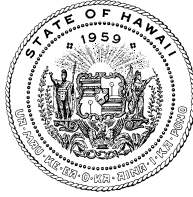


**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



**DEAN MINAKAMI**  
EXECUTIVE DIRECTOR

**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

IN REPLY REFER TO:  
26DEV032

April 15, 2026

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

Dear Ms. Evans:

**Subject:** Record of Environmental Consideration  
Hawaiian Electric Company Electrical Infrastructure Upgrade Project (HECO Project)  
Various Roadways in Kakaako, Honolulu, Oahu  
Tax Map Key: Various, See Attached Notice for Details

Pursuant to administrative rules promulgated under the authority of Section 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, this letter serves as notification and a request for publication that the Hawaii Housing Finance and Development Corporation (HHFDC) has declared this HECO Project exempt as a Part 1 action from the preparation of an environmental assessment.

The HECO Project is needed to boost electrical capacity in the Kakaako area to meet its growing demand. Proposed upgrades include enhancements to the Kewalo Substation and electrical connections on Queen Street, Ala Moana Boulevard, Koula, Auahi, Cooke, Coral, and Pohukaina streets. Electrical connections will also be extended to support three affordable housing developments located on Kakaako's west side. State funds will finance the affordable housing portion of these connections, which triggers HRS 343 compliance.

After careful analysis outlined in the attachment, HHFDC has evaluated the Project's primary, secondary, and cumulative impacts, and concluded that it is not anticipated to have significant environmental effects.

Sincerely,

Dean Minakami  
Executive Director

Attachment

# HECO ELECTRICAL INFRASTRUCTURE UPGRADE PROJECT RECORD OF ENVIRONMENTAL CONSIDERATION

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

The Hawaiian Electric Company (HECO) Electrical Infrastructure Upgrade Project (HECO Project) is needed to improve electrical capacity for the Kakaako area to meet its growing demand and to fully energize the three affordable housing developments listed below. In 1976, the State Legislature established the Kakaako Community Development District (KCDD) under the Hawaii Community Development Authority (HCDA). The 601.6-acre district is part of the Primary Urban Center and is situated less than a mile east of Honolulu's business district, bordered by Punchbowl to the north, Ala Moana Shopping Center to the east, and Downtown to the west. For planning purposes, this district is divided into the Mauka Area and the Makai Area.

Three affordable housing developments are proposed in the Mauka area within the Ala Moana Boulevard, Coral Street, Halekauwila Street, and Koula Street blocks. The proposed developments include:

1. The Pohukaina Commons is a mixed-use, affordable rental housing project located at 690 Pohukaina Street on a portion of Tax Map Key (TMK) (1) 2-1-051:047, Lot 3-B. It is on State lands and will offer 625 residential units.
2. The Block C (Kahuina) project is an affordable rental and for-sale housing project located at 450 Cooke Street on TMK (1) 2-1-054:001. It will offer 861 residential units, of which 60 percent will be designated as affordable. In addition to the residential units, the ground floor will have approximately 35,000 square feet of commercial space.
3. The Block D (Waiakoa) project is an affordable for-sale housing project located at 756 Auahi Street on TMK (1) 2-3-053:032. It will offer 1,032 residential units, which 60 percent will be designated as affordable. In addition to the residential units, the ground floor will have approximately 68,000 square feet of commercial space and approximately 25,000 square feet of plaza area.

To support these developments, upgrades to the existing electrical power distribution system are required. There are three phases of the HECO Project to meet the growing demands in Kakaako and fully energize the affordable housing developments listed above.

1. *Phase One.* Upgrade Kewalo Substation located at 1147 Kona Street by installing a new transformer and switchgear. This work will be done by HECO.
2. *Phase Two.* Install ductlines between the Queen Street extension and Ala Moana Boulevard. This includes trenching, excavation, trench shoring, jet grouting to reduce water exposure, installing ductlines, pouring encasement, and backfilling. Howard Hughes will perform the work under their permit. After installation and inspection, HECO will pull new 25 kV electrical cables in the ductlines.
3. *Phase Three.* Install ductlines between the Ward Avenue and Ala Moana Boulevard segment, and to Kamehameha School properties, which ends on Coral Street near

Auahi Street. This includes trenching, excavation, trench shoring, jet grouting to reduce water exposure, installing ductlines, pouring encasement, and backfilling. Kamehameha Schools' Developer Hui will perform this work under their permit. After the ductlines are installed and inspected, HECO will pull new 25 kV electrical cables through the ductlines.

4. *Phase Four.* Install ductlines along Coral and Pohukaina streets to extend electrical service from Phase Three to the affordable housing projects. This includes trenching, excavation, trench shoring, jet grouting to reduce water exposure, installing ductlines, pouring encasement, and backfilling. Highridge Costa, the developer for the Pohukaina Commons project will perform this work under their permit. After the ductlines are installed and inspected, HECO will pull new 25 kV electrical cables through the ductlines to support the affordable housing developments.

Dwelling Unit Revolving Fund (DURF) will be used to pay for the electrical improvements that will cover the affordable housing portion of the upgrade costs at Pohukaina Commons, Block C, and Block D projects. DURF will be conveyed to Highridge Costa as the project lead and applicant, who will then convey the funds to the appropriate contractors doing the work. The use of State funds triggers the need for HRS 343 compliance. The Hawaii Housing Finance and Development Corporation (HHFDC) is the approving agency for the portion of the HECO Project that serves the three affordable housing developments noted above.

The construction schedule of the three phases is as follows:

1. *Phase One.* Construction begins and ends in 2026.
2. *Phase Two.* Construction is pending historic review by State Historic Preservation Division (SHPD). The design has been completed and submitted for permits. This phase will provide the necessary ductlines for HECO to energize phase three. Estimated completion is between late-2026 and early-2027.
3. *Phase Three.* Construction pending reviews by SHPD and the Hawaii Department of Transportation (DOT). The design has been completed and submitted for permits. Most of the Archaeological Inventory Survey (AIS) trenching work is completed. Awaiting DOT approval of AIS trenching plan in Ala Moana Boulevard segment. Then AIS will go to SHPD for review. Estimated completion is mid-2027.
4. *Phase Four.* The applicant will start the historic review process with SHPD and/or DOT for electrical extensions along Coral and Pohukaina streets, and implement required mitigation measures. Expected completion is 2028.

The primary streets and roads that the Project will fall within are Queen Street, Ala Moana Boulevard, Koula Street, Auahi Street, Cooke Street, Coral Street, and Pohukaina Street. The TMKs are:

1. Block C TMK: (1) 2-1-054:001
2. Block D TMK: (1) 2-1-053:032

3. Block G TMK: (1) 2-1-055:001, 002, 018, 032, 033, 034, and 035
4. Block H TMK: (1) 2-1-056-010
5. Block I TMK: (1) 2-1-056-017 (Formerly (1) 2-1-056: 14, 15, and 16)
6. Koula Street TMK: None, portion between Ala Moana Boulevard and Auahi Street
7. Auahi Street TMK: None, portion between Koula Street and Coral Street
8. Cooke Street TMK: None, portion between Ala Moana Boulevard and Pohukaina Street
9. Coral Street TMK: None, portion between Ala Moana Boulevard and Pohukaina Street
10. Ala Moana Boulevard TMK: None, portion between Ward Avenue and Koula Street

An array of measures was developed to ensure safe, and minimally disruptive construction activities that comply with State and City requirements, which will help to reduce the construction impacts of the HECO Project during construction:

1. Traffic and Public Safety
  - a. A Traffic Control Plan (TCP) will be submitted to DOT and the City for approval.
  - b. Construction will take place during non-peak hours to minimize traffic disruptions as much as possible.
  - c. Certified flaggers or police officers will assist with traffic and pedestrian control as needed.
  - d. Pedestrian access will be maintained throughout construction, with ADA-compliant detours maintained, as necessary.
2. Noise and Work Hours
  - a. Work will occur during approved daytime hours.
  - b. Residents and businesses nearby will be notified before construction starts.
  - c. A noise permit from the Department of Health (DOH) will be obtained if needed.
3. Environmental Protection
  - a. Dust control measures will be in place.
  - b. A National Pollutant Discharge Elimination System permit will be obtained, and best management practices will be employed to prevent stormwater runoff and sedimentation.

- c. Potentially contaminated soils found during excavation will be tested, handled, and disposed of per DOH regulations.
4. Cultural and Archaeological Resources
  - a. An archaeological monitor will be retained, and procedures will comply with SHPD requirements.
5. Utility Coordination
  - a. Prior to excavation, existing utilities will be identified and verified through methods such as potholing.
  - b. Coordination will be undertaken with HECO, the Board of Water Supply, City sewer services, and telecommunications providers to prevent utility conflicts and ensure uninterrupted service.
  - c. Necessary utility protection measures, including shoring or temporary supports, will be implemented where required.
6. Community Outreach and Access
  - a. A contact line will be established for public inquiries or concerns.
  - b. Advance notification will be provided to surrounding properties, and access for emergency vehicles and local traffic will be maintained.

The cumulative impacts of utilizing the Mauka Area for high-density multifamily housing and mixed uses are discussed in the *Kakaako Community Development District TOD Overlay Final Environmental Impact Statement* (FEIS, 2015).<sup>1</sup> The FEIS was prepared to analyze the effects of transit-oriented development (TOD) in Kakaako. As outlined in the FEIS, the main goal of implementing TOD is to promote more housing in accessible locations near existing job centers. The FEIS details the environmental, social, and economic impacts expected from the proposed action, including upgrades to electrical service for the area.

In addition, the Project has been reviewed against the HHFDC Exemption List, approved by the Environmental Advisory Council on November 1, 2022, and it has been determined that the Project qualifies under exemption type three (3), and item i under Part 1 Actions. As a Part 1 Action, this Record of Environmental Consideration document has been prepared.

**EXEMPTION TYPE 3:** Construction and location of single, new, small facilities or structures and the alteration and modification of the facilities or structures and installation of new, small equipment or facilities and the alteration and modification of the equipment or facilities, including, but not limited to:

- D. Water, sewage, electrical, gas, telephone, and other essential public utility services extensions to serve such structures or facilities; accessory or appurtenant structures

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<sup>1</sup> [https://files.hawaii.gov/dbedt/erp/EA\\_EIS\\_Library/2015-07-08-OA-FEIS-Kakaako-Community-Transit-Oriented-Development-Overlay-Plan.pdf](https://files.hawaii.gov/dbedt/erp/EA_EIS_Library/2015-07-08-OA-FEIS-Kakaako-Community-Transit-Oriented-Development-Overlay-Plan.pdf)

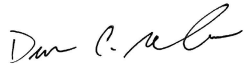
including garages, carports, patios, swimming pools, and fences; and acquisition of utility easements.

**Part 1 Actions** – Modification of existing facilities necessary to meet federal, state, and local codes, standards and regulations or installation of new equipment.

- i. Install new substation, transformers, and electrical connections to supplement existing power supply.

HHFDC analyzed the HECO Project and concluded it will have the same level of environmental impacts as disclosed in the FEIS. As the approving agency for the HECO Project because of the use of HHFDC's financing programs (i.e., use of State funds), HHFDC concludes no further HRS 343 is needed.

CONCUR



\_\_\_\_\_  
Signature of Director or Delegate

04/15/2026

\_\_\_\_\_  
Date

Attachment: Exhibit 1 – HECO Infrastructure and Electrical Plan (Does not depict the Coral and Pohukaina streets electrical extensions)

# EXHIBIT 1

## HECO Infrastructure and Electrical Plan Overview

