage the use of public transportation.

3.3.6 NOISE ENVIRONMENT

Major contributors to the existing background ambient noise levels within the project area are largely attributed to motor vehicle traffic along streets bordering the project site, and from King Street in particular due to its high traffic. The noise levels around the project site are typically consistent with noise levels found in urbanized business district areas.

Construction noise cannot be avoided; however, the scale of the proposed project is sufficiently small that construction noise will be limited. Furthermore, noise will vary by construction phase, the duration of each phase and the type of equipment used during the different phases. For this project, noise will be most pronounced during the early stages when materials are transported to the property and the framing for the interior is constructed. Most construction activities will take place inside the building and the exterior walls will help to attenuate noise.

Community Noise Control regulations establish a maximum permissible sound level for construction activities occurring within (acoustical) zoning districts. The proposed project is placed in the Class B zoning district. The maximum permissible sound level for excessive noise sources (to include stationary noise sources and construction and industrial activities) in the Class B zoning district is 60 dBA between the hours of 7 a.m. and 10 p.m. and 50 dBA between the hours of 10 p.m. and 7 a.m. (HAR 11-46, Community Noise Control). Work will be scheduled for normal working hours (7 a.m. to 3:30 p.m.) seven days a week.

The proposed project is not likely to result in an increase in ambient noise levels. While noise will be generated during the construction period, the project is not expected to impact the businesses or organizations located in nearby buildings and facilities surrounding the project site. No extraordinary mitigation measures are proposed at this time since the noise generated by current and proposed activities is not expected to exceed allowable levels. Construction activities will be monitored to comply with the provisions of the regulations for community noise control. The contractor will be required to obtain a noise permit if the noise levels from construction activities are expected to exceed the allowable levels.

3.3.7 AIR QUALITY AND HAZARDOUS MATERIALS

The State Department of Health (DOH), Clean Air Branch (CAB) has established the State Ambient Air Quality Standards (SAAQS). The DOH-CAB regularly samples ambient air quality at monitoring stations throughout the State and annually publishes this information. On Oahu, there are six monitoring stations. The closest station to the project site is located in Downtown Honolulu on the roof of the DOH (Kinai Hale) building (1250 Punchbowl Street), which measures SO₂, O₃, PM₁₀, PM_{2.5}.

Consistent trade winds regularly blow from a northeasterly direction, creating conditions for excellent air quality over the islands because the prevalent wind direction moves generated air pollutants on land to the southwest out to the open ocean. The present air quality of the project area appears to be reasonably good based on nearby monitoring data. Present air quality in the project area is mostly affected by motor vehicles, with carbon monoxide being the most abundant of the pollutants emitted. Air quality data from the nearest monitoring stations suggest that all state and national air quality standards are currently being met, although occasional exceedances of the more stringent state standards for carbon monoxide may occur near congested roadway intersections.

The primary air quality concern associated with construction projects is fugitive dust, resulting from ground disturbing activities. The proposed project will entail minimal ground disturbing activities, and the only possible short-term air quality impacts will result from off-site emissions from commuting construction workers and transport of construction materials.

The proposed project will not have short-term and long-term effect on ambient air quality in the project vicinity. During construction activities, best management practices will be used to ensure that dust control within the building are kept to a minimum. These impacts are typical of any new construction project.

3.3.8 BIOLOGICAL CHARACTERISTICS

Flora and Fauna

The existing building covers the majority of the lot. The internal courtyard will be enhanced, and the existing tree will be retained. The proposed project will not adversely impact any botanical resources and no mitigation measures are required.

The project is an adaptive reuse of an existing building located in the urban core, the proposed site does not have any rare, threatened or endangered fauna. No wildlife has been observed in the project area, and pigeons were the only avian species seen on or adjacent to the property.

The proposed project will not adversely impact any rare, threatened, or endangered wildlife resources and no mitigation measures are required.

3.3.9 INFRASTRUCTURE AND UTILITIES

The proposed improvements are readily serviced by existing utilities located in the immediate vicinity. All utilities were previously located underground and will continue to do so for the proposed project.

Water

The project site is currently served by potable water from the Honolulu Board of Water Supply (BWS) distribution system. The building is currently connected to the existing waterlines from the water lateral running along Nuuanu Avenue. The project site generated a demand for potable water service and existing water meter located on Nuuanu Avenue service the project site.

Anticipated Impacts and Mitigation Measures, the proposed project will not likely result in increased water demand. The project site contains an existing building, paved areas, and minimal landscaping, all of which will remain substantially intact. The proposed project is an adaptive reuse of the existing building and includes installation of all new water conserving plumbing fixtures and water conserving drip irrigation systems.

The proposed project has direct access to a fire hydrant located in front of the building on Nuuanu Avenue, with additional fire hydrants located across Nuuanu Avenue on the Diamondhead side of street, and also directly across on the Makai side of King Street. In addition, all three stories will have sprinkler systems.

The project received a “Will Serve Letter” from the Board of Water Supply on December 8, 2020 indicating the water system is adequate to accommodate the proposed development. The proposed 40-unit affordable rental housing project would require an estimated 12,250 gallons per day (gpd) water daily demand. The proposed project is designed to meet the current water system standards and fire and building code requirements. Due to the recent issues relating to the Red Hill fuel tank leaks, we requested an update to the December 8, 2020, letter see attached Appendix I. The final decision on the availability of water will be confirmed when the building permit application is submitted for approval.

Stormwater

Roof drains on the building go directly into the City and County storm water drainage system under Nuuanu and King Street.

The rehabilitation will not increase the footprint onto which rain may fall. Rainwater runoff from the roof will flow into existing roof drains at the front corners of the building. From the drains it will run into existing leader boxes and downspouts that connect with the City and County’s storm water runoff system.

As the square footage onto which rain may fall will not be increased, the proposed project should not result in an increase in storm water runoff. No mitigation measures are required. A drainage permit will be obtained from the City and County of Honolulu.

Best Management Practices (BMPs) will be put in to place prior to the start of any construction to ensure that runoff in the storm drain system is treated for minimal impact into State receiving waters. Additionally, Low Impact Design feature will be considered for the project.

Wastewater

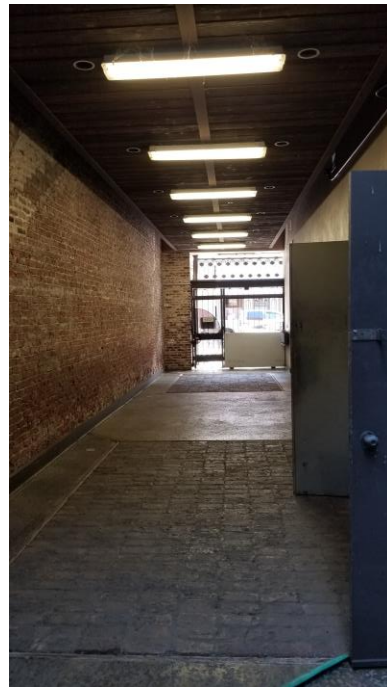
The Hocking Building is serviced by 8-inch sewer main on Nuuanu Avenue and also on King Street. Wastewater flows to the Ala Moana Pump Station on Ala Moana Boulevard near South Street and then to the Sand Island WWTP for treatment and ocean disposal. Based on the anticipated water usage, the proposed project should result in a minimal increase in wastewater flow at the site. The existing sewer system is available and adequate to accommodate the proposed improvements. A sewer connection permit (application number 2020/SCA-1450) was obtained from the City and County of Honolulu on October 12, 2020.

Solid Waste

The site is currently served by a private refuse collection service. The intent is to continue the use the private refuse collection service for solid waste. There is a solid waste disposal room (photo below) as shown on the floor plans, Figure 7: First Floor Plan (E)TRASH. The garbage bin is wheeled out hallway to Nuuanu Avenue where it is collected. Changing this process is not an option; the Chinatown special district rules and the National Park Service will not allow for a historic building of this nature to be altered to accommodate on site garbage collection.



Trash Room



Hallway to
Nuuanu Avenue

Telephone and Electrical Services

Telephone and electrical services are available to the site. Coordination with the local electric and telephone service providers will be expected during the design and construction phases.

3.3.10 PUBLIC FACILITIES

The Central Fire Station No. 1 provides fire protection service to the project area. The station is located at 104 South Beretania Street. Response time to the site is less than 5 minutes. In July 2021 the Honolulu City Council approved the addition of a new Chinatown Fire Station. A location and date of construction of this facility is undetermined.

Police service is provided by the Honolulu Police Department (HPD) District 1, Beat 54 which is administratively based at the Chinatown Substation located two blocks away, and the Main Police Station on Beretania Street. Police services are provided by patrolling officers and response time to the site is less than 5 minutes.

The nearest hospital providing full medical services is the Queens Medical Center and Straub Medical Center which are both located approximately 1.0 mile from the project site. The downtown area is also notable for the number of independent physician's located within walking distance.

Public Schools that serve the project site include Princess Victoria Ka'iulani Elementary School located 1.1 miles away, Ke'elikolani Middle School located 0.7 miles away, and President William McKinley High School located approximately 2 miles from the project site.

The Department of Education (DOE) is required to provide education for all school-aged children. The proposed project is expected to have minimal impact on public school services as the project unit mix is primarily targeted to single or two person occupancy. Presently, there are no fees or school impact assessments placed on new developments. In the event that school capacity is reached, the developer will be open to discussion with the Department of Education regarding possible solutions.

Active recreational centers located throughout the district and parks north of the project site are shown below. Major parks that serve the project site include the Kaka'ako Waterfront Park and the Ala Moana Regional Park. The parks are located 1.5 and 1.8 miles from the project site respectively.

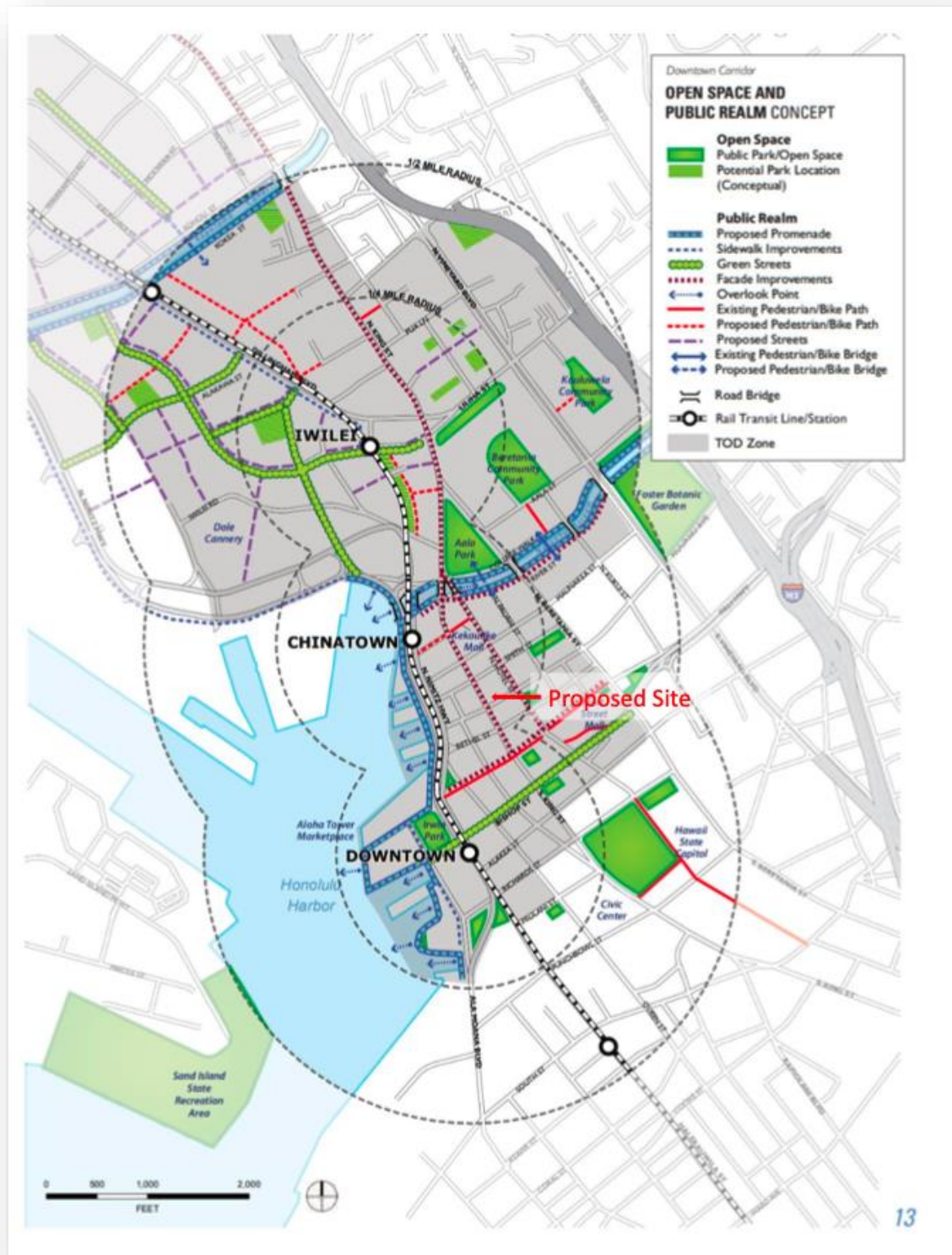


Figure 18: Public Park Map

Source: City and County of Honolulu



Figure 19: Public Services Map

Source: CDS International

3.4 ECONOMIC CHARACTERISTICS

First Hawaiian bank intends to close the existing branch in the building causing a void for the area. Directly across the street from the Hocking building is the One South King Street building. This building has been vacant for approximately 10 years. Converting the Hocking Building to an affordable housing project will prevent the Hocking Building from running into the same economic state as the One South King Street Building.

The projected construction cost is approximately \$13,000,000 and the anticipated start up time for the proposed project is early 2023 and it will be completed before 2024. The project will be funded by private money, with possible assistance from City and County of Honolulu, federal historic preservation tax credits, low income housing tax credits and rental housing revolving funds. Construction will commence after all design plans are approved and construction permits received.

The proposed renovation and repurposing of the project site would restore and preserve the Hocking Building, while maintaining the remaining aspects of the current facade. In addition, the proposed adaptive reuse of the project site would revitalize the surrounding area with positive activity, inviting uses, and attractive features. Most importantly, the

proposed project would restore and rejuvenate the Hocking Building and Downtown Honolulu neighborhood, while also facilitating the critical need for affordable housing.

3.5 SOCIAL CHARACTERISTICS

It is the intention of First Hawaiian bank to close the existing branch in the building causing a void for the area. Repurposing the building as affordable housing and opening of the community center on the ground floor of the Hocking Building will add to Chinatown's vibrant and growing business district and help to attract people to downtown during morning hours and throughout the day. Currently, the second and third floors of the building are vacant. The use of these floors as residential will add to the number of people living and working in the Chinatown area, which will contribute to the Chinatown Historic District's social and economic vitality.

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4.1 STATE OF HAWAII PLANS AND POLICIES

This map of downtown Honolulu, Hawaii, displays a grid of streets and various landmarks. A red rectangle highlights a specific area in the central part of the map, near the intersection of Smith St and Nuuanu Ave. The map includes labels for streets such as Kalia St, Ala Moana Blvd, and various local streets. Key landmarks like the Aloha Tower, Waikiki Beach, and the University of Hawaii are marked. The map also shows the coastline and the Pacific Ocean.

Source: City and County of Honolulu

JUNE 2022

The project is also consistent with the Hawaii State Plan, HRS Chapter 226. While the project minimally affects the physical environment, the project will not affect the natural beauty and historic resource of Hawaii (12(b)(5) and 12(b)(7)) as the site is existent as a commercial use within a highly urban environment. The project does provide significant affordable housing and socio-cultural advancement by providing a housing component in an already fully integrated community that is supportive of general guidelines on sustainability.

HRS 226-19 elaborates on the State's plan for socio-cultural advancement as it relates to housing. In this regard the Plan states:

(1) Greater opportunities for Hawaii's people to secure reasonably priced, safe, sanitary, and livable homes, located in suitable environments that satisfactorily accommodate the needs and desires of families and individuals, through collaboration and cooperation between government and nonprofit and for-profit developers to ensure that more affordable housing is made available to very low-, low- and moderate-income segments of Hawaii's population, (2) the orderly development of residential areas sensitive to community needs and other land uses, (3) the development and provision of affordable rental housing by the State to meet the housing needs of Hawaii's people.

The project will advance HRS 226-19 by providing much needed affordable rental housing that balances the market housing found in the project vicinity.

Furthermore, HRS 226-55, the State functional plan on housing specifies objectives, policies and implementing actions to realize the States objectives for diverse housing types and the intent of the functional plans to work in coordination with other County and regulatory concerns. As stated earlier, the Hocking Building project will expand the diversity of housing found in Chinatown / Downtown area and is clearly supportive of the high demand affordable rental housing market.

The affordable housing provided by the project promotes all of the aforementioned State Plan provision and most significantly addresses HRS 226-106 which elaborates on the priority guidelines on affordable housing which is the primary intent of the subject project. The Hocking Building project is not in conflict with any of the State's housing plan objectives.

HRS 226-108 provides the priority principles and guidelines for sustainability. In this regard, the project is generally consistent with all of the principles but is particularly applicable to the subsection (1) Encouraging balanced economic, social, community, and environmental priorities, and (3) Promoting a diversified and dynamic economy. The project will represent a significant component in creating a balanced Downtown district by providing affordable rental housing units within an area that is also includes market rate housing projects. By creating

affordable workforce housing, the project will support diverse economic opportunity as well as social and community balance.

Disability and Communication Access Board

The project will utilize State of Hawaii funds which requires that the project meet the provisions of § 103-50, Hawaii Revised Statutes as follows:

All buildings, facilities, and sites shall conform to applicable federal, state, and county accessibility guidelines and standards. Hawaii Revised Statutes §103-50 requires all State of Hawaii or County government buildings, facilities, and sites to be designated and constructed to conform to the Americans with Disabilities Act Accessibility Guidelines, the Federal Fair Housing Amendments Act, and other applicable design standards as adopted and amended by the Disability and Communications Access Board. The law further requires all plans and specifications prepared for the construction of State of Hawaii or County government buildings, facilities, and sites to be reviewed by the Disability and Communication Access Board (DCAB) for conformance to those guidelines and standards.

Hocking Hale project submitted the plans to DCAB for review on October 28, 2021. Final approval letter from DCAB was received on Jun 1, 2022. See attached Exhibit K in appendices.

4.2 CITY AND COUNTY OF HONOLULU PLANS AND POLICIES

General Plan

The City and County of Honolulu General Plan provides the overall vision for the island of Oahu and broadly outlines the objectives and policies shaping future growth. While the proposed action is consistent with the Plan overall, it is particularly pertinent to the Section IV, Housing. It is here where proposed action supports Objective A, to provide decent housing for all the people of Oahu at prices they can afford, and Objective C, to provide the people of Oahu with a choice of living environments which are reasonably close to employment, recreation, and commercial centers and which are adequately served by public utilities. The proposed action will provide affordable rental housing that is located within close proximity to major employment centers as well as having excellent access to public transit options.

Sustainable Communities and Development Plan

The proposed project is consistent and promotes the broad and specific policies of the PUCDP. The following discussion address the specific sections of the PUC that support the proposed improvement project.

Section 2. The Vision for the PUC's Future

Section 2.1 Honolulu's Natural, Cultural and Scenic Resources are Protected and Enhanced states that "Culturally- and historically-important sites, landforms and structures continue to be preserved and enhanced." The Hocking Building project promotes this policy by retaining and enhancing the historic value of this site located within the Chinatown Historic District. Furthermore, the project will restore the building back to its original use by converting it back to residential from its current commercial use.

Section 2.2 Livable Neighborhoods have Business Districts, Parks and Plazas, and Walkable Streets. The Hocking Building project is centrally located and is a model location for livable neighborhood business and residential uses adjacent and surrounding the site. It is also within a major employment center, has an abundance of services available within easy walking distance or nearby transit lines. Several plazas are located nearby, and the urban living model created by this project is fully within the intent of this section of the PUCDP.

Section 2.3 The PUC Offers In-Town Housing Choices for People of All Ages and Incomes. The project's locating within this central urban area is an ideal location for residents of all ages and is very convenient for the elderly. Perhaps the most important aspect of the proposed project is its target resident Area Median Income level of 30% to 60%. This affordability index addresses a critical component of diversified housing within this highly concentrated urban area. This project is an adaptive reuse action which allows the project to be financially feasible while provided housing opportunities for this underserved demographic.

Section 3. Land Use and Transportation

Section 3.1 Protecting and Enhancing Natural, Cultural and Scenic Resources. As stated in the PUCDP "Honolulu's natural, cultural, and scenic resources are protected and enhanced" and as a "heritage" resource, the Hocking Building is located within the Chinatown Historic District and is a significant building of "very high" value by the Chinatown Special District Plan. The proposed improvements will enhance the value of this resource in two ways. First, it will restore the building back to its original use. Second, the proposed physical exterior improvements will more closely align with the buildings original form.

More specifically, Section 3.1.3.1 Historic and Cultural Sites states the following:

Preserve the architectural character, landscape setting and visual context of historic landmarks through appropriate zoning standards and development controls, as necessary, and public outreach programs such as design guidelines for the maintenance, renovation or expansion of older dwellings.

The Hocking Building adaptive reuse project fully supports this policy objective.

Section 4. Infrastructure and Public Facilities

The Hocking Building project is an adaptive reuse development that is already served by existing infrastructure within an area with the capacity to support the proposed project. Water, wastewater, electrical, telecommunication services presently serve the site and will continue to be used with this adaptive reuse action.

Non-utility services to support the proposed project are all located within close proximity and can be readily accessed by the residents of the project. Schools serving the project site include Kaiulani Elementary School, Ke‘elikōlani Middle School and McKinley High School. Other public services available to the site include the Honolulu Police Department, District 1., Fire protection from the Honolulu Fire Department’s Kakaako Station No. 9 and Downtown Station No. 1. Complete medical services are available at Queens Medical Center. The Hawaii State Library is also located within one mile of the project site.

PUC Map

The PUC Map that includes the project area designates the project area as District Commercial which is consistent with the project zoning designation of BMX-4. Under the allowed uses within the BMX-4 zoning designation is housing. In this regard the project is fully consistent with the PUC Map.

Zoning Map

The project area is designated BMX-4, Central Business Mixed-Use District by the City and County Land Use Ordinance (LUO). The intent of the BMX-4 zoning is to set apart the portion of Honolulu which forms the city’s center for financial, office, governmental and housing, allowing the highest land use intensity for commerce, business, and housing.

The proposed project is located within the Historic Core Precinct of the City & County of Honolulu’s Chinatown Special Design District, and its proposed use supports the overall objectives of the district as articulated in LUO Section 21-9.60-1. The proposed rehabilitation of 2 North King Street comports with the purpose the City’s Land Use Ordinance (LUO) and will contribute to the Chinatown Historic District’s social and economic vitality. See Figure 5, Chinatown Special District.

The proposed project supports the following LUO objectives for the Chinatown Special Design District enumerated in HRO Section 21-9.60-1:

- a) Help promote the long-term economic viability of the Chinatown District as a unique community of retail, office and residential uses.

- b) Retain the low-rise urban form and character of the historic interior core of Chinatown while allowing for moderate redevelopment at the mauka and makai edges of the district.
- c) Retain and enhance pedestrian-oriented commercial uses and building design, particularly on the ground level.
- d) Preserve and restore, to the extent possible, buildings and sites of the historic, cultural, and/or architectural significance.
- e) Encourage a variety of signage and graphics that reflect and compliment the district's ethnic vitality and diversity, and which are compatible with and compliment buildings and sites within the district.
- f) Encourage outdoor lighting for the purpose of contributing to a lively, friendly, and safe urban environment.

The proposed project meets the LUO's Historic Core Objectives, as articulated in Sec. 21-9.60-8. Historic core precinct objectives are as follows:

- a) Encourage the retention and renovation of buildings of historic, architectural or cultural value.
- b) Ensure the design compatibility of new structures with historic structures through low building heights, continuous street frontages and characteristic street facade elements.
- c) Encourage the continuation and concentration of the long-established ethnic retail and light manufacturing activities by providing space for these uses particularly on the ground level.
- d) Encourage one- and two-family dwelling use to provide a variety of compatible uses which would contribute to the precinct's social and economic vitality.

Within the LUO there are special standards for the development of the Chinatown Special Design District to provide safeguards for the preservation and enhancement of buildings within the district and to protect the overall character of Chinatown. Design controls are provided to guide aesthetic and architectural aspects of project development. Implementation of the district's objectives consists primarily of height limitations and architectural appearance and character. As the proposed project involves rehabilitation to a historically significant building, a special district permit application will be submitted to the City and County Department of Planning and Permitting for its approval.

4.3 Chinatown Special District Permit

- a. The project is designed to comply with the Chinatown Special District architectural design standards. We will restore the original historic features such as, spandrel panels, large display windows, and clerestory windows. It is our intent to conform to Chinatown's character by putting the commercial type uses such as the leasing office, large community room, laundry room, and the gym on the first floor. Ground floor residential units face the alley or interior courtyard and is not visible to the public. Other than restoring the original entrance, storefronts and windows, all alterations pertain to the interior of the building envelope. No other alterations to the exterior are planned.
- b. Architectural Character
Many of the architectural character (on the first floor) of the early 1900's were removed. It is our intent to restore the elements of the original store fronts with clerestory windows, large display windows, spandrel panels and the original double door entry. See below photos.



Rebuilding
Original
Entry



All the original facade treatment will be maintained and repaired, such as decorative cornice, lintels, double-hung windows, sills, and cornice line denoting floor change.

c. Color

Existing color scheme will be used to harmonize with surrounding buildings and perpetuate the traditional colors found in Chinatown. Miscellaneous elements, such as gutters, downspouts and vents will be painted a color that will blend into the background surface color. Brick and stone will be left in their natural color and not be painted. Metal and wood trim pieces will be painted colors which are compatible with the adjacent, natural colors of masonry materials. Reflective or iridescent colors will not be used.

d. Courtyard

A large banyan tree is located in the center of the courtyard and supplemental above ground plants may be incorporated into the courtyard. The interior courtyard will be maintained to provide light, air and to service the interior residential spaces.

e. Chinatown Special District Objectives

The project is designed to comply with all the Chinatown Special District Objectives (see below) and stated in the City and County's zoning code, the Land Use Ordinance.

- a. Promote the long-term economic viability of the Chinatown District as a unique community of retail, office and residential uses.
- b. Retain the low-rise urban form and character of the historic interior core of the Chinatown District.
- c. Retain and enhance pedestrian-oriented commercial uses and building design, particularly on the ground level.
- d. Preserve and restore, to the extent possible, buildings and sites of historic, cultural, and/or architectural significance, and encourage new development which is compatible with and complements these buildings and sites, primarily through building materials and finishes, architectural detailing, and provisions for pedestrian amenities, such as storefront windows and historic signage details.
- e. Improve traffic circulation with emphasis on pedestrian linkages within and connecting outside Chinatown.
- f. Retain makai view corridors as a visual means of maintaining the historic link between Chinatown and the harbor.

SECTION FIVE

IMPACTS, ALTERNATIVES AND MITIGATION MEASURES

5.1 PROBABLE IMPACT ON THE ENVIRONMENT

The proposed project is an adaptive reuse project that represents a change from its current but restores a significant portion to its original use. The project is consistent with surrounding land uses and the intent of the prevailing Land Use Ordinance. Impacts associated with the proposed project have generally been determined to be negligible. Views will not be impacted as a result of the renovated facility. As a residential use, activity within the building will likely be highest during non-work hours and on weekends. This is considered highly desirable and an activator in creating a work / live environment.

When viewed in the cumulative with the other adjacent projects, impacts to the environment will remain slight. The built environment will essentially remain the same. Activity within the building will run counter to its current situation where most activity occurs during the day and almost no activity occurs during the evening hours. These cumulative impacts are offsetting to the surrounding environment and are typically associated with residential use. The project will provide exceptionally convenient transportation alternatives.

Positive environmental impacts are expected as a result of the affordable rental residential inventory. The convenience of residing near major employment and commercial centers will decrease the need for private cars resulting in decreased traffic volumes and the associated environmental benefits of reduced traffic.

5.2 ADVERSE IMPACTS WHICH CANNOT BE AVOIDED

Adverse impacts that cannot be avoided are generally related to short-term construction impacts. These impacts can be minimized by sound construction practices, Best Management Practices (BMPs) adherence to applicable construction regulations as prescribed by the Department of Health, and coordination with applicable County agencies.

Increases in traffic and air and noise pollution will occur during the construction period and are expected of any development of this nature.

5.3 ALTERNATIVES TO THE PROPOSED ACTION

A no action alternative would maintain the status quo of the property thus precluding the occurrence of all environmental impacts, short and long term, beneficial and adverse, described in the Assessment. Resources committed to plan and rehabilitate the building would be foregone and the stated objectives of

the project, as well as the benefits expected to accrue from the project, would not be achieved. Most likely the property will go vacant for several months if not years similar to the One King Street building directly across King Street. With the exit of First Hawaiian Bank from the building, it will create a void in the area.

Within the scope of proposed improvements, alternative density configurations were considered and the proposed unit mix was deemed optimal in addressing the targeted 30 to 50% AMI market. No alternative locations were considered as the opportunity to reuse this existing facility was deemed the most feasible by the project developer.

5.4 MITIGATION MEASURES

Long-term impacts resulting from the proposed improvements are expected to be minimal or non-existent based upon the subject environmental assessment. Long-term traffic, air and noise impacts are not expected to change after improvements are completed. Short-term construction related noise and air quality impact mitigation measures include general good housekeeping practices and scheduled maintenance to avoid a prolonged construction period. The contractor will be directed to use best management practices (BMP) wherever applicable. Construction materials and equipment will be transported to the project site during non-peak traffic hours. In the event that existing roadways or sidewalks are damaged during construction activities, the roadways and sidewalks will be restored to original or better condition.

5.5 IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF RESOURCES

Implementation of the proposed project will result in the irreversible and irretrievable commitment of resources in the use of non-recyclable energy expenditure and labor. Materials used for new construction may have salvage value; however, it is unlikely that such efforts will be cost-effective. The expenditure of these resources is offset by gains in construction-related wages, increased tax base and tertiary spending.

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6.0 NECESSARY PERMITS AND APPROVALS

Permits and approvals that may be required are contingent upon the actual design of the proposed project. All other permits and approvals are generally ministerial in nature. Permits listed below represent a general list that represents permits and approvals that may be required.

Federal

US Department of Interior, National Parks Service, conformance with the Secretary of the Interior's Standards for Rehabilitation.

State of Hawaii

State Historic Preservation Division Review
Hawaii Housing Finance Development Corporation, Low Income Housing Tax Credit compliance
Disability and Communication Access Board, Review

City and County of Honolulu

Department of Planning and Permitting
Building Permit
Chinatown Special District Permit
Construction Plans Review
Drain Connection Permit
Water System, Board of Water Supply (BWS)
Sewer Connection Permit
Special District Permit
Trenching Permit
Certificate of Occupancy
Department of Transportation Services Street Usage Permit

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7.0. DETERMINATION OF SIGNIFICANCE

As stated in Hawaii Administrative Rules, Title 11, Subchapter 6, Section 11-200.1-13, Significance Criteria: in determining whether an action may have a significant effect on the environment, every phase of a proposed action shall be considered. The expected consequences of an action, both primary and secondary, and the cumulative as well as the short-term and long-term effects must be assessed in determining if an action shall have significant effect on the environment. Each of the significance criteria is listed below and is followed by the means of compliance or conflict (if extant).

- Irrevocable commitment of a natural, cultural, or historic resource.

The proposed action will occur on an existing developed site and will not impact any topographical features. Subsurface archaeological artifacts are a possibility but the site has been heavily disturbed and any remnants are unlikely. In the event that any archaeological remains are uncovered during the course of construction, all work will stop and the State Historic Preservation Office will be contacted for appropriate action.

- Curtail the range of beneficial uses of the environment.

The proposed use will result in a change from its existing use and will restore the building to its former use. The project represents an appropriate use that will benefit the public and will be environmentally consistent with the surrounding urban area. The proposed project will not curtail beneficial uses of the environment. The proposed project will provide needed housing inventory in Primary Urban Center Development Plan area and is considered a highest and best use in the public interest.

- Conflict with the State's environmental policies or long-term environmental goals established by law.

The proposed action is consistent with the goals and guidelines expressed in Chapter 343, Hawaii Revised Statutes and NEPA. The proposed action is triggered by the use of State funds. The subject Environmental Assessment has been developed in compliance with the Chapter 343.

- Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community and State.

The proposed action will make a positive contribution to the welfare and economy of the State and City by providing desirable and needed affordable rental housing to the State of Hawaii. The facility will also contribute positively to the community through the use of goods and services in the area, through construction related employment, and through secondary and tertiary spending

and taxes. The proposed action will not have any impact on any native cultural practices.

- Have a substantial adverse effect on public health.

The proposed improvements are not expected to have any direct impact on public health but will provide housing for a targeted occupants that may not otherwise have an opportunity for centrally located affordable housing. No recreational resources will be impacted by the project, nor will the project increase any undesirable environmental impacts.

- Involve adverse secondary impacts, such as population changes or effects on public facilities.

The proposed action will increase the population within the community and will increase the demand for public facilities. These impacts are consistent with residential development of this nature and are not considered adverse impacts. The change in population and demand for public facilities will be readily met by existing infrastructure and services.

- Involve a substantial degradation of environmental quality.

The proposed action will not degrade environmental quality. Impacts associated with the project, such as traffic impact and noise quality have been assessed to be minimal. The project is located in a highly urban environment that is expected to be heavily developed in the future. In that respect, the project is consistent with the overall land use of the district.

- Be individually limited but cumulatively have a substantial adverse effect upon the environment or involves a commitment for larger actions.

The Hocking Building project is very beneficial in offering needed housing in consonance with the intent and overarching plans for the Primary Urban Center Development Plan. The site is appropriately entitled for the proposed activities and does not serve as a component of a larger development.

- Have a substantial adverse effect a rare, threatened or endangered species, or its habitat.

The proposed action will not affect any rare, threatened or endangered species of flora or fauna, nor is it known to be near or adjacent to any known wildlife sanctuaries.

- Have a substantial adverse effect on air or water quality or ambient noise levels.

The proposed action will not impact air or water quality. Noise levels will change from those associated with day time oriented land use to residential use. The change in noise level is expected to be negligible and will not significantly affect surrounding properties.

Minimal impacts on air quality and noise are anticipated during construction, but will be limited by normal construction practices and Department of Health construction mitigation standards.

- Have a substantial adverse effect on or be likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, sea level rise exposure area, geologically hazardous land, estuary, fresh water, or coastal waters.

The project will not have any impact on an environmentally sensitive area.

- Have a substantial adverse effect on scenic vistas and view planes, day or night, identified in County or State plans or studies.

The proposed action will not affect any scenic vistas or view planes as surrounding developments already tower around the proposed project. The project is located in a highly urban environment.

- Require substantial energy consumption or emit substantial greenhouse gases.

The project will increase electrical energy consumption over the existing use. This increase will be consistent with residential use and will be typical of any high-density urban use. The project will include energy conservation measures to the greatest extent practicable. General conservation goals include: meeting State energy conservation goals, using energy saving design practices and technologies, and recycling and using recycled-content products.

It should be noted that Section 11-200-12, Hawaii Administrative Rules states that consideration of previous determinations and accepted statements may be used for a proposed action whenever the information or analysis is pertinent and has logical relevancy and bearing to the proposed action. In the case of the proposed Hocking Building Adaptive Reuse project, the proposed action is fully in consonance with State and County planning policies and can be considered a model of sustainable development within highly built environments.

Based on the above stated criteria, the proposed Hocking Building Adaptive Reuse project is not expected to have a significant effect on the environment beyond those associated with a master planned community. As such, a Finding of No Significant Impact (FONSI) is anticipated for the project by City and County of Honolulu Department of Planning and Permitting.

8.0 PARTIES CONSULTED DURING THE PREPARATION OF THE DRAFT ENVIRONMENTAL ASSESSMENT

Federal Agency

Department of Interior, National Parks Service

State Agencies

Department of Land and Natural Resources
Historic Preservation Division

Hawaii Housing Finance Development Corporation

Disability and Communication Access Board

City and County Agencies

Department of Planning and Permitting

Board of Water Supply

*See Exhibits in Appendices for Official Communication

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9.0 LIST OF PARTIES TO BE CONSULTED DURING THE DRAFT ENVIRONMENTAL ASSESSMENT REVIEW PROCESS

Agencies with ministerial or specific interests regarding the proposed project.

State Agencies

Department of Business Economic Development & Tourism
Energy, Resources & Technology Division
Department of Education
Department of Health
Environmental Planning Office
Department of Land and Natural Resources
State Historic Preservation Officer
Disability and Communication Access Board
Hawaii Housing Finance and Development Corporation
Office of Planning
Office of Hawaiian Affairs

County Agencies

Board of Water Supply
Department of Design and Construction
Department of Environmental Services
Department of Planning and Permitting
Department of Parks and Recreation
Department of Transportation Services
Fire Department
Honolulu Authority for Rapid Transit
Police Department

Officials and Organizations

The Honorable Karl Rhoads, 13th Senatorial District
The Honorable Daniel Holt, 29th Representative
District Council Member Carol Fukunaga, Council District 6
Historic Hawaii Foundation
Chinatown Business and Community Association
Hawaiian Electric
Neighborhood Board No. 13, Downtown

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Chinatown Neighborhood Board No. 13 Minutes

Link to full report: <https://www.honolulu.gov/cms-nco-menu/site-nco-sitearticles/40624-downtown-chinatown-nb-december-minutes.html>

DOWNTOWN-CHINATOWN NEIGHBORHOOD BOARD NO. 13
REGULAR MEETING MINUTES

THURSDAY 3 DECEMBER 2020
PAGE 4 OF 8

2. Opposition: Shubert-Kwock voiced opposition to the resolution and advocated that the HLC report to the Board every month instead.
3. Support: McDonald voiced support for the resolution and for increased accountability.
4. Concomitant board actions: Armstrong noted that the Board could both pass the resolution and request monthly reports from the HLC.
5. Past board interaction with HLC: Chair Lye clarified that while the board appreciated past appearances by representatives of the HLC enforcement branch, these individuals had not been able to address the policy and procedure questions raised by members of the Board and the community; attempts since the start of this term to invite any HLC Commissioner or representative from the administrative branch to meet with the Board had been fruitless.

The motion was adopted 6–1–0 (AYE: Armstrong, Kamoshida, Logue, Lye, McDonald, Moore; **NAY:** Shubert-Kwock; **ABSTAIN:** none).

Request for closure of [1] Nu‘uanu Avenue from Chaplain Lane to King Street and [2] Pauahi Street extending a half-block in both directions from Nu‘uanu Avenue on Saturday 9 January 2021 from 10:30 am to 5:30 pm for Arts on the Avenue: Chair Lye announced that this event has been delayed until spring 2021 and deferral of action was requested by the event sponsor.

Proposed adaptation of 2 N King Street to affordable senior housing and senior center: Mark Hashem [mhashem@sofosrealty.com] of Sofos Realty Company spoke to information about the Hocking Building posted to the NB 13 online repository.

Questions, comments, and concerns followed:

1. Funding: Shubert-Kwock inquired and Hashem responded that although the project is funded by a for-profit developer, Federal low-income and historic housing tax credits would be sought, and that although funding has not yet been secured, tax credits will be sought by February 2021 after which the State will award funds in July 2021.
2. Nomenclature: Armstrong inquired and Hashem responded that the name “Hocking” comes from the name of building’s first owner.
3. Senior housing: Armstrong inquired about what made this *senior housing*; Hashem responded that the building will be built to be Americans with Disabilities Act (ADA) compliant but that he was unsure of the age for eligible seniors.
4. Homeless: McDonald voiced concerns regarding homelessness, crime, and poverty in the neighborhood and advocated instead for new businesses at this site, stated that low-income housing increases crime, raised concerns that the neighborhood is not be safe for seniors, and noted opposition to the project at this time.
5. Conflicts of interest: Chair Lye offered Hashem an opportunity to declare that there were no potential conflicts of interest with this project and his capacity as a State Representative. Hashem noted he was at the Board meeting in his individual capacity and clarified that the part-time legislature expects representatives to have secondary jobs.
6. Parking: Resident Sturges inquired about parking; Hashem responded that the building does not have parking, that no parking will be added, and that the developer may contact nearby parking structures to address this issue.
7. Board action: Armstrong inquired if action by NB 13 was needed and Hashem responded that Board support could help the tax credit application.

Armstrong moved and Moore seconded that Downtown–Chinatown Neighborhood Board No 13 support affordable senior housing at the Hocking Building.

Discussion followed:

1. Opposition: Shubert-Kwock voiced opposition and stated it was too early to endorse the project.
2. Support: Armstrong voiced support for developing senior affordable housing and recommended supporting the motion so that the developer can acquire tax credits.
3. Business use: McDonald voiced opposition and advocated using the location instead for businesses; Hashem noted that this project involves a long process and there will be more discussions about such in the future.

The motion was adopted 5–2–0 (AYE: Armstrong, Kamoshida, Logue, Lye, Moore; **NAY:** McDonald, Shubert-Kwock; **ABSTAIN:** None).

O‘ahu’s Neighborhood Board system – Established 1973

Chinatown Neighborhood Board No. 13 Letter of Support

NB 13 | Hocking Building project

Kevin Lye <kevin.lye@gmail.com>

Sat 12/12/2020 4:45 PM

To: Mark Hashem <mhashem@sofosrealty.com>

Saturday 12 December 2020 16:36 HST

Mr. Hashem--

Thank you for visiting Downtown–Chinatown Neighborhood Board № 13 on Thursday 5 December 2020.

On behalf of the Board I would like to document for you that a motion that Downtown–Chinatown Neighborhood Board № 13 supports affordable senior housing at the Hocking Building was made and passed that evening.

Kindly note that this motion was adopted by a vote of 5–2, with no abstentions.

I encourage you to continue to report regularly to NB 13, whether in person or by electronic updates, about the progress of this project.

Best regards,
-Kevin Lye

Chair, Downtown–Chinatown Neighborhood Board № 13

+1-505-225-3802 [cell]

--

+++++

Kevin Lye, MD, MBA

kevin.lye@gmail.com | calendly.com/kevinlye — click to schedule a meeting

Total Control Panel

[Login](#)

To: mhashem@sofosrealty.com [Remove](#) this sender from my allow list

From: kevin.lye@gmail.com

You received this message because the sender is on your allow list.

DEPARTMENT OF LAND MANAGEMENT
CITY AND COUNTY OF HONOLULU

558 SOUTH KING STREET • HONOLULU, HAWAII 96813
PHONE: (808) 768-4277 • FAX: (808) 768-4296 • INTERNET: <http://www.honolulu.gov/dlm>



KIRK CALDWELL
MAYOR

SANDRA S. PFUND
DIRECTOR

RANDY N. T. CHU
DEPUTY DIRECTOR

IN REPLY REFER TO:

November 27, 2020

Ms. Denise Iseri-Matsubara
Executive Director
Hawaii Housing Finance and Development Corporation
677 Queen Street, #300
Honolulu, HI 96813

Dear Ms. Matsubara:

Subject: Proposed Adaptive Reuse of the Hocking Building
Located at 2 N King Street, Honolulu, Oahu, Hawaii
Tax Map Key: (1) 9-9-3:26
Application for Low Income Housing Tax Credits (LIHTC),

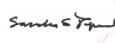
Dear Ms. Matsubara:

I am pleased to provide this letter in support for the application by Pacific Development Group for the Adaptive Reuse of the Hocking Building to develop affordable housing using the Low Income Housing Tax Credits (LIHTC), Rental Housing Revolving Fund (RHRF), and the Historic Tax Credit financing programs.

The project is located within a quarter mile of the Chinatown Station in the Downtown Neighborhood Transit-Oriented Development Plan. If awarded LIHTC and RHRF, the proposed project will add 40 units of affordable housing for 40+ years for individuals and families earning 60% of the AMI and below. The Department of Land Management (DLM) oversees over 1,400 affordable rental units and we can attest that this proposed adaptive reuse project is targeting the segment of the population in Honolulu where there is strong demand. Additionally, these affordable units will help build ridership for the rail line and will promote our goal for reduction in cars and parking and encourage walkable transit oriented communities.

I appreciate the opportunity to provide this letter of support. Please call me at (808) 768-4291 if you have any questions or need further information.

Sincerely,


Digitally signed by
Pfund, Sandra
Date: 2020.11.27
16:06:55 -10'00'

Sandra S. Pfund
Director



December 3, 2020

Mr. Mark J. Hashem
Sofos Realty Corporation
600 Kapiolani Blvd., Suite 200
Honolulu, Hawaii. 96813

Dear Mr. Hashem:

Re: 2 North King Street
TMK: 17003001

This is in response to your request for a "Will Serve" letter for the above project location.

We have existing distribution circuits along North King Street that could potentially be used to serve your future project. Please keep in mind that these circuits may need to be upgraded depending on the size of this project's load. At this time, we do not have sufficient information and detailed plans to make this determination.

We request that you keep us informed on the status of your project. As soon as you have detailed plans, please create a Service Request with us, and be sure to allow sufficient time for us to work on the project.

Please let us know if we can be of assistance in any other way. Should you have any questions, please call me at 543-7590.

Sincerely,

Shimono, Eric Digitally signed by Shimono, Eric
Date: 2020.12.03 20:10:15 -10'00'

Eric Shimono
Engineer III
T&D Engineering

Hawaiian Electric

PO BOX 2750 / HONOLULU, HI 96840-0001

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843
www.boardofwatersupply.com



December 8, 2020

KIRK CALDWELL, MAYOR

BRYAN P. ANDAYA, Chair
KAPUA SPROAT, Vice Chair
RAY C. SOON
MAX J. SWORD

ROSS S. SASAMURA, Ex-Officio
JADE T. BUTAY, Ex-Officio

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer

Mr. Mark J. Hashem
Sofos Realty Corp.
600 Kapiolani Boulevard, Suite 200
Honolulu, Hawaii 96813

Dear Mr. Hashem:

Subject: Your Letter Dated November 17, 2020 Requesting Comments on the Availability of Water for the Proposed 48-Unit Affordable Rental Apartment at 2 North King Street, Tax Map Key: 1-7-003: 001

Thank you for your letter regarding the proposed affordable rental apartment.

The existing water system is adequate to accommodate the proposed development. However, please be advised that this information is based upon current data, and therefore, the Board of Water Supply (BWS) reserves the right to change any position or information stated herein up until the final approval of the building permit application. The final decision on the availability of water will be confirmed when the building permit application is submitted for approval.

When water is made available, the applicant will be required to pay our Water System Facilities Charges (WSFC) for resource development, transmission and daily storage.

BWS may waive the WSFC and new meter costs for qualified on-site affordable and homeless dwelling units, up to 500 dwelling units per year. The waivers will be granted when the building permit is submitted for approval. To qualify, the dwelling units must be certified as either affordable or homeless dwelling units by the appropriate agency of the City and County of Honolulu and the certification provided when the building permit application is submitted for review and approval. For non-qualifying units, the applicant will be required to pay our WSFC for resource development, transmission, and daily storage.

Water conservation measures are required for all proposed developments. These measures include utilization of nonpotable water for irrigation using rain catchment, drought tolerant plants, xeriscape landscaping, efficient irrigation systems, such as a drip system and moisture sensors, and the use of Water Sense labeled ultra-low flow water fixtures and toilets.

The on-site fire protection requirements should be coordinated with the Fire Prevention Bureau of the Honolulu Fire Department.

If you have any questions, please contact Robert Chun, Project Review Branch of our Water Resources Division at 748-5443.

Very truly yours,

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

Mr. Ernest Y.W. Lau,
P.E. Manager and Chief Engineer
Board of Water Supply
630 S. Beretania Street
Honolulu, Hi. 96843

May 26, 2022

In light of the current water situation, we would like to request an update on water availability information for our proposed project. Please see enclosed and below project information.

| | |
|----------------------------------|--|
| Proposed Action: | Adaptive reuse and rehabilitation of 2 North King Street Building into a 40 unit affordable rental apartment. |
| Location: | 2 North King Street Honolulu, Hawaii 96813 |
| Tax Map Key: | 1-7-003:001 |
| Land Area: | 14,980 square feet |
| Existing Use: | Commercial Bank, Office Space, Vacant, 42,428 Sf |
| Elevation / contours of property | 20 feet above sea level, flat |
| Contact: | Mark J. Hashem Hocking Building LLC. 1600 Ala Moana Blvd, Ste 103 Honolulu, HI 97815 email: mhashem@sofosrealty.com |

Mahalo,

Mark J. Hashem
Member Manager
Hocking Building LLC.
1600 Ala Moana Blvd. Ste 103
Honolulu, HI 97815
email: mhashem@sofosrealty.com



DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET * HONOLULU, HAWAII 96813

Phone: (808) 768-8209 * Fax: (808) 768-4210

SEWER CONNECTION APPLICATION

APPLICATION NO.: **2020/SCA-1450**

STATUS: **Approved**

DATE RECEIVED: **10/12/2020**

IWDP APP. NO.:

PROJECT NAME: **2020/SCA-1450 Hocking Building - 45 New MFD**

\$208,404.00

Estimated Wastewater
System Facility Charge*

LOCATION:

| Zone | Section | Plat | Parcel |
|----------|----------|------------|------------|
| 1 | 7 | 003 | 001 |

2 N KING ST Honolulu / Kapalama 14,980 Sq. Ft.

SPECIFIC LOCATION: **2 North King Street, Honolulu, HI, 96813**

APPLICANT: **Mark J. Hashem - Sofos Realty**
600 Kapiolani Blvd, #200
Honolulu, HI 96813

DEVELOPMENT TYPE: **Dwelling, Multi-family**

SEWER CONNECTION WORK DESIRED: **Existing**

OTHER USES:

NON-RESIDENTIAL AREA: s.f.

APPROXIMATE DATE OF CONNECTION: **10/01/2022**

PROPOSED UNITS

No. of New Units: **45**

Studios:

1-Bedroom:

2-Bedroom: **45**

3-Bedroom:

4-Bedroom:

5-Bedroom:

6-Bedroom:

EXISTING UNITS

No. of Existing Units: **0**

Studios:

1-Bedroom:

2-Bedroom:

3-Bedroom:

4-Bedroom:

5-Bedroom:

6-Bedroom:

UNITS TO BE DEMOLISHED

No. of Units to be Demolished: **0**

Studios:

1-Bedroom:

2-Bedroom:

3-Bedroom:

4-Bedroom:

5-Bedroom:

6-Bedroom:

REMARKS

APPROVAL DATE: **11/10/2020**

EXPIRATION DATE: **11/10/2022**

Valid 2-years after approval date. Construction plans shall be completed and approved within this 2-year period. Construction shall commence within 1-year after approval of plans.

** Applicable WSFC shall be collected at the prevailing rate in accordance with ROH 1990, Chapter 14, Sections 14-10.3, 14-10.4, 14-10.5 and Appendix 14-D.*

REVIEWED BY: **Jing Meng**

Site Development Division, Wastewater Branch

ExternalID: **085993199-001**

JobID: **85993199**

Initial Print Date: Tuesday November 10, 2020 2:10 p

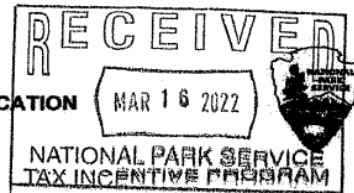
Page 1 of 1

Architectural floor plan of a building complex, showing plumbing and fire protection details. The plan includes labels for "HOCKING BUILDING", "ASEU BUILDING", and "EXISTING COURTYARD". Key dimensions include 97.00, 44.56, 95.20, 110.00, 139.95, and 7.00. Annotations specify "7.0' EASEMENT", "5.3' FIRE SEPARATION DISTANCE", and "UNPROTECTED OPENINGS AT 8%". A note at the bottom left reads "SEE PLUMBING SHEET P-101 FOR CONNECTION TO EXISTING LATERAL". The plan is oriented with "NORTH KING STREET" on the left and "NUUANU AVE" at the bottom.





**HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 1 – EVALUATION OF SIGNIFICANCE**



Instructions: This page must bear the applicant's original signature and must be dated. The National Park Service certification decision is based on the descriptions in this application form. In the event of any discrepancy between the application form and other, supplementary material submitted with it (such as architectural plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the Internal Revenue Service.

NPS Project Number

44641

1. Historic Property Name Hocking Building/Aseu Building

Street 2 N. King Street/1006-1018 Nuuanu Avenue

City Honolulu

County Honolulu

State HI

Zip 96837

Name of Historic District or National Register property Chinatown Historical District

☒ National Register district ☐ certified state or local district ☐ potential district ☐ National Register property

2. Nature of Request (check only one box)

- ☒ certification that the building contributes to the significance of the above-named historic district or National Register property for rehabilitation purposes.
☐ certification that the building contributes to the significance of the above-named historic district for a charitable contribution for conservation purposes.
☐ certification that the building does not contribute to the significance of the above-named district or National Register property.
☐ preliminary determination for individual listing in the National Register.
☐ preliminary determination that a building located within a potential historic district contributes to the significance of the district.
☐ preliminary determination that a building outside the period or area of significance contributes to the significance of the district.

3. Project Contact (if different from applicant)

Name Mark J. Hashem

Company Hocking Building, LP

Street 600 Kapiolani Blvd, Suite 600

City Honolulu

State HI

Zip 96813

Telephone (808) 388-7693

Email Address mhashem@sofosrealty.com

4. Applicant

I hereby attest that the information I have provided is, to the best of my knowledge, correct. I further attest that [check one or both boxes, as applicable]:

- ☒ I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011), and/or
☐ If I am not the fee simple owner of the above described property, the fee simple owner is aware of the action I am taking relative to this application and has no objection, as noted in a written statement from the owner, a copy of which (i) either is attached to this application form and incorporated herein, or has been previously submitted, and (ii) meets the requirements of 36 CFR § 67.3(a)(1) (2011).

For purposes of this attestation, the singular shall include the plural wherever appropriate. I understand that knowing and willful falsification of factual representations in this application may subject me to fines and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 8 years.

Name Mark J. Hashem

Signature (Sign in ink) [Signature]

Date 11/11/2021

Applicant Entity Hocking Building, LP

SSN

or TIN 86-2009528

Street 1600 Ala Moana Blvd, Suite 303

City Honolulu

State HI

Zip 96815

Telephone (808) 388-7693

Email Address mhashem@sofosrealty.com

NPS Official Use Only

The National Park Service has reviewed the Historic Preservation Certification Application – Part 1 for the above-named property and has determined that the property:

- ☒ contributes to the significance of the above-named district or National Register property and is a "certified historic structure" for rehabilitation purposes.
☐ contributes to the significance of the above-named district and is a "certified historic structure" for a charitable contribution for conservation purposes.
☐ does not contribute to the significance of the above-named district or National Register property.

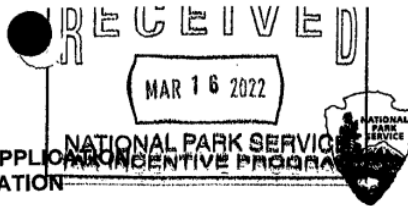
Preliminary Determinations:

- ☐ appears to meet the National Register Criteria for Evaluation and will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer according to the procedures set forth in 36 CFR Part 60.
☐ does not appear to meet the National Register Criteria for Evaluation and will likely not be listed in the National Register.
☐ appears to contribute to the significance of a potential historic district, which will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer.
☐ appears to contribute to the significance of a registered historic district if the period or area of significance as documented in the National Register nomination or district documentation on file with the NPS is expanded by the State Historic Preservation Officer.
☐ does not appear to qualify as a certified historic structure.

Date

☐ NPS Comments Attached

4/3/22 [Signature]
National Park Service Authorized Signature (Sign in ink)



HISTORIC PRESERVATION CERTIFICATION APPLICATION INCENTIVE PROGRAM
PART 2 - DESCRIPTION OF REHABILITATION

Instructions: This page must bear the applicant's original signature and must be dated. The National Park Service certification decision is based on the descriptions in this application form. In the event of any discrepancy between the application form and other, supplementary material submitted with it (such as architectural plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the Internal Revenue Service.

NPS Project Number

44641

1. Historic Property Name Hocking Building/Aseu Building

Street 2 N. King Street/1006-1018 Nuuanu Avenue

City Honolulu County Honolulu State HI Zip 96837

Name of Historic District or National Register property Chinatown Historic District

☐ Listed individually in the National Register of Historic Places; date of listing _____

☒ Located in a Registered Historic District; name of district Chinatown Historic District

☒ Part 1 - Evaluation of Significance submitted? Date submitted 11/15/2021 Date of certification _____

2. Project Data (for phased projects, data entered in this section must be totals for entire project)

Date of building 1914/1886 Estimated total rehabilitation costs (QRE) \$18,000,000

Number of buildings in project 2 Floor area before / after rehabilitation 42,428 / 42,428 sq ft

Start date (estimated) 10/03/2022 Use(s) before / after rehabilitation Office / Housing

Completion date (estimated) 11/01/2023 Number of housing units before / after rehabilitation 0 / 40

Application includes phase(s) 1 of 1 phases Number of low-moderate income housing units before / after rehabilitation 0 / 40

☐ Intend to elect IRS 60-month phased rehabilitation

3. Project Contact (if different from applicant)

Name _____ Company _____

Street _____ City _____ State _____

Zip _____ Telephone _____ Email Address _____

4. Applicant

I hereby attest that the information I have provided is, to the best of my knowledge, correct. I further attest that (check one or both boxes, as applicable):

- ☐ I am the owner of the above-described property within the meaning of "owner" set forth in 36 CFR § 67.2 (2011), and/or
☒ If I am not the fee simple owner of the above described property, the fee simple owner is aware of the action I am taking relative to this application and has no objection, as noted in a written statement from the owner, a copy of which (i) either is attached to this application form and incorporated herein, or has been previously submitted, and (ii) meets the requirements of 36 CFR § 67.3(a)(1) (2011).

For purposes of this attestation, the singular shall include the plural wherever appropriate. I understand that knowing and willful falsification of factual representations in this application may subject me to fines and imprisonment under 18 U.S.C. § 1001, which, under certain circumstances, provides for imprisonment of up to 8 years.

Name Mark J. Hashem Signature (Sign in ink) [Signature] Date 12/30/2021

Applicant Entity Hocking Building, LP SSN _____ or TIN 86-2009528

Street 600 Kapiolani Blvd, Suite 200 City Honolulu State HI

Zip 96813 Telephone (808) 388-7693 Email Address mhashem@sofosrealty.com

☐ Applicant, SSN, or TIN has changed since previously submitted application.

NPS Official Use Only

The National Park Service has reviewed the Historic Preservation Certification Application - Part 2 for the above-named property and has determined that:

☐ the rehabilitation described herein is consistent with the historic character of the property and, where applicable, with the district in which it is located and that the project meets the Secretary of the Interior's Standards for Rehabilitation. This letter is a preliminary determination only, since a formal certification of rehabilitation can be issued only to the owner of a "certified historic structure" after rehabilitation work is complete.

☒ the rehabilitation or proposed rehabilitation will meet the Secretary of the Interior's Standards for Rehabilitation if the attached conditions are met.

☐ the rehabilitation described herein is not consistent with the historic character of the property or the district in which it is located and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.

Date 5/5/22 National Park Service Authorized Signature (Sign in ink) [Signature]

☒ NPS conditions or comments attached



**HISTORIC PRESERVATION CERTIFICATION APPLICATION
NATIONAL PARK SERVICE
CONDITIONS**

Historic Property Name Hocking and Aseu Building Project Number 44641
Property Address, City, State 2 N. King St. / 1006-1018 Nuuanu Av., Hnonlulu, HI

The rehabilitation of this property as described in the Historic Preservation Certification Application will meet the Secretary of the Interior's Standards for Rehabilitation provided that the following condition(s) is/are met:

The floor covering for the majority of the spaces (baths and service spaces excepted) may be engineered wood or laminate as long as it has an appearance (board width and grain pattern) consistent with wood flooring typically used there at the time the building was built. The corner banking space, now tiled, appears likely to have had a hard surface covering historically, having been a bank from the outset. Therefore, a tile or stone surface is the appropriate treatment for the flooring in the new spaces that are being created from what was historically the bank lobby.

The openness of commercial storefronts is their defining characteristic, letting light and view into the commercial space they front, thus the construction of a wall immediately behind glass on the west elevation at the third bay back from the southwest corner is not a compatible treatment. If a solid enclosure is necessary for the basement stair, the stair should be relocated further back from the window so that the window opens to a space of some depth. Similarly, the bay at the northern end of the west elevation must not be backed up by a solid wall. Window treatments, beyond our scope of review, may be used to achieve the desired privacy there. The next bay from the end is currently a solid wall, save for a door, and may be best left as a solid wall if the entirety of the bay needs to be opaque. As an alternative frosted glass backed up by a wall may be an acceptable treatment if limited to a single bay of the entire elevation.

Plumbing serving the second floor, if not contained within the depth of the existing structure, needs to be concealed in soffits or limited areas of modestly dropped ceilings on the first floor. The decorative column capitals visible in the bank that occupies the corner retail space appear to be an historic feature that must be preserved and remain visible in the reconfigured spaces.

On the first floor, exposed ductwork should be held to a minimum in the former banking lobby. One all floors ductwork exposed must be held back from the windows and painted to blend with its background surface.

Traditional wood windows typically included some sort of a brick molding between the blind stop and the masonry. The drawings of the proposed windows appear to meet the masonry only with the narrow edge of the clad frame. That frame is designed to accept a trim piece to create the effect of a brick molding, and such a piece of modest size must be added to the installation. This will very slightly reduce the size of the units used. We recommend that a larger-scale drawing of the façade replacement windows be submitted for review before proceeding with the work.

Photographs documenting that the conditions have been met must be submitted with the Request for Certification of Completed Work.

Any substantive change in the work as described in the application should be brought to the attention of the State Historic Preservation Office and the National Park Service in writing, using the Amendment/Advisory Determination form, prior to execution to ensure that the proposed project continues to meet the Standards.

The National Park Service has determined that this project will meet the Secretary of the Interior Standards for Rehabilitation if the condition(s) listed above are met.

5/5/22
Date

National Park Service Signature

FOR ACTION

I. REQUEST

Approve an Award of Federal and State Low Income Housing Tax Credits from the State's 2021 Volume Cap for the Hocking Hale Project Located in Honolulu, Oahu, TMK No.: (1) 1-7-003: 001

II. FACTS

- A. The Tax Reform Act of 1986 established the Low Income Housing Tax Credit (LIHTC) Program, which replaced tax incentives for low-income housing investments. The 1993 Budget Act granted permanent authority to the LIHTC Program.
- B. The LIHTC Program permits eligible taxpayers to claim tax credits on their federal income tax return for qualified expenditures on construction, acquisition, or rehabilitation of affordable rental units.
- C. Only a designated state or local housing credit agency can allocate LIHTC. The designated agency for the State of Hawaii (State) is the Hawaii Housing Finance and Development Corporation (HHFDC).
- D. HHFDC publishes a Qualified Allocation Plan (QAP), which includes criteria for evaluating and allocating LIHTC. The QAP also includes the procedures to monitor compliance of projects that receive a LIHTC allocation.
- E. To qualify for LIHTC, a project must meet the following general guidelines in addition to other program requirements as mandated under Internal Revenue Code (IRC) Section 42.
 - 1. LIHTC is available only for units rented to low-income occupants.
 - 2. A project must have at least:
 - a) 20% of its units rented to households with incomes 50% or less than area median gross household income (AMGI); or
 - b) 40% of its units rented to households with incomes 60% or less than AMGI.

The United States Department of Housing and Urban Development (HUD) establishes the AMGI for each county annually. HUD considers family size in the AMGI calculation.
 - 3. Restrictions on low-income rents are based on the number of bedrooms in a unit and adjusted by a utility allowance.
 - 4. Projects must comply with the rental rate and household income restrictions for a minimum of 30 years.
 - 5. All units must be available to the general public.

- F. HHFDC must evaluate projects to award the least amount of LIHTC necessary to make a project feasible.
- G. There is an annual limit on the amount of volume cap (9%) LIHTC allocated by each State, the District of Columbia, Puerto Rico, and United States Possessions. The annual per capita limit for 2021 is \$2,8125. HHFDC has the following amounts of 9% LIHTC available to allocate for the 2021 calendar year:

| | Federal LIHTC (over 10 years) | State LIHTC¹ (over 5 years) |
|-----------------------------|--|---|
| Hawaii's 2021 LIHTC Ceiling | \$3,957,204 | \$3,957,204 |
| 2020 Unused Credits | \$449,168 | \$449,168 |
| LIHTC Returned in 2020 | 0 | 0 |
| Total 2020 LIHTC | \$4,406,372 | \$4,406,372 |

¹State LIHTC is over 5 years vs. 10 years for Federal LIHTC.

- H. The deadline for applications requesting 2021 9% LIHTC was February 17, 2021. HHFDC received eight (8) 9% LIHTC applications requesting \$9,936,834 in Federal LIHTC over 10-years and \$9,936,834 in State LIHTC over 5-years. The 2021 9% LIHTC requests are as follows:

| Project (Applicant) | LIHTC | | RHRF |
|---|------------------------------------|---------------------------------|---------------------|
| | Federal (over 10 years) | State (over 5 years) | |
| Hale O Pi'ikea I (Ikenakea Pi'ikea, LP) | \$1,419,842 | \$1,419,842 | \$21,660,000 |
| Hale O Pi'ikea II (Ikenakea Pi'ikea II, LP) | \$1,545,870 | \$1,545,870 | \$18,900,000 |
| Hale Ola (Hale Ola Varsity, LP) | \$796,961 | \$796,961 | \$0 |
| Hocking Hale (Hocking Building, LP) | \$700,298 | \$700,298 | \$12,350,000 |
| Kai Olino (Okupu Partners, LP) | \$1,882,350 | \$1,882,350 | \$0 |
| Kaiāulu O Halele'a Apartments Phase 1B (A0721 Kihei, L.P.) | \$1,624,000 | \$1,624,000 | \$9,240,000 |
| Meheula Vista IV (Meheula Vista IV, LP) | \$847,513 | \$847,513 | \$5,660,000 |
| Villages of La'i'opua (A0714 Kona, L. P.) | \$1,120,000 | \$1,120,000 | \$2,628,000 |
| Totals | \$9,936,834 | \$9,936,834 | \$70,438,000 |

III. DISCUSSION

A. Development Branch received copies of the applications for review and scoring.

B. HHFDC used the criteria and guidelines of the 2021 QAP to evaluate the applications. The QAP states:

“The allocation plan utilizes a point system to facilitate project ranking based on the established evaluation criteria. The point system is an important component in determining project ranking. However, the point system may not be the sole determining factor for LIHTC awards. In addition to the point system, HHFDC may consider other relevant factors that it deems to be in the best interest of affordable housing in the State of Hawaii, including but not limited to:”

1. Development team experience and performance;
2. Financial condition and performance;
3. Related developments;
4. Development timing;
5. Tenant health and safety;
6. “At-risk” conversions;
7. Housing Inventory;
8. Affordable housing policies at the State and County levels;
9. Development and operating budgets; and
10. Market conditions.

“The amount of LIHTC reserved or allocated to a particular project will be limited to the minimum amount the HHFDC, in its sole discretion, deems necessary to make the project feasible.”

C. Additionally, applicants must meet all Minimum Thresholds detailed in Section III (B) of the QAP to receive consideration. **Failure to meet any Minimum Threshold results in application rejection.**

D. HHFDC used the Criteria Point System detailed in Section III (D) of the QAP to score and evaluate applications. There are 18 scoring criteria with a maximum possible score of 120 points.

E. The following projects failed one or more Minimum Thresholds and are ineligible for an allocation or award of 9% LIHTC:

| Project (Applicant) | Threshold Failure |
|-----------------------------------|--|
| Kai Olino (Okupu Partners, LP) | 1. Market Study: failure to provide Market Study for the project. Market Study provided was for another project. |

- F. The remaining seven (7) applicants received the following scores under the Criterial Point System:

| Project (Applicant) | Points Received |
|---|--------------------|
| Hale O Pi'ikea I (Ikenakea Pi'ikea, LP) | 93.61 |
| Hale O Pi'ikea II (Ikenakea Pi'ikea II, LP) | 89.33 |
| Villages of La'i'opua (A0714 Kona, L. P.) | 86.09 |
| Kaiāulu O Halele'a Apartments Phase 1B (A0721 Kihei, L.P.) | 85.65 |
| Meheula Vista IV (Meheula Vista IV, LP) | 82.91 |
| Hocking Hale (Hocking Building, LP) | 78.46 |
| Hale Ola (Hale Ola Varsity, LP) | 74.24 |

- G. See Exhibit A for a scoring summary.
- H. On June 10, 2021, the HHFDC Board of Directors approved the award of Federal and State 9% LIHTC to the following projects:
1. The Villages of La'i'opua project with an allocation of up to \$1,120,000 in annual Federal 9% LIHTC over a 10-year period and \$1,120,000 in annual State 9% LIHTC over a 5-year period;
 2. The Kaiāulu O Halele'a Apartments Phase 1B project with an allocation of up to \$1,624,000 in annual Federal 9% LIHTC over a 10-year period and \$1,624,000 in annual State 9% LIHTC over a 5-year period; and
 3. The Meheula Vista IV project with an allocation of up to \$847,513 in annual Federal 9% LIHTC over a 10-year period and \$847,513 in annual State 9% LIHTC over a 5-year period.
- I. On June 10, 2021, the HHFDC Board of Directors approved the deferral of an award of Federal and State 9% LIHTC for the Hocking Hale project. HHFDC needed time to evaluate the project under the most conservative approach. This was achieved by using HUD's 2021 Maximum Tenant Contributions (rent limits), which had decreased for the County of Honolulu and, as a result, had affected the applicant's debt service ratio. Each of the other projects that were being considered for an award were analyzed and evaluated using this same approach, which was by using the lower of: i) the proposed rent stated on their application and meeting HUD's 2020 max rent limit, or ii) HUD's 2021 max rent limit. This evaluation did not have an effect on or change the applicant's score. In light of this, HHFDC now recommends the 9% LIHTC award to the Hocking Hale project. This recommendation is based on the Criteria Point System scoring hierarchy, project feasibility, 9% LIHTC availability, and housing interests in the State of Hawaii. Refer to Exhibits B and C for the project summary, review, maps, and pictures of the recommended project.

J. Summary table of LIHTC award recommendation:

| Project (Applicant) | Non- Profit Set- Aside | Qualified Contract Waiver | LIHTC Units | 2021 Federal LIHTC (over 10-yr) | 2021 State LIHTC (over 5-yr) |
|------------------------|---------------------------------|---------------------------------|----------------|---------------------------------------|------------------------------------|
| Hocking Hale | Y | Y | 39 | \$700,298 | \$700,298 |

K. Following the 9% LIHTC award recommendation, \$114,561 in Federal 9% LIHTC and \$114,561 in State 9% LIHTC remains. HHFDC shall carryover the remaining 9% LIHTC to 2022 for future allocation. Applicants failing to receive a 2021 9% LIHTC award may choose to re-apply for 9% LIHTC consideration in a future identified funding round (subject to availability).

L. A Separate For Action is being presented at the July 8, 2021 HHFDC Board Meeting requesting approval of a RHRF Loan up to \$12,350,000.

IV. RECOMMENDATION

That the HHFDC Board of Directors approve the award of Federal and State 9% LIHTC to the following project in accordance with the QAP and subject to the terms and conditions specified in this section, Section II Subsection E, and Exhibit H of this For Action.

A. The Hocking Hale project:

1. Allocation of up to \$700,298 in annual Federal 9% LIHTC over a 10-year period and \$700,298 in annual State 9% LIHTC over a 5-year period; with the following project specific conditions:
 - a) Total fees paid to the Developer for the Project, including, but not limited to, Developer Overhead, Developer Fees, Consultant Fees, and Project Management Fees, shall not exceed \$2,363,527.



B. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action.

Attachments: Exhibit A - Scoring Summary
Exhibit B - Hocking Hale Project Summary
Exhibit C - Hocking Hale Project Map and Pictures
Exhibit D - Conditions of the LIHTC Award
Exhibit E - Submittal Form and Requirements for IRS Form 8609
(subject to update and change)

Prepared by: Jamie Aqui, Finance Specialist

Reviewed by: Christopher Oakes, Finance Specialist II

Reviewed by: For Darren Ueki, Finance Manager



Approved by The Board of Directors at its meeting
on JULY 8, 2021
FINANCE BRANCH
Please take necessary action.

For Action – July 8, 2021

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EXECUTIVE DIRECTOR



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129

DOCUMENT REVIEW

06-01-2022
Hocking Hale

DCAB Job #: 2021-01490

Project #:

Department/Agency: State Housing Finance & Dev Corp (HFDC)
Christopher Oakes

Design Firm: CDS INTERNATIONAL
Armand Dapar

Documents Reviewed: Documents received – 10-28-2021
Revised documents received – 05-27-2022
Document submittal date – 10-28-2021

As submitted, the document(s) reviewed appear(s) to meet the 2004 Americans with Disabilities Act Accessibility Guidelines (2004 ADAAG) and other applicable design standards, as required by Hawaii Revised Statutes (HRS) 103-50 to the maximum extent feasible. Final responsibility to comply with HRS 103-50 rests with the State or County agency overseeing the project.

If any technical infeasibility, structural impracticability, historic preservation or other facility access review forms were submitted the determination of the limitations rests with the Department/Agency and design firm signing the form.

If the document(s) reviewed contained area(s) that were noted as “NIC” or “By Others” a review of those area(s) was not included as part of this document review. Those area(s), feature(s) or element(s) must be submitted for review to assess compliance with the 2004 Americans with Disabilities Act Accessibility Guidelines (2004 ADAAG) and other applicable design standards required by HRS 103-50.

Reviewed by:
Rodney Kanno - Facility Access Specialist II

