SYLVIA LUKE LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

IN REPLY REFER TO:

24:PECB/103

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300 HONOLULU, HAWAII 96813

FAX: (808) 587-0600

September 24, 2024

Ms. Mary Alice Evans, Director Office of Planning and Sustainable Development P.O. Box 2359 Honolulu, Hawaii 96804-2359

Dear Ms. Evans:

Subject: Environmental Assessment Exemption Notice for the Kamo'ili'ili Apartments Project (Project); 1234 Alexander Street; Honolulu, Oahu – Tax Map Key: (1) 2-8-011-027

Pursuant to administrative rules promulgated under the authority of Section 343-6(5), Hawaii Revised Statutes; and under sections 11-200.1-15, 11-200.1-16, and 11-200.1-17, Hawaii Administrative Rules, this letter serves as notification and a request for publication that the Hawaii Housing Finance and Development Corporation (HHFDC) has declared this Project exempt from the preparation of an environmental assessment.

Kamoʻiliʻili Development LLC (Applicant) is proposing to build the Project, consisting of 179 affordable rental units (plus one manager's unit) that will accommodate households earning either: 1) up to 60% of the area median income (AMI) or 2) between 80% and 100% of the AMI, depending on the source of State financing to be used. The Applicant will commit to set aside all units as affordable for a minimum of 61 years and will comply with all permit conditions required to mitigate construction-related impacts.

After careful analysis as described in the attachment, HHFDC has considered primary, secondary, and cumulative impacts of the Project and has determined the Project is not anticipated to have significant impacts on the environment.

Sincerely,

for Dean Minakami

Executive Director

Attachment

KAMO'ILI'ILI APARTMENTS PROJECT ENVIRONMENTAL ASSESSMENT EXEMPTION NOTICE

Pursuant to Chapter 343, Hawaii Revised Statutes (HRS 343) and Section 11-200.1, Hawaii Administrative Rules (HAR 11-200.1)

AG	EN	CY OR APPLICANT ACTION
	This	s exempted action is an agency action as defined by HRS 343-5(b) and HAR 11-200.1-8.
\boxtimes	This	exempted action is an applicant action as defined by HRS 343-5(e) and HAR 11-200.1-
EX	EM	PTION TYPE
exe	empt	emption Notice for the action described below is based on HHFDC's comprehensive ion list, which mirrors and exceeds the exemption criteria for the demolition of structures astruction of new affordable housing projects under HAR 11-200.1-15(c).
6		molition of structures, except those structures that are listed on the national register or waii Register of Historic Places.
	pot cor noi	rt 2 Actions – Includes structures that require further consideration because of their tential impacts to the surrounding community. For example, demolition of structures that intains high levels of hazardous materials; demolition of structures that creates significant se, fugitive dust or other adverse impacts; or demolition of structures that leads to a loss amenities for the public.
10.	cor	w construction of affordable housing, where affordable housing is defined by the ntrolling law applicable for the state or county proposing agency or approving agency, t meets the following:
	A.	Has the use of state or county lands or funds or is within Waikiki as the sole triggers for compliance with HRS 343;
	В.	As proposed conforms with the existing state urban land classification;
	C.	As proposed is consistent with the existing county zoning classification that allows housing; and
	D.	As proposed does not require variances for shoreline setbacks or siting in an environmentally sensitive area, as stated in HAR 11-200.1-13(b)(11).

¹ As concurred in by the Environmental Advisory Council on November 1, 2022, see: https://files.hawaii.gov/dbedt/erp/Agency_Exemption_Lists/State-Hawaii-Housing-and-Finance-Development-Corporation-2022-11-01-Exemption-List.pdf

Part 2 Actions – Development of affordable housing provided pre-assessment consultations were conducted to determine the appropriateness of preparing an exemption notice or requiring an environmental assessment.

2. Construct multi-family residential units including, but not limited to, grading; roadway and traffic systems; utility systems; dwelling units; landscaping; and ancillary facilities; provided all applicable approvals and administerial permits are obtained.

DESCRIPTION OF ACTION

Proposing Agency or Applicant: The Applicant is Kamoʻiliʻili Development LLC; 745 Fort Street, Suite 702; Honolulu, HI 96813. The approving agency of this exemption notice is the Hawaii Housing Finance and Development Corporation (HHFDC).

Project Name & Address/Location: The Kamoʻiliʻili Apartments Project located at 1234 Alexander Street, Honolulu, Oahu.

Estimated Construction Schedule: Construction start: 03/01/2027 / Construction completion: 09/31/2028.

Tax Map Key (TMK) and latitude/longitude coordinates (in decimal degrees): TMK: (1) 2-8-011:027. Coordinates: 21.29867, -157.83207.

Anticipated Permits, Approvals, and Notifications:

PERMITTING AGENCY	PERMIT TYPE
City and County of	Demolition, grading, trenching, and building permits (DPP)
Honolulu (CCH)	Wastewater and stormwater connection permits (DPP)
	Certificate of Occupancy (DPP)
	Street usage permit (DTS)
	Board of Water Supply review
	Honolulu Fire Department plan review
	201H Approval (City and County of Honolulu Council)
State of Hawaii	National Pollutant Discharge Elimination System and Noise Permit (DOH)
	ADA Coordination (DCAB)
	Chapter 6E, HRS (SHPD)
Federal	Form 7460-1 (FAA)

NARRATIVE

Kamo'ili'ili Development LLC (Applicant) is proposing to build 180 units of multi-family affordable housing in Honolulu. The Project site totals 23,899 square feet and will be composed of one parcel, which has two existing structures on it.

The two existing structures on the Project site were built in 1947 and 1964 and contain a total of 28 market-rate rental units that will have to be removed before construction. The Applicant will work with the residents and provide relocation assistance to find other suitable accommodations. The structures will then be demolished and cleared to make way for the Project, which will be a 21-story residential building that will add 179 affordable rental housing units. One unit will be reserved for an onsite manager. The Project will have ingress and egress from Alexander Street and include a six-story parking structure that will provide 193

Kamoʻiliʻili Apartments Exemption Notice September 24, 2024 Page 3

parking stalls for automobiles for its residents, and two loading/unloading stalls. In addition, there will be storage for 66 bicycles (20 short- and 46 long-term stalls). Fifteen floors of residential units will sit above the parking structure, which will bring the overall height of the building up to 193 feet above ground level.

The Project will contain 15 studios, 90 one-bedroom units, and 75 two-bedroom units. The ground level will include a landscaped plaza, a residential lobby, two elevators, and loading areas. The Project will also include a lobby with an administrative office, mail room, exercise room, and a community center space with a small kitchen. The Project will be 100% electric and will be built to LEED standards. The Applicant will commit to set aside 179 units as affordable for a minimum of 61 years. Below is a matrix detailing the number of affordable units by bedroom type for each phase:

RESTRICTED AT THE AMI	STUDIO	1 BEDROOM	2 BEDROOM
60%, or 80% to 100% of the AMI	15 units	90 units	74 units
Manager Units			1 unit
Total Number of Units	15 Units	90 Units	75 Units

'Ikenākea Development LLC has executed an Option to Purchase Agreement with the current owner of the property, which grants the Applicant the necessary authority to engage in development activities. 'Ikenākea Development LLC, a Honolulu affordable housing development firm, is the sole member of Kamo'ili'ili Development LLC, which is a special purpose entity established to develop the Project.

The determination of the Project's affordability levels will be made after the HRS 201H resolution is adopted and will depend on the sources of financing the Applicant is able to secure. The Project is designed so that it may be developed as either one of the following two scenarios, with the first scenario being preferred by the Applicant:

- 1. A 100% affordable rental project for households earning up to the maximum of 60% of the Area Median Income (AMI), plus one manager's unit. This scenario proposes to use Low-Income Housing Tax Credits and other HHFDC financing programs.
- 2. A 100% affordable rental project for households earning between 80% and 100% of the AMI, plus one manager's unit. This scenario proposes to use HHFDC's Rental Housing Revolving Fund.

The Applicant will seek financing from the Rental Housing Revolving Fund, Hula Mae Multi-Family, and/or other State financing programs. As such, HHFDC will be the approving agency for HRS 343 compliance because of the use of these State financing programs. In addition, Low-Income Housing Tax Credits will be sought to complement State financing.

As part of the 201H application, the Applicant will be seeking various exemptions from the City and County of Honolulu's Land Use Ordinance under Chapter 21, Revised Ordinances of Honolulu (Ordinance) relating to height, density, setbacks, and other requirements. Some of the exemptions that will be sought include, but are not limited to:

Kamoʻiliʻili Apartments Exemption Notice September 24, 2024 Page 4

- 1. The maximum floor area ratio (FAR) is 1.57 per Ordinance. The proposed FAR will be 7.4.
- 2. The maximum building area (or lot coverage) is 40% per Ordinance. The proposed building area will be 60%.
- 3. The maximum building height is 150 feet per Ordinance. The proposed building height will be 193 feet.
- 4. The allowed side and rear yard setbacks are 10 feet per Ordinance. The project will encroach on the setbacks by 5 feet.
- 5. The allowed transitional height setback is 40 feet along the buildable area boundary line, then set back one foot for every 10 feet of additional height. At the proposed maximum height of 193 feet, the proposed transitional height encroachment along the northern and property boundary will be 16 feet.
- 6. The minimum amount of bicycle parking required per Ordinance is 108 stalls (18 short-term and 60 long-term). The proposed amount of bicycle parking will be 66 stalls (20 short-term and 46 long-term).

ENVIRONMENTAL ANALYSIS

HHFDC has considered the potential effects of the Project and all related activities against the criteria checked below:

		Not Applicable
\boxtimes	Land Use and Zoning Conformance	
\boxtimes	Traffic (Vehicles, Bicycles, Pedestrian)	
\boxtimes	Infrastructure (Roads, Building, Utilities)	
	Social-Economic	
	Public Health and Safety	\boxtimes
	Recreational Resources	\boxtimes
\boxtimes	Cultural, Historic and Archeological Resources	
\boxtimes	Visual and Aesthetic Resources	
	Terrestrial and Avian Resources	\boxtimes
	Surface and Ground Water Resources	\boxtimes
	Wetlands, Floodplains and Riparian/Coastal Resources	\boxtimes
\boxtimes	Air Quality Pollutant Emissions	
\boxtimes	Noise Emissions	
	Solid, Hazardous, and Liquid Waste Emissions	\boxtimes
	Other (As noted below)	\boxtimes

Relevant environmental analysis of the Project is provided below:

1. Land Use and Zoning. The Project site is zoned A-2, which allows housing. As part of the 201H application, the Applicant will seek exemptions from the LUO relating to height, density, building area, bicycle parking requirements, setbacks, and waiver of various utility hookup/installation fees.

2. *Traffic.* The Project is located at 1234 Alexander Street, which is a two-lane undivided roadway with on-street parking on both sides. The Project will have a signal access point along Alexander Street.

The Applicant's traffic engineer prepared a Traffic Assessment for the Project. The Project is forecast to generate a total of 321 net new daily vehicular trips, including 25 net new trips during the AM peak hour and 34 net new trips during the PM peak hour. These estimates would result in the addition of roughly one new vehicular trip every two minutes in each peak hour. Given the negligible effect on traffic, no roadway improvements are recommended. In addition, the Project complies with CCH off-street parking requirements.

The existing sidewalk network in the vicinity of the Project site is largely complete and connected with nearly all street segments having sidewalks along both sides, where appropriate. Marked crosswalks are present at all nearby intersections in accordance with anticipated demand and desire lines to and from pedestrian generators and attractions. The Project site has adequate access to three transit routes operated by TheBus. The Project meets the short-term bicycle parking requirement, but not the long-term bicycle parking requirement. The developer is planning to seek an exemption for a 50% reduction in the total number of bicycle parking spaces required.

As designed, the Project is expected to comply with the City and County of Honolulu's (CCH) off-street vehicle parking requirement. The Project is not expected to result in significant adverse effects to traffic or active mobility along Alexander Street or the surrounding roadways.

3. *Infrastructure*. The Applicant's civil engineer prepared a Site Assessment for the Project.

Water: The Honolulu Board of Water Supply (BWS) provides water service to the area, with main lines running along Alexander Street, Bingham Street, and South Beretania Street. The Project site is connected to a 6-inch water main on Alexander Street. While the exact size of the water lateral line and meter could not be confirmed, a letter from BWS dated December 15, 2023, states that the existing water system is adequate for the Project. The final decision on water supply availability will be confirmed upon submission of the building permit application. Additionally, a letter from BWS dated May 15, 2023, indicates that local fire hydrants have adequate pressure and flow rates to ensure sufficient fire protection. The Project is not expected to impact fire protection services. In summary, the existing BWS water system is sufficient for the Project's water service and fire protection needs, and no additional improvements are required.

Wastewater: The Project area's wastewater system is serviced by CCH's wastewater collection system and conveyed to the Sand Island Treatment Plant. The Project site is connected to two sewer main lines running along Alexander Street, with additional connections to an 8-inch line on Bingham Street and a 12-inch and 15-inch line on South Beretania Street. The eastern side of Alexander Street has a 10-inch sewer main, while the western side has a 15-inch sewer main. These lines converge at South Beretania Street and Pawa'a Lane. The Project site connects to the existing 10-inch and 15-inch sewer mains on Alexander Street through a 6-inch sewer lateral line. In summary, the

existing wastewater system is sufficient to handle the increased flow from the Project, and no additional improvements are required.

Drainage: The Project site's drainage system includes two grate drain inlets on the southwest portion of the site, and stormwater catch basins on Alexander Street and South Beretania Street. Runoff from the site flows either south or east. Runoff flowing south is collected by the grate drain inlets and directed through an 8-inch PVC drain line to an 18-inch reinforced concrete drain line. This connects to a 24-inch reinforced concrete drain line on Alexander Street, which then collects runoff in a catch basin. Runoff flowing east is collected by a concrete gutter on Alexander Street and directed to the catch basins at the intersection with South Beretania Street. The runoff transitions to two 18-inch drain lines and continues south through 12-inch drain lines, converging into a single drain line that transfers to a box culvert along Hauoli Street, eventually discharging into the Ala Wai Canal via the Makiki Stream channel. The Project will meet city water quality standards and minimize stormwater discharge rates. Post-construction Best Management Practices (BMPs) such as subsurface infiltration, permeable pavements, and biofilters will be implemented to treat pollutants. Site design strategies will reduce impervious areas and direct stormwater to treatment structures. During construction, BMPs will be used around the site perimeter and catch basins to minimize adverse effects.

- 4. Visual. The visual characteristic of the surrounding area is urbanized with high-rise residential towers surrounding the Project site, and single- and multi-family residential dwellings to the east. The height of the Project is 193 feet above ground level. Alexander Arms is a 14-story condominium and Alexander Towers at 14 stories are comparable in height to the Project. The Project will not significantly affect the visual characteristic of the area because it will be similar in terms of scale and context when compared to other residential towers around the surrounding area.
- 5. Cultural, Historic and Archeological Resources. The Project site has undergone significant previous disturbance as it is now being used for housing. The Applicant's archeological consultant prepared a Desktop Review Report for the Project site. Based on the Desktop Review, no archaeological studies have been conducted within the current project area. Similarly, according to the Office of Hawaiian Affairs (OHA) Kipuka Database, there are no historical sites, Land Commission Awards, or Land Grants present within the project area. Two housing structures at the Project site are over 50 years old and a Reconnaissance level survey (RLS) has been prepared to determine eligibility for listing on the Hawaii and/or National Register of Historic Places. Both structures were evaluated as not meeting HAR 13-284-6 significance and integrity criteria.

Both the Desktop Review Report and RLS will be submitted to the State Historic Preservation Division (SHPD) for SHPD's review and determination as part of the HRS 6E process. The Applicant will implement any mitigation deemed necessary by SHPD.

6. Environmental Site Assessment. The Applicant's environmental consultant prepared a Phase 1 Environmental Site Assessment (ESA) of the site. The ESA found no evidence of ASTM-defined recognized environmental conditions (RECs) or significant data gaps in connection with the subject properties.

- 7. Public Health and Safety. If deemed necessary, the Applicant will submit FAA Form 7460-1 to the Federal Aviation Administration (FAA), the federal agency responsible for evaluating objects affecting navigable airspace. This will be submitted prior to applying for a construction permit.
- 8. Noise. The Project will cause an incremental increase in construction-related noise, but it will be temporary and is not anticipated to be significant in the surrounding area where the predominant source of noise would be from vehicular traffic. If the noise emissions are above standards stipulated in HAR 11-46 (Community Noise Control), a permit will be required to regulate the permissible noise levels.
- 9. *Air.* The Project may have some short-term impacts on air quality in the form of fugitive dust emissions because of construction activities. Fugitive dust emissions can be controlled mostly by watering of active work areas, using wind screens, keeping adjacent paved roads clean and covering of open-bodied trucks.

In addition, the Project meets the four criteria under the Type 10 exemption in the following manner:

- 1. The sole trigger for compliance with HRS 343 is the use of State funds as described above.
- 2. The Project site is within the State Urban district. See Exhibit 3.
- 3. The Project location is within the WCT District, Residential, Apartment Permitted County Zone Designation, which allows housing. See Exhibit 4.
- 4. The Project does not require variances for shoreline setbacks and is not in an environmentally sensitive area. The Project site:
 - a. Is not located within the Special Management Area. See Exhibit 8.
 - b. It is located in Flood Zone X and not within a floodway. See Exhibit 5.
 - c. Does not contain any streams or wetlands. See Exhibit 6.
 - d. Does not include any area designated critical habitat. See Exhibit 7.

CONSULTATIONS

The following parties were consulted as part of the public outreach and exemption processes.

AGENCY / ORGANIZATION	NAME	CONSULTATION DATE
Manoa Neighborhood Board	Announce Town Hall	02/07/2024
Moiliili/McCully Neighborhood Board	Announce Town Hall	02/01/2024
Makiki/Tantalus Neighborhood Board	Announce Town Hall	02/15/2024
Town Hall Meeting	Central Union Church	03/04/2024
Moiliili/McCully Neighborhood Board	Project Presentation	03/07/2024
Moiliili/McCully Neighborhood Board	Announce Comment Period	04/04/2024
Senator Carol Fukunaga	Public Comment Period	04/05/2024 – 04/15/2024
Councilmember Tyler Dos Santos Tam	Meeting on Project	04/11/2024
Councilmember Andria Tupola	Meeting on Project	03/27/2024
Councilmember Augie Tulba	Meeting on Project	02/20/2024
Councilmember Calvin Say	Meeting on Project	06/24/2024
Healthcare Association of Hawaii	Meeting on Project	07/09/2024
Office of the Governor Housing Team	Meeting on Project	06/20/2024
Hawaii Department of Transportation	Ed Sniffen, Director	07/30/2024
Hawaii Department of Education	Keith Hayashi, Superintendent	07/30/2024
Office of Planning and Sustainable Development	Mary Alice Evans, Director	07/30/2024
CCH, Department of Planning and Permitting	Dawn Takeuchi-Apuna, Director	07/30/2024
CCH, Mayor's Office of Housing	Denise Iseri-Matsubara, Director	07/30/2024
CCH, Department of Transportation Services	J. Roger Morton, Director	07/30/2024
CCH, Department of Design and Construction	Haku Miles, Director	07/30/2024

The following comments were received during the HRS 343 comment period. Responses are provided in italics.

- 1. CCH Department of Planning and Permitting. The department confirmed that the Project is eligible for an EA exemption.
- 2. CCH Department of Design and Construction. The department had no comments
- 3. Hawaii Department of Transportation. The department provided the following comments:
 - a. Comment: The proposed development project is approximately 4.8 miles from the property boundary of the Daniel K. Inouye International Airport (HNL). All projects within 5 miles from Hawaii State airports are advised to read the *Technical Assistance Memorandum* (TAM) for guidance with development and activities that may require further review and permits.
 - Response: The Applicant has reviewed the TAM for development activities within 5 miles of state airports and will follow its guidance. Development activities will be undertaken in a manner to avoid impacts on HNL operations.
 - b. Comment: Due to the proximity to HNL, the Applicant and future residents should be aware of potential single-event noise from aircraft operations. There is also a potential for fumes, smoke, vibrations, odors, etc., resulting from occasional

aircraft flight operations over or near the project location. These incidences may increase or decrease over time and are dependent on airport operations.

Response: Future residents of the Project will receive a disclosure in their lease concerning HNL and its operations. Such a disclosure will advise residents of the possible impacts of airport operations, such as fumes, noises, and vibrations.

c. Comment: If a solar energy photovoltaic (PV) system is going to be installed, be aware that PV systems located in or near the approach path of aircrafts can create a hazardous condition for pilots due to possible glint and glare reflected from the PV panel array. If glint or glare from the PV array creates a hazardous condition for pilots, the owner of the PV system shall be prepared to immediately mitigate the hazard upon notification by the DOT and/or Federal Aviation Administration (FAA).

FAA requires a glint and glare analysis for all solar energy PV systems near airports. The www.sandia.gov/glare website has information and guidance with the preparation of a glint and glare analysis. A separate FAA Form 7460-1 will be necessary for the solar energy PV system. After the FAA determination of the Form 7460-1 glint and glare analysis, a copy shall be provided to the DOT Airport Planning Section by the owner of the solar energy PV system.

Solar energy PV systems have also been known to emit radio frequency interference (RFI) to aviation-dedicated radio signals, thereby disrupting the reliability of air-to-ground communications. Again, the owner of the solar energy PV system shall be prepared to immediately mitigate the RFI hazard upon notification by the DOT and/or FAA.

Response: A PV system is planned for the Project's office and maintenance buildings. The Applicant's design team has been apprised to specify non-glint and non-glare solar panels, and the development team will prepare a glint and glare analysis for the Project. The Applicant acknowledges that if it is determined that its PV array creates a hazardous condition for pilots, it will take immediate action to mitigate the situation.

d. Comment: DOT requires that the Project does not provide landscape and vegetation that will create a wildlife attractant, which can potentially become a hazard to aircraft operations. Please review the FAA Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants On Or Near Airports for guidance. If the Project creates a wildlife attractant, the Applicant shall immediately mitigate the hazard upon notification by the DOT and/or FAA.

Response: The Applicant has reviewed the FAA Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants on or near Airports. The Circular will be shared with the Project's landscape architects, who will follow its guidance so that no landscape features will become a wildlife attractant.

e. Comment: Describe strategies to reduce carbon emissions from the project, if any. Suggestions include:

- i. Providing accessible, safe, and comfortable facilities and routes for pedestrians, bicyclists, and transit riders.
- ii. Facilitating access and growth of the multimodal transportation network in the community.
- iii. Sustainable materials: Using sustainable, recycled, or low-emission materials in construction and manufacturing.

Response: The Applicant will make efforts to reduce carbon emissions by providing electric vehicle stalls and ensuring the building is 100% electric. The Project will be built to Leadership in Energy and Environmental Design standards, promoting energy efficiency and sustainability.

MITIGATION

The Applicant will comply with all permit conditions required to mitigate construction-related impacts. No other mitigation is necessary.

EXEMPTION DECLARATION

Potential impacts of the Project have been evaluated in accordance with the significance criteria of HAR 11-200.1-13 and a discussion of the Project's conformance to the criteria is presented below:

- Irrevocably commit a natural, cultural, or historic resource. There are no known threatened or endangered species or critical habitats on the Project site. There are no known cultural, archaeological, or historic resources of significance on the Project site. In the event of unexpected discovery of archaeological or historic resources, SHPD will be notified pursuant to HAR 13-280-3.
- 2. Curtail the range of beneficial use of the environment. The Project will be implemented adjacent to existing residential developments of a similar nature, and the commitment of land resources required for the Project will not curtail the range of beneficial uses of the environment such as natural habitats, or areas of biological significance.
- 3. Conflict with the State's environmental policies or long-term goals established by law. The Project does not conflict with the policies and guidelines of HRS 343.
- 4. Have a substantial adverse effect on the economic welfare, social welfare, or cultural practices of the community and State. In the short term, construction expenditures will provide positive benefits to the local economy in the form of construction-related jobs. In the long-term, the Project will provide affordable housing opportunities for the area's residents.
- 5. Have a substantial adverse effect on public health. No identifiable adverse effects on public health or welfare are anticipated to result from the construction and operation of the Project.

- 6. Involves adverse secondary impacts, such as population changes or effects on public facilities. The Project is not anticipated to induce population growth in the state as the Project is affordable housing that can only be rented to Hawaii residents. Some redistribution of population may occur as the Project will include 152 more units than are currently on the site. Thus, some Hawaii residents from outside the immediate Project area may choose to relocate to the Project. Substantial impacts to public facilities are not anticipated to result from the construction and operation of the Project.
- 7. Involves a substantial degradation of environmental quality. The Project is not anticipated to substantially degrade environmental quality. Best Management Practices (BMPs) and appropriate erosion control measures will be utilized during the construction period.
- 8. Be individually limited but cumulatively have substantial adverse effect upon the environment or involves a commitment for larger actions. The Project is limited to the development of affordable housing. There are no commitments for further action beyond the scope presented within this EA Exemption Notice.
- 9. Have a substantial adverse effect on rare, threatened, or endangered species, or its habitat. The Project site is not located near critical habitats and will be adjacent to existing residential and commercial developments of a similar nature once the area is fully developed. The Project is not anticipated to substantially affect rare, threatened, or endangered species, or their habitat.
- 10. Have a substantial adverse effect on air or water quality or ambient noise levels. Construction activities will result in short-term air quality and noise impacts from the operation of construction equipment. Dust control measures, such as regular watering and sprinkling, and installation of dust screens will be implemented to minimize wind-blown emissions. Construction noise impacts will be mitigated through compliance HAR 11-46. No long-term significant impacts to air or water quality, or noise levels within the Project site are anticipated because of the Project.
- 11. Have a substantial adverse effect on or likely to suffer damage by being located in an environmentally sensitive area such as a flood plain, tsunami zone, sea level rise exposure area, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters. No significant impacts are anticipated as the Project site is not located within an environmentally sensitive area.
- 12. Have a substantial adverse effect on scenic vistas and view planes, during day or night, identified in county or state plans or studies. The Project will not result in significant impacts to view planes.
- 13. Requires substantial energy consumption or emit substantial greenhouse gases. The Project will not require more energy than used for comparable projects.

Kamoʻiliʻili Apartments Exemption Notice September 24, 2024 Page 12

HHFDC has considered primary, secondary and cumulative impacts of the Project and has determined the Project is not anticipated to have significant impacts on the environment. HHFDC as the approving agency for this Project has declared this Project is exempt from the preparation of an environmental assessment.

for Signature of Director or Delegate

Sep 24, 2024

Date

List of Appendices:

Exhibit 1 – Site Plan and Location Map

Exhibit 2 - Renderings

Exhibit 3 – State District Map

Exhibit 4 - City and County Zoning Map

Exhibit 5 – National Flood Hazard Map

Exhibit 6 – Wetlands Inventory Map

Exhibit 7 - Critical Habitat Map

Exhibit 8 – Special Management Area Map

Exhibit 9 – Typical Consultation Letter (minus exhibits above)

Exhibit 10 – Comment Letter from CCH DPP

Exhibit 11 - Comment Letter from CCH DDC

Exhibit 12 - Comment Letter from DOT

EXHIBIT 1 – Site Plan and Location Map

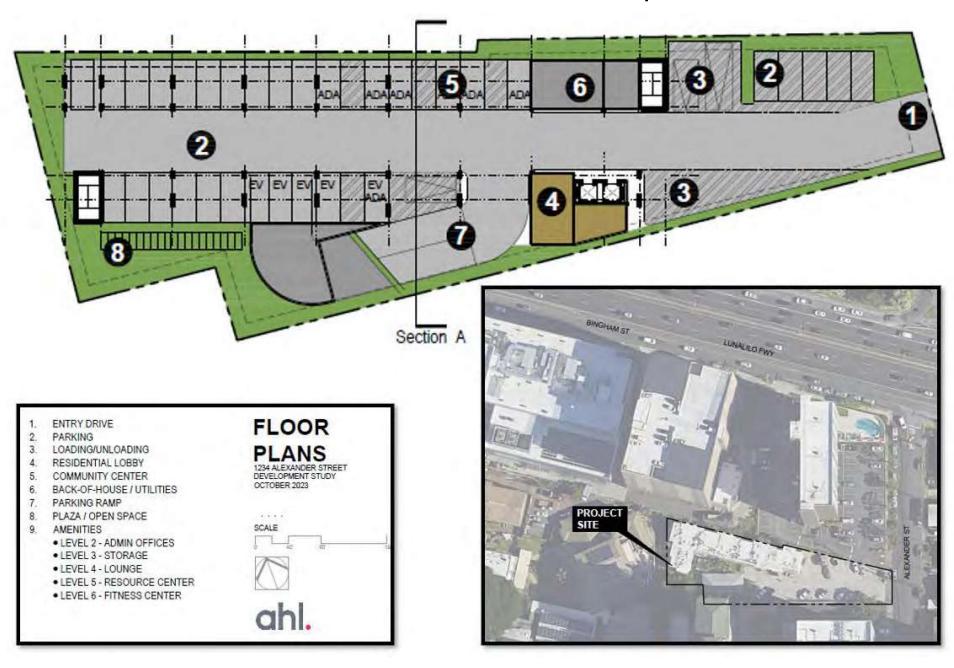


EXHIBIT 2 – Renderings

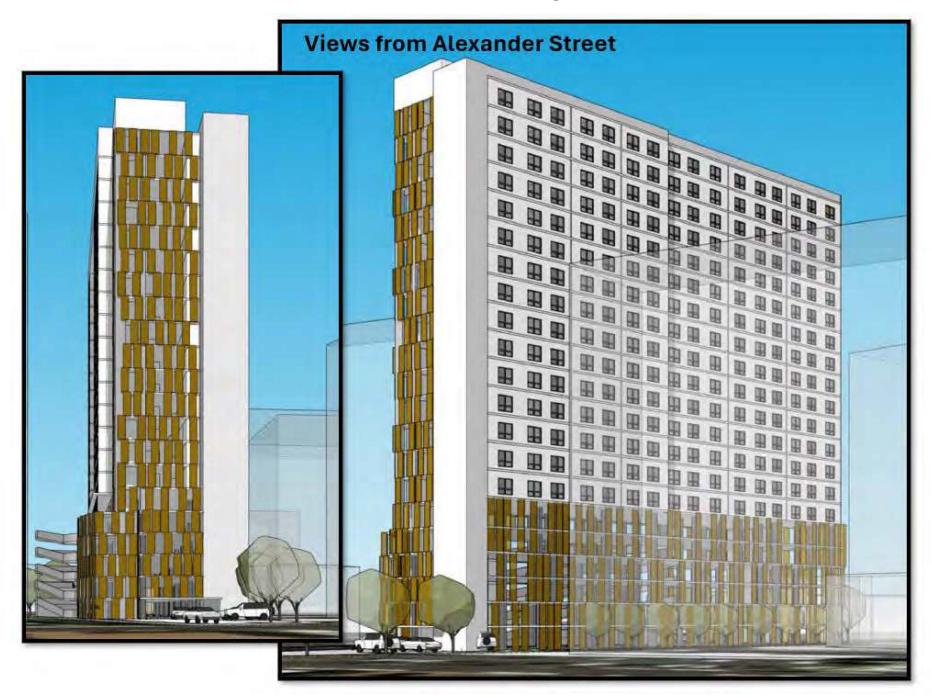
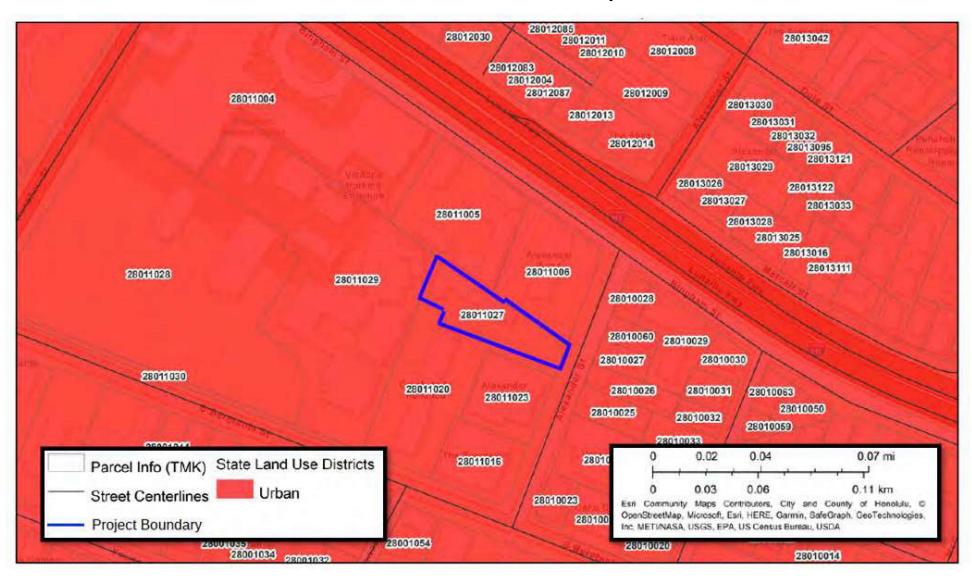


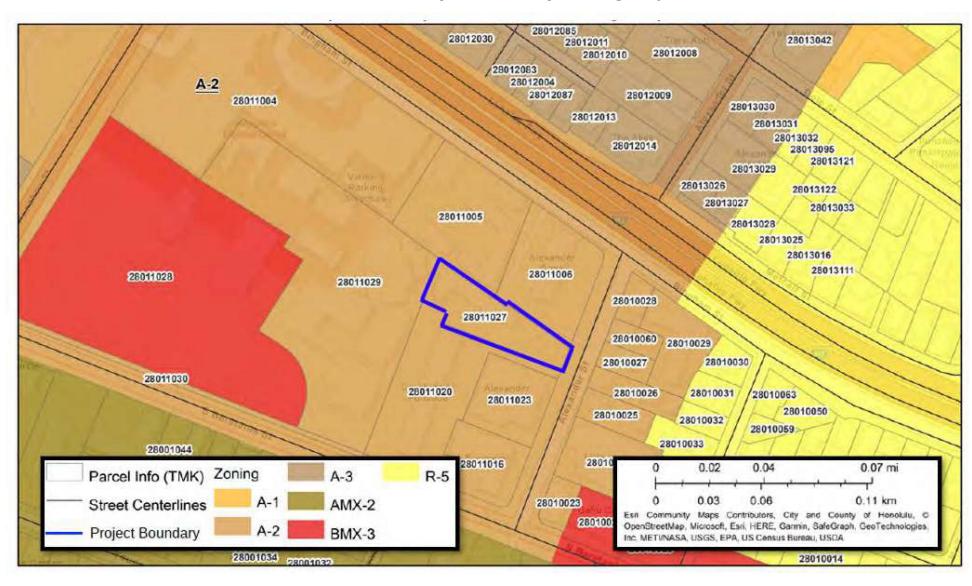
EXHIBIT 3 – State District Map



Source: City and County of Honolulu

https://www.honolulugis.org/apps/31b9607333e94c64ba581461892f32e8/explore

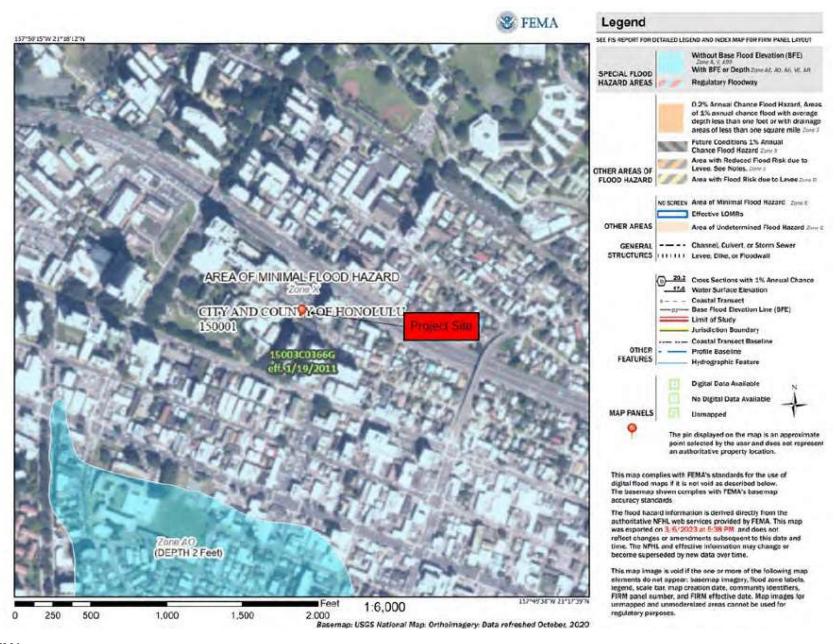
EXHIBIT 4 – City and County Zoning Map



Source: City and County of Honolulu

https://www.honolulugis.org/apps/31b9607333e94c64ba581461892f32e8/explore

EXHIBIT 5 – National Flood Hazard Layer (FIRMette)



Source: FEMA

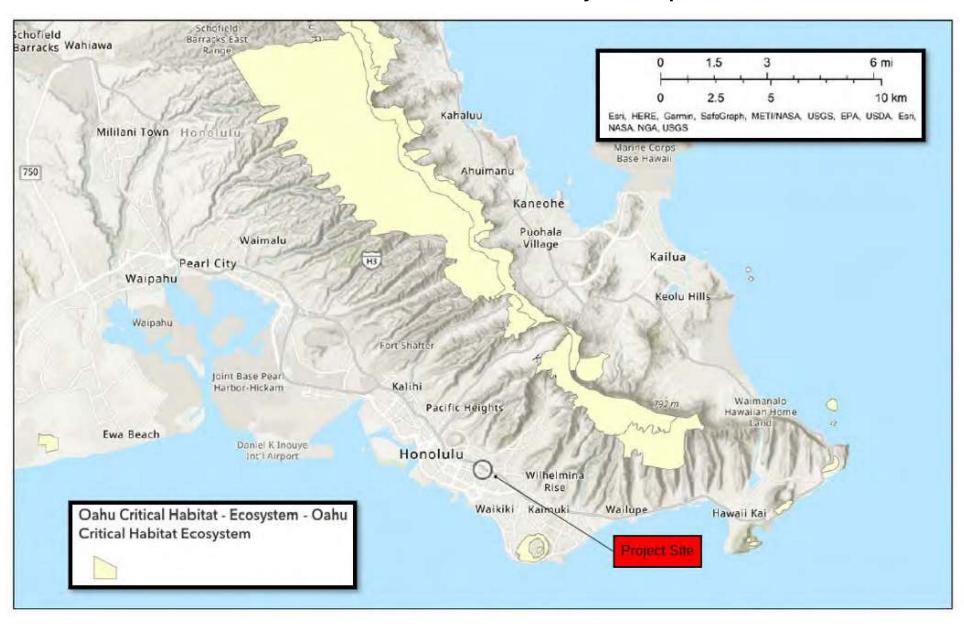
EXHIBIT 6 – Wetlands Inventory Map



Source: National Wetlands Inventory

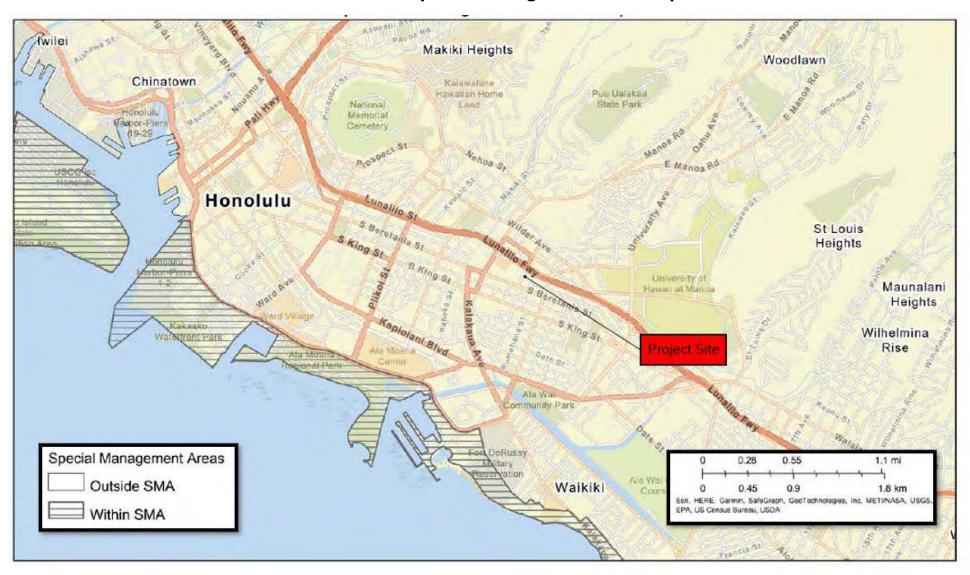
https://fwsprimary.wim.usgs.gov/wetlands/apps/wetlands-mapper/

EXHIBIT 7 – Critical Habitat Ecosystem Map



Source: Hawaii Statewide GIS Program https://geoportal.hawaii.gov/datasets/HiStateGIS::oahu-critical-habitat-ecosystem/explore?location=21.322045%2C-157.822108%2C12.24

EXHIBIT 8 – Special Management Area Map



Source: City and County of Honolulu

https://www.honolulugis.org/apps/31b9607333e94c64ba581461892f32e8/explore

EXHIBIT 9

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE



DEAN MINAKAMIEXECUTIVE DIRECTOR

IN REPLY REFER TO:

24:PECB/83

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300 HONOLULU, HAWAII 96813 FAX: (808) 587-0600

July 30, 2024

Mr. Ed Sniffen, Director Hawaii Department of Transportation 869 Punchbowl Street Honolulu, Hawaii 96813

Dear Mr. Sniffen:

Subject: Consultation for an Environmental Assessment Exemption

Kamo'ili'ili Apartments Project

1234 Alexander Street; Honolulu, Oahu

Tax Map Key: (1) 2-8-011-027

In accordance with the State guidelines for preparing environmental review documents, the Hawaii Housing Finance and Development Corporation (HHFDC) is consulting with entities having jurisdiction or expertise to determine whether the Kamoʻiliʻili Apartments Project (Project) may be exempt from the preparation of an Environmental Assessment (EA) pursuant to the administrative rules promulgated under the authority of Chapter 343-6(5), Hawaii Revised Statutes (HRS); and under Sections 11-200.1-15, 11-200.1-16, and 11-200.1-17, Hawaii Administrative Rules (HAR). HHFDC seeks your input on the subject Project by August 30, 2024, to make this determination.

Kamoʻiliʻili Development LLC (Applicant) is proposing to build 180 units of multi-family affordable housing in Honolulu. The Project site totals 23,899 square feet and will be situated on one parcel, which has two structures on it. 'Ikenākea Development LLC has executed an Option to Purchase Agreement with the current owner of the property, which grants the Applicant the necessary authority to engage in development activities. 'Ikenākea Development LLC, a Honolulu affordable housing development firm, is the sole member of Kamoʻiliʻili Development LLC, which is a special purpose entity established to develop the Project.

There are two existing structures on the Project site that were built in 1947 and 1964 and which are used as rental units. They contain a total of 28 market-rate units and will have to be removed prior to construction. The Applicant will work with the residents and provide relocation assistance to find other suitable accommodations. The structures will then be demolished and

Mr. Ed Sniffen July 30, 2024 Page 2

cleared to make way for the Project, which will be a 21-story residential building that will add 179 affordable rental housing units. One unit will be reserved for an onsite manager. The Project will have ingress and egress from Alexander Street and include a six-story parking structure that will provide 193 parking stalls for automobiles and electric vehicles for its residents, and two loading/unloading stalls. In addition, there will be storage for 66 bicycles (20 short term and 46 long term). Fifteen floors of residential units will sit above the parking structure, which will bring the overall height of the building up to 193 feet above ground level.

The Project will contain 15 studios, 90 one-bedroom units, and 75 two-bedroom units. The ground level will include a landscaped plaza, a residential lobby, two elevators and loading areas. The Project will also include a lobby with an administrative office, mail room, exercise room, and a community center space with a small kitchen. The Project will be 100% electric and will be built to LEED standards.

The determination of the Project's affordability levels will be made after the HRS 201H resolution is adopted and will depend on the sources of financing the Applicant is able to secure. The Project is designed so that it may be developed as either one of the following two scenarios, with the first scenario being preferred by the Applicant:

- 1. A 100% affordable rental project for households earning up to the maximum of 60% of the Area Median Income (AMI), plus one manager's unit. This scenario proposes to use Low-Income Housing Tax Credits and other HHFDC financing programs.
- 2. A 100% affordable rental project for households earning between 80% and 100% of the AMI, plus one manager's unit. This scenario proposes to use HHFDC's Rental Housing Revolving Fund.

As part of the 201H application, the Applicant will be seeking various exemptions from the City and County of Honolulu's Land Use Ordinance (Chapter 21, Revised Ordinances of Honolulu [Ordinance]) relating to height, density, setbacks, and other requirements. Some of the exemptions that will be sought include, but are not limited to:

- 1. The maximum floor area ratio (FAR) is 1.57 per Ordinance. The proposed FAR will be 7.4.
- 2. The maximum building area (or lot coverage) is 40% per Ordinance. The proposed building area will be 60%.
- 3. The maximum building height is 150 feet per Ordinance. The proposed building height will be 193 feet.
- 4. The allowed side and rear yard setbacks are 10 feet per Ordinance. The project will encroach on the setbacks by 5 feet.

- 5. The allowed transitional height setback is 40 feet along the buildable area boundary line, then set back one foot for every 10 feet of additional height. At the proposed maximum height of 193 feet, the proposed transitional height encroachment along the northern and property boundary will be 16 feet.
- 6. The minimum amount of bicycle parking required per Ordinance is 108 stalls (18 short-term and 60 long-term). The proposed amount of bicycle parking will be 66 stalls (20 short-term and 46 long-term).

HHFDC believes the Project may be declared exempt from the preparation of an environmental assessment based on HHFDC's comprehensive exemption list¹, which mirrors and exceeds the exemption criteria affordable housing projects under HAR 11-200.1-15(c).

EXEMPTION TYPE 6: Demolition of structures, except those structures that are listed on the national register or Hawaii Register of Historic Places.

Part 2 Actions – Includes structures that require further consideration because of their potential impacts to the surrounding community. For example, demolition of structures that contains high levels of hazardous materials; demolition of structures that creates significant noise, fugitive dust or other adverse impacts; or demolition of structures that leads to a loss of amenities for the public.

Analysis: The existing structures on the parcel are not on the Hawaii Register of Historic Places or the national register. The two structures are over 50 years old and may be considered historic property. The Applicant will submit to the State Historic Preservation Division for HRS 6E review the structures to ensure no historic properties are affected.

In addition, the Applicant will work with existing residents living in the structures and provide relocation assistance before demolition work starts. Although the demolition does not trigger the federal relocation act, the Applicant is committed to providing necessary assistance to the current tenants residing on the property. To ensure a smooth transition, the Applicant will hire a skilled relocation consultant to work alongside the current property manager to provide personalized assistance to each tenant.

EXEMPTION TYPE 10: New construction of affordable housing, where affordable housing is defined by the controlling law applicable for the state or county proposing agency or approving agency, that meets the following:

¹ As concurred in by the Environmental Advisory Council on November 1, 2022, see: https://files.hawaii.gov/dbedt/erp/Agency_Exemption_Lists/State-Hawaii-Housing-and-Finance-Development-Corporation-2022-11-01-Exemption-List.pdf

A. Has the use of state or county lands or funds or is within Waikiki as the sole triggers for compliance with HRS 343;

Analysis: Applicable, the sole trigger for compliance with HRS 343, which is the use of State funds as described above.

B. As proposed conforms with the existing state urban land classification;

Analysis: Applicable, the Project site is within the State Urban district. See Exhibit 2.

C. As proposed is consistent with the existing county zoning classification provided that allows housing;

Analysis: The Project site is currently zoned A-2 at TMK (1) 2-8-011-027, which allows housing. See Exhibit 3.

D. As proposed does not require variances for shoreline setbacks or siting in an environmentally sensitive area, as stated in HAR 11-200.11-13(b)(11).

Analysis: The Project does not require variances for shoreline setbacks and is not in an environmentally sensitive area. The Project site:

- a. Is over a mile from the nearest shoreline and it is not located within the Special Management Area. See Exhibit 8.
- b. It is located in Flood Zone X and not within a floodway. See Exhibit 5.
- c. Does not contain any streams or wetlands. See Exhibit 6.
- d. Does not include any area designated critical habitat. See Exhibit 7.

Part 2 Actions — Development of affordable housing provided pre-assessment consultations were conducted to determine the appropriateness of preparing an exemption notice or requiring an environmental assessment.

2. Construct multi-family residential units including, but not limited to, grading; roadway and traffic systems; utility systems; dwelling units; landscaping; and ancillary facilities; provided all applicable approvals and administerial permits are obtained.

Analysis: The Project will be a multi-family affordable housing development. All applicable approvals and administerial permits will be obtained, including grading, roadway and traffic systems, utility systems, dwelling units, landscaping, and ancillary facilities.

Attached is a Project summary and impact analysis, which provides additional details.

Mr. Ed Sniffen July 30, 2024 Page 5

If you have any questions, please have your staff contact Mr. Dean Watase, Housing Planning Manager, at 587-0639 or by email at dean.k.watase@hawaii.gov.

Sincerely,

Chris Woodard Chief Planner

Attachment

EXHIBIT 10

DEPARTMENT OF PLANNING AND PERMITTING KA 'OIHANA HO'OLĂLĂ A ME NĂ PALAPALA 'AE CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-8000 • FAX: (808) 768-6041 • WEBSITE: honolulu.gov/dpp

RICK BLANGIARDI MAYOR MEIA



DAWN TAKEUCHI APUNA DIRECTOR PO'O

BRYAN GALLAGHER, P.E. DEPUTY DIRECTOR HOPE PO'O

REGINA MALEPEAI 2ND DEPUTY DIRECTOR HOPE PO'O KUALUA

August 14, 2024

2024/ELOG-1492 (DC)

Mr. Chris Woodard Hawai'i Housing Finance and Development Corporation 677 Queen Street, Suite 300 Honolulu, Hawai'i 96813

Dear Mr. Woodard:

SUBJECT: Environmental Assessment Determination

Kamoʻiliʻili Apartments Project 1234 Alexander Street – Honolulu

Tax Map Key: 2-8-011:027

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This is in response to your letter, received August 2, 2024, requesting the Department of Planning and Permitting (DPP) concurrence that the subject Project can be exempted from Chapter 343, Hawai'i Revised Statues (HRS), the Environmental Impact Statement Law. The Hawai'i Administrative Rules (HAR) Section 11-200.1 enumerate the exemptions for the demolition of structures and affordable housing projects if the Project meets certain criteria. We concur that the subject Project meets the necessary criteria to be exempted from Chapter 343, HRS.

Pursuant to Section 11-200.1-15(6), HAR, demolition of structures except for those structures that are listed on the National Register or Hawaii Register of Historic Places is an exempt action. Our records do not indicate that there are any structures listed on the National Register or Hawaii Register of Historic Places. Therefore, we concur that it meets all the necessary requirements to be considered an exempt action for purposes of Chapter 343, HRS.

Pursuant to Section 11-200.1-15 (c)(10), HAR, new construction of affordable housing is an exempt action provided that it complies with applicable affordable housing regulations of the State or County, and it meets the following criteria:

Mr. Chris Woodard August 14, 2024 Page 2

- The use of State or County lands or funds, or development within Waikīkī are the only Chapter 343 triggers;
- · The Project conforms with the State Land Use Urban classification;
- The Project is located within a County zoning district that allows for housing; and,
- The Project does not require a Shoreline Setback Variance and is not in an environmentally sensitive area, pursuant to HAR Section 11-200.1-13(b)(11).

Based on the information provided, the only Chapter 343, HRS, trigger is the use of State or County funds. Our records show the site is within the State Land Use Urban classification and is within the A-2 Medium-Density Apartment District, which allows for housing. Additionally, in accordance with Section 11-200.1-13(b)(11), HAR, the site is not located within an environmentally sensitive area since it is not a shoreline lot, not affected by 3.2 feet of sea level rise, not within a flood hazard area, not a beach or an erosion-prone area, and not within the tsunami evacuation zone.

Therefore, provided that the Project complies with the applicable affordable housing regulations of the State or County, we agree that it meets all the necessary requirements to be considered an exempt action for purposes of Chapter 343, HRS.

Should you have any other questions, please contact David Cholak, of the Zoning Regulations and Permits Branch, at (808) 768-8026 or via email at david.cholak@honolulu.gov.

Very truly yours,

Dawn Takeuchi Apuna

Director

EXHIBIT 11 DEPARTMENT OF DESIGN AND CONSTRUCTION KA 'OIHANA HAKULAU A ME KE KĀPILI CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11TH FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-8480 • FAX: (808) 768-4567 • WEBSITE: honolulu.gov

RICK BLANGIARDI MAYOR MEIA



HAKU MILLES, P.E DIRECTOR PO'O

MARK YONAMINE, P.E. DEPUTY DIRECTOR HOPE PO'O

August 21, 2024

State of Hawai'i
Department of Business, Economic Development and Tourism
Hawai'i Housing Finance and Development Corporation
Attn: Mr. Chris Woodard
677 Queen Street, Suite 300
Honolulu, Hawai'i 96813

Dear Mr. Woodard,

Subject: Consultation for an Environmental Assessment Exemption

Kamo'ili'ili Apartments Project

1234 Alexander Street; Honolulu O'ahu

Tax Map Key: (1) 2-8-011-027

Thank you for the opportunity to review and comment. The Department of Design and Construction does not have any comments.

Should you have any further questions, please call me at 808-768-8480.

Sincerely,

Haku Milles, P.E., LEED AP

Director

HM:cf (925997)

JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

August 30, 2024

EDWIN H. SNIFFEN DIRECTOR KA LUNA HO'OKELE

Deputy Directors

Nā Hope Luna Hoʻokele

DREANALEE K. KALILI

TAMMY L. LEE

CURT T. OTAGURO

ROBIN K. SHISHIDO

IN REPLY REFER TO

STP 00555.24 STP 8.3818

VIA EMAIL: dean.k.watase@hawaii.gov

TO: JAMES KUNANE TOKIOKA, DIRECTOR

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND

TOURISM

THROUGH: DEAN MINAKAMI, EXECUTIVE DIRECTOR

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

FROM: EDWIN H. SNIFFEN

DIRECTOR OF TRANSPORTATION

SUBJECT: CONSULTATION FOR AN ENVIRONMENTAL ASSESSMENT

EXEMPTION

KAMOILIILI APARTMENTS PROJECT

HONOLULU, OAHU, HAWAII TAX MAP KEY: (1) 2-8-011: 027

Thank you for your letter, dated July 30, 2024, requesting the Hawaii Department of Transportation's (HDOT) review and comments on the subject project. HDOT understands Kamoiliili Development LLC is proposing to demolish two existing residential structures and build a 21-story residential building located at 1234 Alexander Street in the McCully-Moiliili neighborhood.

HDOT has the following comments:

- 1. The proposed development project is approximately 4.8 miles from the property boundary of the Daniel K. Inouye International Airport (HNL). All projects within 5 miles from Hawaii State airports are advised to read the <u>Technical Assistance Memorandum (TAM)</u> for guidance with development and activities that may require further review and permits. The TAM can be viewed at this link: http://files.hawaii.gov/dbedt/op/docs/TAM-FAA-DOT-Airports_08-01-2016.pdf.
- 2. Due to the project's proximity to HNL, the applicant and future residents should be aware of potential single-event noise from aircraft operations. There is also potential for fumes, smoke, vibrations, odors, etc., resulting from occasional aircraft flight operations over or near the project. These incidences may increase or decrease over time and are dependent on airport operations.
- 3. If a solar energy photovoltaic (PV) system is going to be installed, be aware that PV systems located in or near the approach path of aircrafts can create hazardous conditions for pilots due to possible glint and glare reflected from the PV panel array. If a glint or glare from the PV array creates a hazardous condition for pilots, the owner of the PV system shall be prepared to immediately mitigate the hazard upon notification by the HDOT and/or Federal Aviation Administration (FAA).

The FAA requires a glint and glare analysis for all solar energy PV systems near airports. The http://www.sandia.gov/glare website has information and guidance with the preparation of a glint and glare analysis. An FAA Form 7460-1 will be necessary for the solar energy PV system. After the FAA determination of the Form 7460-1 glint and glare analysis, a copy shall be provided to the HDOT Airport Planning Section by the owner of the solar energy PV system.

Solar energy PV systems have also been known to emit radio frequency interference (RFI) to aviation-dedicated radio signals, thereby disrupting the reliability of air-to-ground communications. Again, the owner of the solar energy PV system shall be prepared to immediately mitigate the RFI hazard upon notification by the HDOT and/or FAA.

- 4. The proposed project shall not provide landscape and vegetation that will create a wildlife attractant, which can potentially become a hazard to aircraft operations. Please review the FAA Advisory Circular 150/5200-33C, Hazardous Wildlife Attractants On Or Near Airports for guidance. If the project's landscaping creates a wildlife attractant, the developer shall immediately mitigate the hazard upon notification by the HDOT and/or FAA.
- 5. Describe strategies to reduce carbon emissions from the project, if any. Suggestions include:
 - a. Providing accessible, safe, and comfortable facilities and routes for pedestrians, bicyclists, and transit riders.
 - b. Facilitating access and growth of the multimodal transportation network in the community.
 - c. Sustainable materials: Using sustainable, recycled, or low-emission materials in construction and manufacturing.

Please submit any subsequent land use entitlement-related requests for review or correspondence to the HDOT Land Use Intake email address at DOT.LandUse@hawaii.gov.

If there are any questions, please contact Mr. Blayne Nikaido, Planner, Land Use Section of the HDOT Statewide Transportation Planning Office at (808) 831-7979 or via email at blayne.h.nikaido@hawaii.gov.