DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU
650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
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PETER B. CARLISLE
MAYOR

DAVID K. TANOUE
DIRECTOR

JIRO A. SUMADA
DEPUTY DIRECTOR

2012/ED-5(JS)

March 27, 2012

The Honorable Gary L. Hooser, Director
Office of Environmental Quality Control
State of Hawaii
State Office Tower, Room 702
235 South Beretania Street
Honolulu, Hawaii 96813

Dear Mr. Hooser:

Subject: Chapter 343, Hawaii Revised Statutes
Draft Environmental Impact Statement (EIS)

Project:	International Market Place Revitalization Project
Owner:	Queen Emma Land Company
Applicant:	TRG IMP LLC
Agent:	Kusao & Kurahashi, Inc.
Location:	2290, 2318, 2324, 2330 and 2332 Kalakaua Avenue; 2301 and 2345 Kuhio Avenue - Waikiki
Tax Map Key:	2-6-22: 36, 37, 38, 39 and 43
Proposal:	Major Waikiki Special District Permit for the demolition of all buildings and structures on the project site and construction of a new retail, dining and entertainment center.

We are submitting the Draft EIS for the subject project for inclusion in the **April 8, 2012** publication of "*The Environmental Notice*." We plan to distribute the Draft EIS as soon as our distribution list is approved by your office. Enclosed please find:

- One hard copy of the Draft EIS;
- One disc with an electronic copy of the Draft EIS and OEQC publication form;
- One hard copy of the completed OEQC publication form with project description;
- Distribution cover letter; and
- Distribution list.

OEQC Publication Form
The Environmental Notice

Instructions to Applicant or Agency:
1. Fill out this Publication Form and email to: oeqc@doh.hawaii.gov
2. Send a pdf copy of the EA / EIS and 2 hardcopies to OEQC. Mahalo.

Name of Project:	International Market Place Revitalization Project
Applicable Law:	Chapter 343, HRS
Type of Document:	Environmental Impact Statement Preparation Notice
Island:	Oahu
District:	Honolulu
TMK:	2-6-22: 36, 37, 38, 39 and 43
Permits Required:	Waikiki Special District Permit (Major), Conditional Use Permit (Minor) for Joint Development, Surface Encroachment Variance, Sidewalk Variance, Subdivision for Pedestrian Easement, Trenching Permit, Grading Permit, Drain Connection, Sewer Connection, Flood Study, Street Usage, Sign Master Plan, National Pollutant Discharge Elimination Permit, Construction Noise Permit, Industrial Wastewater Discharge, Construction Plan Approval and Building Permits.

Name of Applicant or Proposing Agency:	TRG IMP LLC
Address	200 East Long Lake Road, Suite 300
City, State, Zip	Bloomfield Hills, MI 48304-2324
Contact and Phone	Terry Fitzgerald (248) 258-7531
Approving Agency:	Department of Planning and Permitting
Address	650 South King Street
City, State, Zip	Honolulu, Hawaii 96813
Contact and Phone	Joyce Shoji 768-8032
Consultant	Kusao & Kurahashi, Inc.
Address	2752 Woodlawn Drive, Suite 5-202
City, State, Zip	Honolulu, Hawaii 96822
Contact and Phone	Keith Kurahashi 988-2231

Project Summary:

The International Market Place Revitalization Project (Project) includes the demolition of all buildings and structures on the project site (about 499,000 square feet of commercial space) and construction of a new retail, dining and entertainment center (about 390,000 square feet of commercial space). The 5.982-acre project site fronts Kalakaua and Kuhio Avenues and is mid-block between Kaiulani and Seaside Avenues in Waikiki. It contains the International Market Place (IMP), Waikiki Town Center and the Miramar at Waikiki hotel (Miramar).

The redeveloped commercial center will be generally three levels in height, however, the portion fronting Kuhio Avenue will have a seven-story structure consisting of two levels of retail on the Ewa side and three levels of retail on the Diamond Head side with five levels of parking above (the existing parking structures serving the IMP, Waikiki Town Center and Miramar are located on this portion of the site).

The Project is not anticipated to have a significant direct, indirect, secondary or cumulative impact on the surrounding area in terms of public services and the environment primarily because of the proposed net reduction in the total floor area for the combined properties.

DRAFT ENVIRONMENTAL IMPACT STATEMENT

INTERNATIONAL MARKET PLACE REVITALIZATION PROJECT

WAIKĪKĪ, HONOLULU, O'AHU, HAWAI`I

applicant

TRG IMP LLC
200 East Long Lake Road, Suite 300
Bloomfield Hills, MI 48304-2324

agent

KUSAO & KURAHASHI, INC.
2752 Woodlawn Drive, Suite 5-202
Honolulu, HI 96822

March 2012

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This Draft Environmental Impact Statement and all of the Figures and Appendices were prepared under my direction or supervision and all information submitted, to the best of my knowledge, fully addresses document and content requirements as set forth in sections 11-200-17 and 11-200-18, as appropriate.

TRG IMP LLC, a
Delaware limited liability company

By: _____
Steven Eder
Its: Authorized Signatory

200 East Long Lake Road, Suite 300
Bloomfield Hills, MI 48304-2324

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LIST OF FIGURES

LIST OF APPENDICES

LIST OF ACRONYMS AND ABBREVIATIONS

BMP	Best Management Practices
BWS	City Board of Water Supply
City	City and County of Honolulu
CUP	Conditional Use Permit
CSH	Cultural Surveys Hawaii, Inc.
DDC	City Department of Design and Construction
DES	City Department of Environmental Services
DLNR	State Department of Land and Natural Resources
DOE	State Department of Education
DOH	State Department of Health
DP	Development Plan
DPP	City Department of Planning and Permitting
DPR	City Department of Parks and Recreation
Draft EIS	Draft Environmental Impact Statement
DTS	Department of Transportation Services
EIS	Environmental Impact Statement
EISPN	Environmental Impact Statement Preparation Notice
FAR	Floor Area Ratio
FIRM	Flood Insurance Rate Map
ft	Foot or feet
GET	General Excise Tax
gpd	gallons per day
HABS	Historic American Building Survey
HAR	Hawaii Administrative Rules
HECO	Hawaiian Electric Company
HFD	Honolulu Fire Department
HRS	Hawaii Revised Statutes
LEED	Leadership in Energy and Environmental Design
LUO	Land Use Ordinance
NPDES Permit	National Pollutant Discharge Elimination System Permit
OHA	State Office of Hawaiian Affairs
OIBC	State O`ahu Island Burial Council
PUCDP	Primary Urban Center Development Plan
ROH	Revised Ordinances of Honolulu
SHPD	State Historic Preservation Division
State	State of Hawaii
TMP	Traffic Management Plan
WSD	Waikiki Special District

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ENVIRONMENTAL IMPACT STATEMENT PREPARATION NOTICE

INTERNATIONAL MARKET PLACE REVITALIZATION PROJECT

WAIKĪKĪ, HONOLULU, O'AHU, HAWAI'I

1. GENERAL INFORMATION

A.	APPLICANT/LESSEE	TRG IMP LLC 200 East Long Lake Road, Suite 300 Bloomfield Hills, MI 48304-2324 Terry Fitzgerald Vice President, Development (248) 258-7531
B.	OWNER	Queen Emma Land Company 1301 Punchbowl Street Honolulu, Hawai'i 96813 Les Goya Vice President, Queen Emma Land Company (808) 691-5950
C.	ACCEPTING AUTHORITY	Department of Planning & Permitting City and County of Honolulu 650 South King Street, 7th Floor Honolulu, Hawai'i 96813
D.	TAX MAP KEYS	2-6-22: 36, 37 and 38 (International Market Place) 2-6-22: 43 (Waikiki Town Center) 2-6-22: 39 (Miramar at Waikiki)
E.	AGENT	Kusao & Kurahashi, Inc. Planning and Zoning Consultants 2752 Woodlawn Drive, Suite 5-202 Honolulu, Hawai'i 96822

F.	LOCATION	2290, 2318, 2324, 2330 and 2332 Kalākaua Avenue in Honolulu, Hawai'i (International Market Place) 2301 Kūhiō Avenue in Honolulu, Hawai'i (Waikiki Town Center) 2345 Kūhiō Avenue in Honolulu, Hawai'i (Miramar at Waikiki) (Figure 1, Location and Zoning Map)
G.	LOT AREA	5.982 acres
H.	ZONING	Resort Mixed Use Precinct (Figure 1)
I.	STATE LAND USE	Urban
J.	DEVELOPMENT PLAN Land Use Map: Public Infrastructure Map:	 Resort Precinct (Figure 2) Transit Corridor along Kalākaua Avenue and Kūhiō Avenue (Figure 3)
K.	SPECIAL DISTRICT	Waikiki Special District (Figure 4)
L.	EXISTING USE	International Market Place and Waikiki Town Center - retail, dining and entertainment center Miramar at Waikiki – hotel complex
M.	AGENCIES CONSULTED PRIOR TO PREPARATION OF THE EISPN	Office of the Mayor of the City and County of Honolulu City Councilmember Stanley Chang Senator Brickwood Galuteria Representative Tom Brower Board of Water Supply Department of Planning and Permitting Department of Transportation Services Department of Land and Natural Resources Department of Business, Economic Development & Tourism State Historic Preservation Division Oahu Island Burial Council Office of Hawaiian Affairs Hawaii Tourism Authority Waikiki Improvement Association Hawaii Hotel & Lodging Association Waikiki Neighborhood Board Chair and Zoning Committee Chair The Outdoor Circle

N. AGENCIES CONSULTED - EISPN PROCESS AND THROUGH DRAFT EIS

Federal

Corps of Engineer (U.S. Army Engineer District)
U.S. Department of Interior, Fish & Wildlife Services

State of Hawaii

Department of Accounting & General Services
Department of Business, Economic Development & Tourism
- Energy, Resources & Technology Division
- Office of Planning

Department of Education
Department of Hawaiian Home Lands
Department of Health - Environmental Planning Office
Department of Land & Natural Resources
- State Historic Preservation Division

Office of Environmental Quality Control
Department of Transportation
Office of Hawaiian Affairs (OHA)
UHM Water Resources Research Center
UHM Environmental Center
Senator (Brickwood Galuteria)
Representative (Tom Brower)
Office of the Governor

City and County of Honolulu

Board of Water Supply (BWS)
Department of Design & Construction (DDC)
Department of Environmental Services (ENV)
Department of Facility Maintenance (DFM)
Department of Parks and Recreation (DPR)
Department of Planning & Permitting (DPP)
- Zoning Plans Review Branch
- Civil Engineering Branch
- Subdivision Branch
- Traffic Review Branch
- Wastewater Branch
- Land Use Permits Division
- Planning Division

Department of Transportation Services (DTS)
Honolulu Fire Department (HFD)

N. AGENCIES CONSULTED - EISPN PROCESS AND THROUGH DRAFT EIS (continued)

Honolulu Police Department (HPD)
Office of Economic Development - Waikiki
Ala Moana Satellite City Hall
Waikiki Neighborhood Board
Office of the Mayor
Members of the City Council

Organizations

Hawaiian Electric Company
Historic Hawaii Foundation
Honolulu Star Advertiser
The Outdoor Circle
Waikiki Improvement Association
Kawaiahao Church

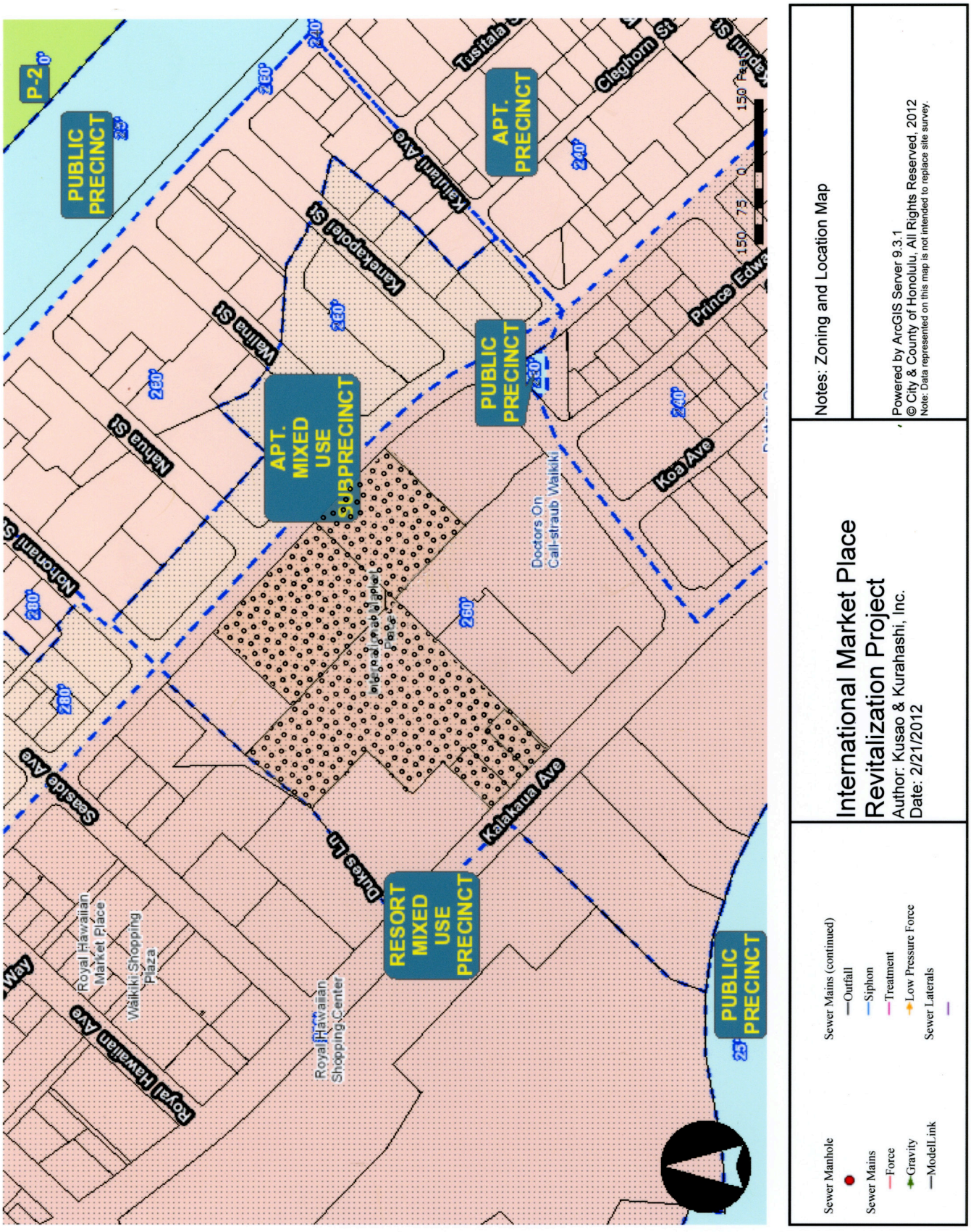
Libraries

Hawaii State Library (Waikiki/Kapahulu Branch)
Main State Library
Municipal Reference & Records Center (MRRC)

Landowners

Kyo-ya Hotels & Resorts LP
Outrigger Hotels Hawaii
B P Bishop Trust Estate
AOAO of Hale Walina
Waikiki Marketplace Investment
Honolulu Limited
2282 and 2280 Kuhio Avenue Development LLC
Minnie Kosasa
Hawaiian Prince Apts Ltd.
CR Wave LLC
Waikiki Business Plaza Inc.
WTC Owner LLC
Seaside Estates LP
RP/OE Waikiki Beachcomber LLC
Azabu USA Corp

FIGURE 1 LOCATION AND ZONING MAP



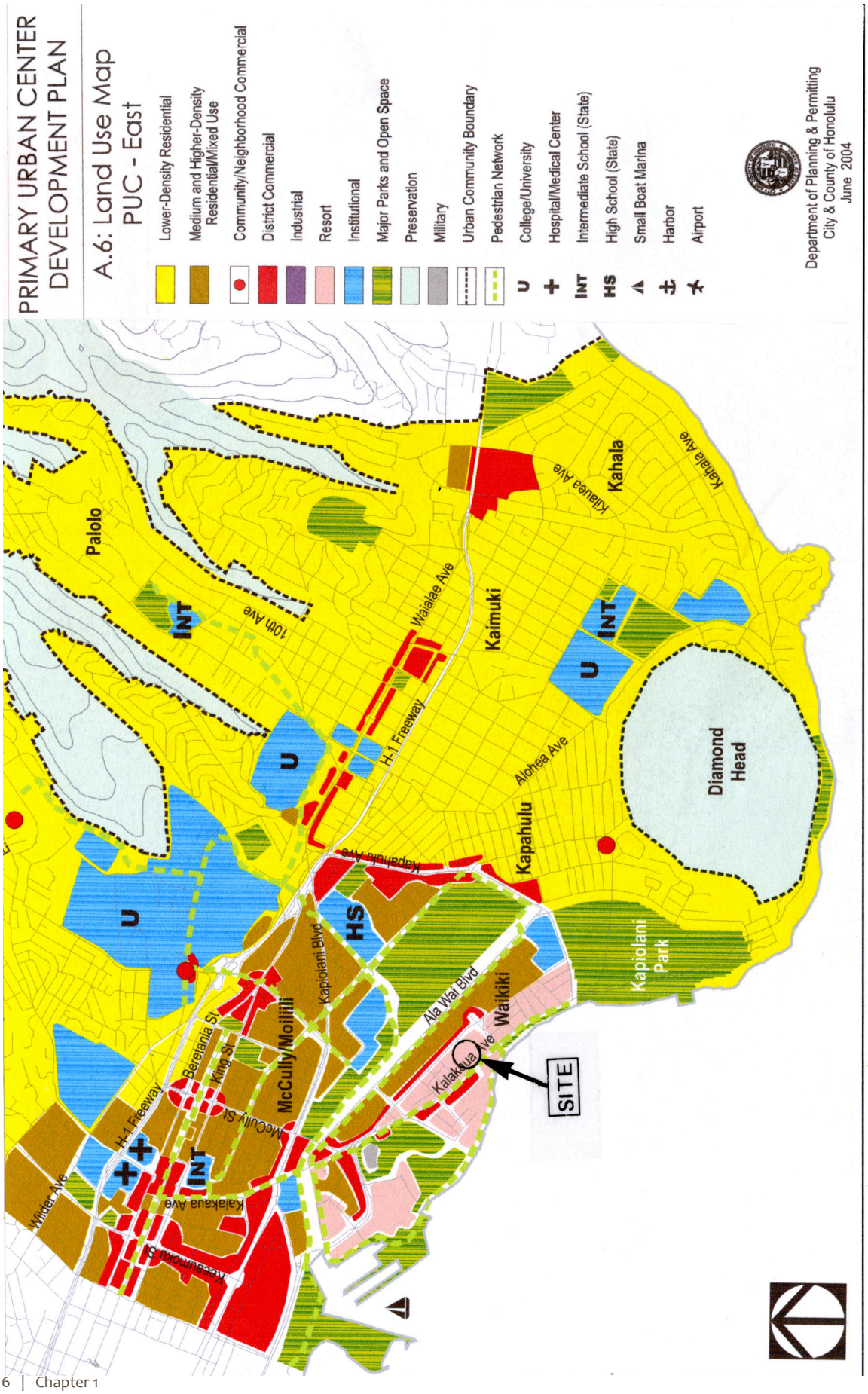


FIGURE 2 DEVELOPMENT PLAN LAND USE MAP

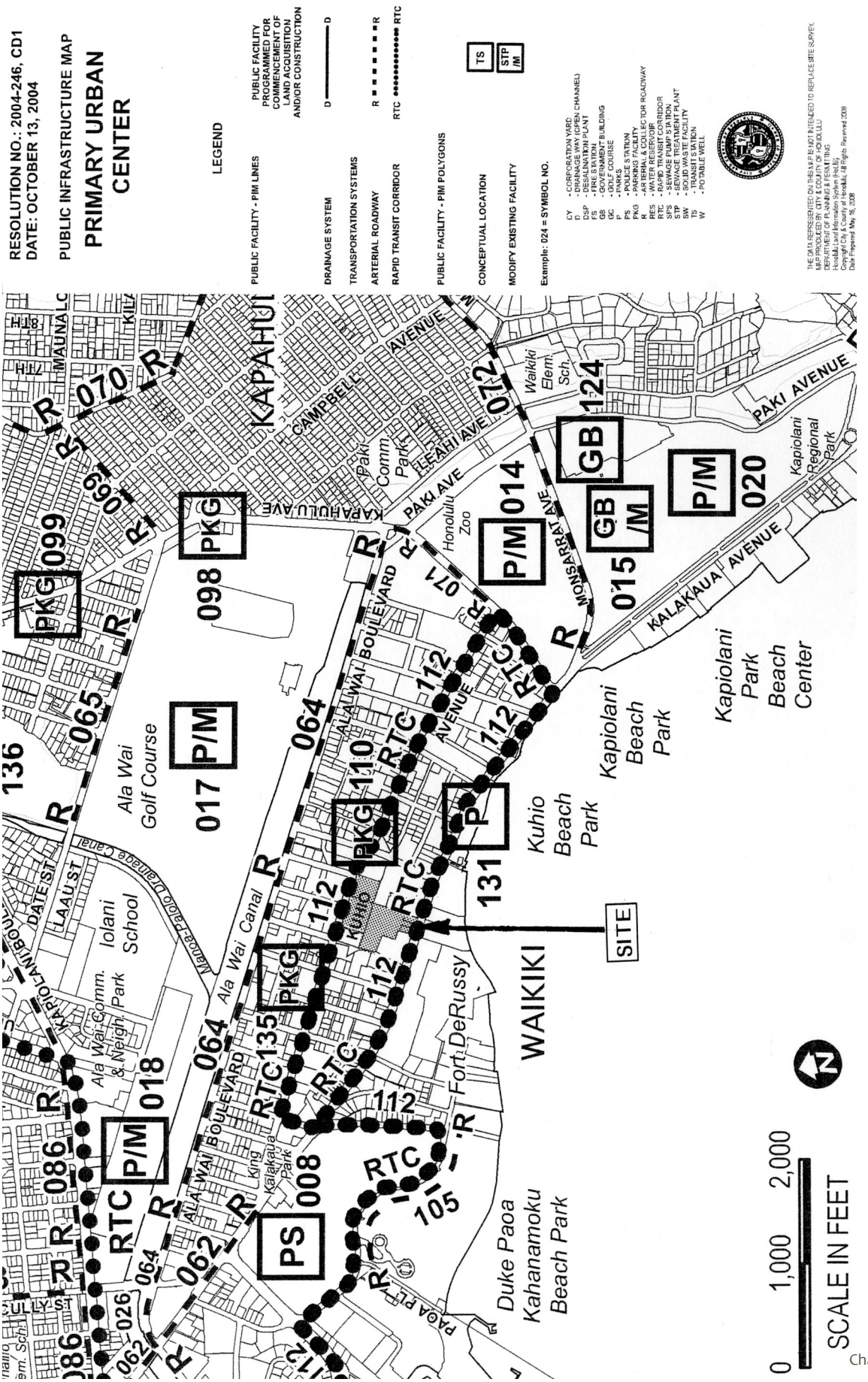
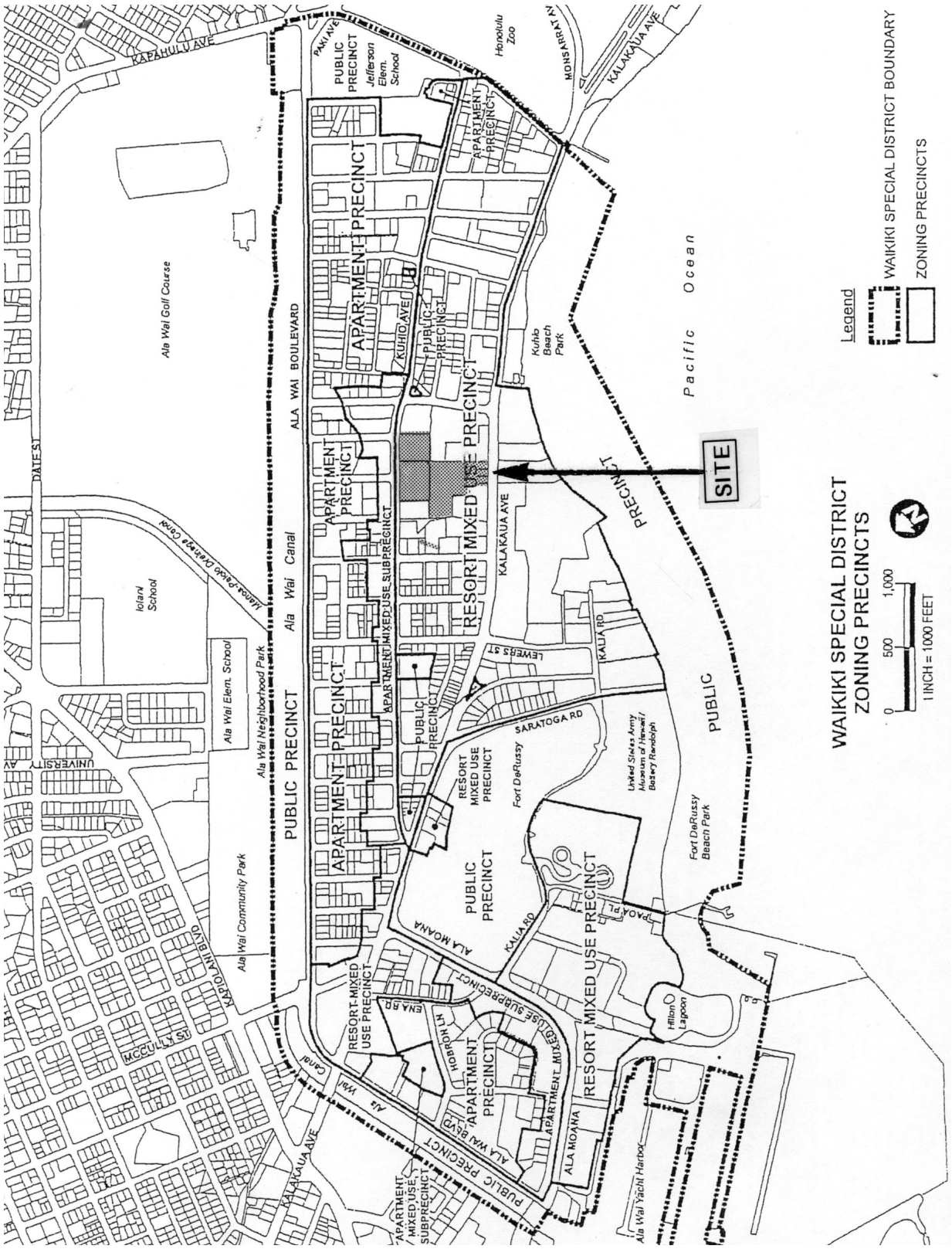


FIGURE 3 PUBLIC INFRASTRUCTURE MAP

FIGURE 4 SPECIAL DISTRICT



2. PROJECT INFORMATION SUMMARY

The Applicant, TRG IMP LLC ("TRG"), working with and on behalf of Queen Emma Land Company ("QEL"), an entity of The Queen's Health Systems, proposes the International Market Place Revitalization Project in Waikīkī, Honolulu, on O`ahu (the "Project"). The Project will be located on a 5.982 acre site in the center of Waikīkī (see attached maps) (the "Project Site") and will involve the existing developments commonly known as the International Market Place (the "IMP"), the Waikiki Town Center (the "Town Center") and the Miramar at Waikiki hotel (the "Miramar"). The Project Site is bounded and accessed by Kalākaua Avenue to the southwest in the makai direction, Kūhiō Avenue to the northeast in the mauka direction, the Sheraton Princess Ka`iulani Hotel and the `OHANA Waikiki East hotel to the southeast in the Diamond Head direction, and the Holiday Inn Waikiki Beachcomber Resort, the Aqua Waikiki Wave hotel, and Duke's Lane to the northwest in the `'Ewa direction. The Project Site comprises the heart of the Queen's Health Systems property holdings in Waikīkī, and the income generated from these holdings provides vital support to its mission to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all the people of Hawai'i.

This Draft Environmental Impact Statement ("DEIS") for the Project is prepared pursuant to and in accordance with the requirements of Chapter 343, Hawaii Revised Statutes ("HRS") and Chapter 200 of Title 11, Hawaii Administrative Rules - Environmental Impact Statement Rules. The actions that trigger this DEIS are the proposed development in the Waikiki Special District (the "WSD") and the potential use of City lands (Kūhiō Avenue right-of-way).

The Project is not anticipated to have a significant impact on the surrounding area in terms of public services and the environment primarily because of the proposed net reduction in the total floor area on the combined properties from the uses present today.

2.1 THE PROJECT

The Project includes the replacement of all existing buildings and structures on the Project Site with a new retail, dining and entertainment center. The redeveloped center will be generally three levels in height, but the mauka end will have a seven-story structure consisting of two levels of retail on the `Ewa side and three levels on the Diamond Head side below five levels of parking (which generally replace the existing parking structures serving the IMP, Town Center and Miramar on the mauka side of the Project Site). The Project will feature the following:

- Landscape and building elements that convey a Hawaiian sense of place incorporating historical, cultural, and educational features and opportunities including, but not limited to, telling the story of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i.
- Improved streetscape along Kalākaua and Kūhiō Avenues to enhance the pedestrian experience for visitors and local residents alike.

- Significant open space throughout the Project to maintain and enhance an inviting, park-like setting.
- Landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education.
- Retention and enhancement of the "exceptional" banyan tree near Kalākaua Avenue.
- Revitalized and redeveloped retail, dining and entertainment space to better serve the community—both visitors and local residents.
- Associated utility, parking and infrastructure improvements.

The Project involves the removal of approximately 213,000 square feet (gross floor area) of existing commercial space at IMP and the Town Center sites and approximately 286,000 square feet (gross floor area) of existing space at the Miramar site. With a proposed redevelopment of 390,000 square feet (gross floor area) of new commercial space across the entire Project Site, the Project will result in a net reduction of approximately 109,000 square feet (gross floor area). A preliminary concept plan showing the proposed improvements is provided in Appendix 1.

TRG also proposes the creation of an additional east-bound lane on Kūhiō Avenue along the Project frontage for van, shuttle and valet use as well as a right turn lane to allow traffic to more easily enter the redeveloped parking structure.

The addition of the valet/turn lane east-bound on Kūhiō Avenue will be coupled with a sidewalk variance and easement on a portion of the Project Site which together will create a condition which will provide safety for pedestrians and improve overall traffic flow in the public right of way. An alternative design would be to have the valet occurring only on the Project Site and no sidewalk easement which has the potential to interrupt pedestrian flow along the sidewalk, as well as potentially create vehicle back-ups and delays in the through lanes of Kūhiō. With the proposed design, the sidewalk section along Kūhiō will be as wide or wider than the existing condition with the widest sections occurring at the `'Ewa end and along the entryway into the Project. Those sections will be wide enough to accommodate seating and landscaping as well.

2.2 PUBLIC BENEFITS

The Project will provide multiple public benefits including:

- An improved visitor and local resident retail, dining and entertainment experience in Waikīkī.
- Enhanced public open space available to the public.
- Greater average setback along both Kalākaua Avenue and Kūhiō Avenue.
- Improved traffic circulation along Kūhiō Avenue.

- An economic and job-creating stimulus to a local and national economy suffering through the impacts of a recession.
- An increase in property values for the City and County of Honolulu (the "City") resulting in increased property taxes as well as generates additional tax revenue to the State in terms of collections from General Excise Taxes ("GET").

The Project further implements the City's vision for Waikīkī described in the Primary Urban Center (PUC) Development Plan (DP). Specifically, that vision seeks private reinvestment in the physical plant of Waikīkī to allow Waikīkī to remain the State's most popular tourist destination.

The Project will comply with the WSD design guidelines providing landscape and building elements that will convey a Hawaiian sense of place incorporating historical, cultural, and educational features and opportunities, including, but not limited to, telling the story of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i.

The Project is intended to become a world-class retail, entertainment and dining destination infused with Hawaiian culture which meets the demands of today's urban resort destination visitor and renews the appeal of the IMP to the local resident. Although a fresh, new project, it will celebrate the IMP's iconic and nostalgic past, and become a gathering place for all.

2.3 POTENTIAL ADVERSE IMPACTS

Potential adverse impacts include the following:

2.3.1 Loss of Miramar Hotel

The loss of 358 hotel rooms at the Miramar, resulting in the loss of approximately 100 full-time and part-time hotel jobs. This will also result in a loss of hotel room tax revenue.

2.3.2 Temporary Loss of Retail and Dining on the Project Site

The temporary loss of retail and dining and associated jobs at the IMP, Town Center and Miramar, and the loss of GET revenue during the construction period.

2.3.3 Displacement of Existing Tenants

The displacement of the existing tenants at the IMP and Town Center during the construction period and thereafter.

2.3.4 Construction Impacts

Short term construction impacts will be related to noise and air quality. There will also be short term impacts related to vehicular and pedestrian traffic related to the construction at the Project Site.

The demolition of the tower and lower structure of the Miramar will be accomplished using a tower crane and small equipment on a floor by floor basis using trash chutes to remove debris to the ground level for haul off. No structure implosion is planned.

2.4 MITIGATION MEASURES

2.4.1 Job Replacement

Although the total gross floor area of the Project will be 109,000 square feet less than the combined floor area of the existing IMP, Town Center and Miramar, the total gross leasable area of commercial space will increase by approximately 164,700 square feet. The Project proposes a total of 355,000 square feet (gross leasable area), while the existing gross leasable area on the IMP and the Town Center sites is 168,800 square feet and the existing gross leasable area on the Miramar site is 21,500 square feet. As a result, once the Project is completed, it is expected to create approximately 2,500 full-time and part-time jobs (a net overall increase of approximately 1,800 full-time and part-time jobs) more than offsetting the 670 total existing full-time and part-time jobs at the IMP, Town Center and Miramar.

2.4.2 Increased Tax Revenues

Although there will be a reduction in GET collections during construction, the future projected increase in sales and GET collections from the Project will more than off-set the tax revenues lost during construction.

2.4.3 Tenant Information, Notice and Assistance.

The displacement of existing tenants upon redevelopment of the IMP and the Town Center has been anticipated for some years. QEL has been planning for the redevelopment since it regained control of and began directly operating the IMP and the Town Center in 1998. The tenants have been informed and updated as redevelopment plans have continued, and their leases and license agreements specifically acknowledge the potential for redevelopment and are either short term or cancellable upon written notice. Similarly, the Miramar ground lease expired in 2010 and has been extended for a short term pending the commencement of redevelopment.

The existing tenants at the Project Site will continue to be informed of the progress and timing of the redevelopment. The most recent meetings to update the tenants occurred during the week of October 31, 2011. In January 2012, they were informed of the timing and locations of the AIS trenching work being performed. The tenants will also be appropriately notified of their lease or license termination, and should have ample time to make alternative arrangements should the Project move forward. In addition, QEL has previously proposed to make available to affected tenants various forms of assistance including brokerage services for potential relocation options as well as small business, vocational and educational referral services, and expects to offer similar forms of assistance as and when the Project moves forward.

2.4.4. Construction Practices

2.4.4.1 Noise

Y. Ebisu & Associates has prepared an Acoustic Study dated February 2012. The study in its entirety is provided in Appendix 2.

Chapter VII. Discussion Of Project-Related Noise Impacts And Possible Mitigation Measures, from that Acoustic Study, includes a discussion of mitigation measures for the Project that is summarized as follows:

The use of properly muffled construction equipment will be required on the job site.

Closure of all doors and windows facing the construction site would generally reduce interior noise levels by an additional 5 to 10 dBA.

Compliance with State Department of Health construction noise limits and curfew times, which are applicable throughout the State of Hawaii (Reference 4), will help to mitigate noise from construction activities.

Compliance with applicable State Department of Health (DOH) noise limits during the daytime and nighttime periods for new establishments, which also apply to fixed machinery and equipment, such as outdoor air conditioning equipment, emergency generator, and exhaust fans will help to mitigate noise impacts on surrounding properties. The Honolulu Liquor Commission will also apply noise limits to music and other noises which may emanate from an establishment where alcohol is served.

The use of coarse or brush concrete finishes, asphalt, or nonskid coatings on circulation roadway surfaces will prevent the tire squeal noise for typical circulation speeds within the parking garage structure.

2.4.4.2 Air Quality

B.D. Neal has prepared an "Air Quality Study for the Proposed International Market Place Revitalization Project" ("Air Quality Study") dated February 2012. The study in its entirety is provided in Appendix 3.

Section 8, Conclusions and Recommendations, from that Air Quality Study, describes mitigation measures for the Project and is summarized as follows:

During demolition and construction, to control dust, active work areas and any temporary unpaved work roads will be watered at least twice daily on days without rainfall. Use of wind screens and/or limiting the area that is disturbed at any given time will also help to contain fugitive dust emissions. Wind erosion of inactive areas of the site that have been disturbed will be controlled by mulching or by the use of chemical soil stabilizers. Dirt-hauling trucks will be covered when traveling on roadways to prevent windage. A routine road cleaning and/or tire washing program will also help to reduce fugitive dust emissions that may occur as a result of trucks tracking dirt onto paved roadways in the project area. Establishment of landscaping early in the construction schedule will also help to control dust.

During construction phases, increased vehicular emissions due to disruption of traffic by construction equipment and/or commuting construction workers will be alleviated by moving equipment and personnel to the site during off-peak traffic hours.

2.4.4.3 Traffic

TRG will prepare a construction management plan detailing plans during the construction phase to address impacts to pedestrians and vehicular traffic in the area.

2.4.5 Traffic Improvements

Although traffic operations (level of service) with the Project in 2015 are expected to remain similar to conditions without the Project in 2015, traffic mitigation measures are planned to improve traffic circulation along Kūhiō Avenue. The "Traffic Impact Report International Market Place Revitalization Project" dated October 2011 was prepared by Wilson Okamoto Corporation and is provided in Appendix 4. The report recommends the following traffic mitigation measures:

"Based on the analysis of the traffic data, the following are the recommendations associated with the proposed International Market Place revitalization project:

1. *Provide sufficient sight distance for motorists to safely enter and exit all project driveways.*

2. *Provide adequate on-site loading and off-loading service areas and prohibit off-site loading operations.*

3. *Provide adequate turn-around area for service, delivery, and refuse collection vehicles to maneuver on the project site to avoid vehicle-reversing maneuvers onto adjacent public roadways.*

4. *Provide sufficient turning radii at all driveways to avoid or minimize vehicle encroachments to oncoming traffic lanes.*

5. *Align the primary vehicular access with Walina Street at the intersection with Kuhio Avenue to minimize conflicts between turning vehicles.*

6. *Modify the traffic signal phasing and timing at the intersection of Kuhio Avenue with Walina Street to accommodate the addition of the primary vehicular access for the proposed project to the intersection.*

7. *Align the primary pedestrian access along Kuhio Avenue with the intersection with Nahua Street.*

8. *Align the primary pedestrian access along Kalakaua Avenue with the existing signalized mid-block crosswalk.*

9. *Provide an additional eastbound lane along Kuhio Avenue between the proposed valet pull-out and the primary access at the intersection with Walina Street to minimize the impact of valet operations on Kuhio Avenue.*

10. *Provide a physical barrier between the eastbound through lanes of traffic along Kuhio Avenue and the auxiliary lane extending from the valet pull-out at the intersection with Nahua Street to eliminate vehicular conflicts with vehicles utilizing valet services.*

11. *Provide exclusive left-turn and right-turn lanes along the primary vehicular access at the intersection of Kuhio Avenue with Walina Street.*

12. *Ensure that queuing from the valet pull-out along Kuhio Avenue does not extend onto the adjacent public roadway.*

13. *Prepare a Traffic Management Plan (TMP) for the International Market Place that includes traffic demand management strategies, as well as, traffic circulation, parking and loading management strategies."*

During the design phase of the Project, TRG will work to implement the recommendations of the Traffic Impact Report.

The primary public transportation improvement will be the extended lane proposed along Kūhiō Avenue. It is designed to accommodate vans and shuttles as well as valet and will assist the efficient flow of traffic by removing stopping vehicles from the moving lanes of traffic. The lane would be extended the length of the Project along Kūhiō Avenue to provide sufficient stacking for vehicles entering the Project's loading and parking

facilities opposite the Walina Street intersection. This stacking capacity will also minimize disruptions to the two through lanes used by buses and other traffic.

The circulation pattern for the valet is designed to minimize use of public right of way with the added benefit of valet drivers making only right turns when parking or delivering vehicles. To further enhance pedestrian safety on the sidewalk and traffic flow on Kūhiō's through lanes, the valet drivers will not be permitted to make u-turns or to reverse. A Valet Circulation illustration is provided in Figure 5.

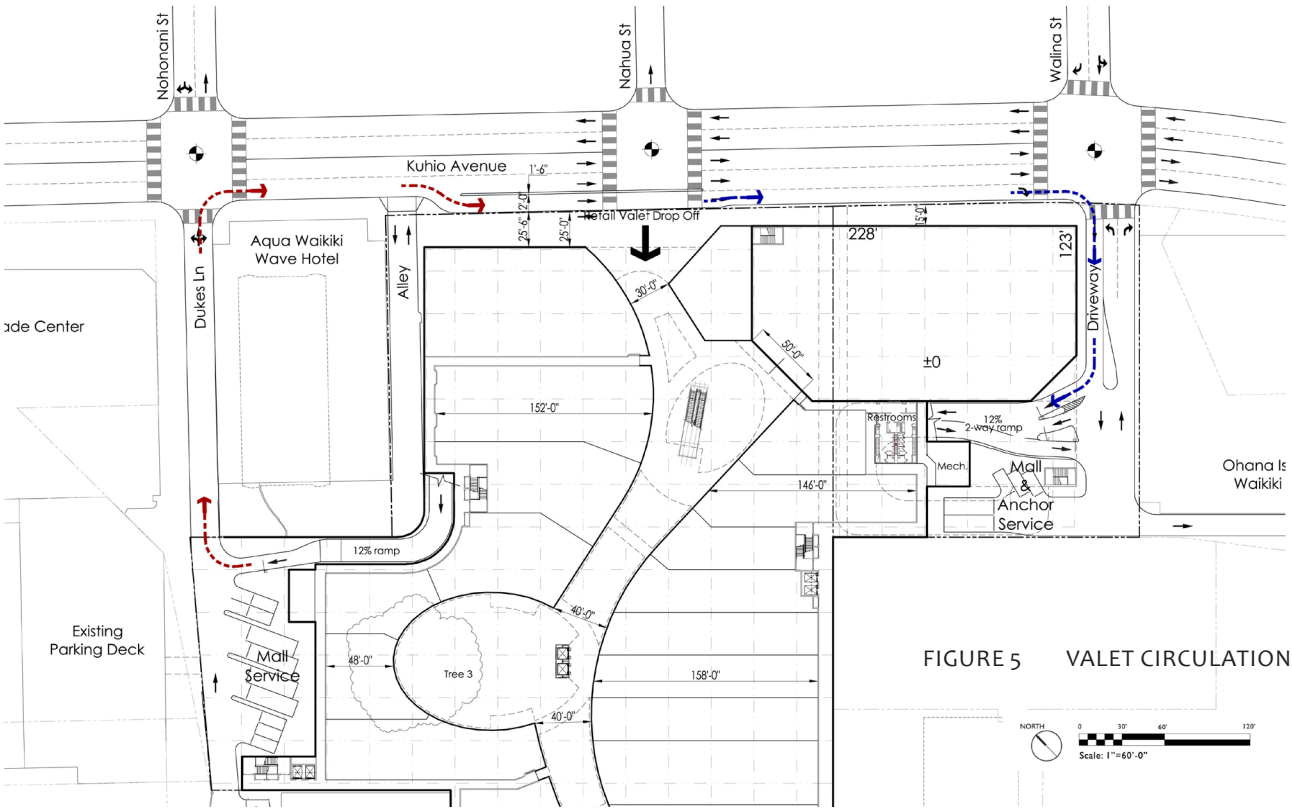


FIGURE 5 VALET CIRCULATION

The physical barrier proposed in recommendation #10 will be a low curb extending past the Nahua Street intersection with openings for two crosswalks. This curb is intended to prevent vehicles in the valet/turn lane from merging into east bound traffic at the intersection or crosswalks, thereby eliminating any conflict from a merge move with pedestrians using the crosswalk or vehicles turning onto Kūhiō Avenue from Nahua Street.

The Applicant also intends to implement a Traffic Management Plan (TMP) which will encourage its employees to use public transit and carpools and will encourage and assist tenants in doing the same for their employees. The Applicant will provide within its management office an employee responsible for the TMP who will encourage and coordinate the use of public transit and carpools, and make transit and biking information available to all employees. Transit and biking information will also be made available

for all patrons at the customer service desk within the Project. TRG will ensure that the TMP focuses holistically on mobility in general, in and around the Project site. Pedestrian flow and safety is as paramount as traffic flow, particularly since the large majority of the Project's visitors will come to and leave the Project on foot. TRG wants the Project to be safe and friendly to all however they arrive – on foot or bicycle, via shuttle or public transit, or by car. As described above, the current design is intended to help minimize vehicle and pedestrian conflicts during passenger drop-offs. The Project's loading areas are also out of the public right of way and sidewalk areas further increasing pedestrian safety and reducing sidewalk congestion. Bike racks will be provided near the Project entries on both streets, with additional racks in the parking garage as needed to satisfy bike-user demand. TRG will encourage its employees to use public transit and carpools and will encourage and assist tenants in doing the same for their employees.

2.4.6 Area Hotel Construction

Other actions occurring in Waikīkī that are not driven by TRG, but which will help mitigate the loss of 358 hotel rooms include the following:

- The Hilton Hawaiian Village is planning to develop 550 new timeshare units which will more than offset the loss of Miramar's 358 rooms and associated loss of jobs and hotel room tax revenue. A first phase of 300 units is planned for completion by 2015, with a second phase of 250 timeshare units planned for completion by 2021.
- The City Council approved a mass rezoning of Waikīkī that resulted in all properties within the WSD Resort Commercial Precinct being rezoned to the Resort Mixed Use Precinct. Ordinances 11-30 and 11-31were approved on December 14, 2011 and eliminated the Resort Commercial Precinct in the WSD and rezoned all Resort Commercial Precinct zoned land to Resort Mixed Use Precinct. Hotels, time-share and transient vacation units are now permitted uses on land formerly in the Resort Commercial Precinct. This rezoning permits the development of thousands of additional hotel units in Waikīkī on vacant or underutilized parcels of land, further offsetting the loss of hotel units at the Miramar in addition to creating even more jobs and hotel room tax revenues. The properties immediately surrounding the Project Site, however, are fully developed and we are not aware of any plans to redevelop these sites. The surrounding properties affected by the zone change in Ordinance 11-31 being rezoned from Resort Commercial Precinct to Resort Mixed Use Precinct include the Holiday Inn Waikiki Beachcomber Hotel, three parcels owned by HI 120 Development Inc., the Waikiki Business Plaza, the Waikiki Trade Center and the Aqua Waikiki Wave Hotel. The Holiday Inn Waikiki Beachcomber (23 stories, 496 rooms) and the Aqua Waikiki Wave Hotel (15 stories, 247 rooms) are existing hotels. We are currently not aware of any plans to redevelop these hotels with the new zoning. Of the three parcels owned by HI 120 Development Inc., one was recently developed with a three-story shopping center and the other two were developed with a 40,000 square-foot Ross Dress for Less Store that opened in October 2011. We are not aware of any plans to redevelop these properties at this time. Further, we are not aware of any plans to

redevelop the Waikiki Business Plaza (18 stories, 165,000 square feet) or the Waikiki Trade Center (21 stories, 205,000 square feet).

2.4.7 Noise (Acoustical) Long Term Impacts

Y. Ebisu & Associates has prepared an Acoustic Study . The study in its entirety is provided in Appendix 2. The following details mitigation measures for potential long term noise impacts related to traffic and air conditioning equipment:

"Traffic Noise. Noise impacts from project related traffic along the roadways which are expected to service the project traffic (Kalakaua Avenue, Kuhio Avenue, and Ala Wai Boulevard) are not expected due to the relatively low levels of project related traffic noise when compared to the noise levels of non-project related traffic and other noise sources. In addition, the existing resort units which are located in the immediate vicinity of the project are currently provided with air conditioning.

"For those new tenant spaces in the revitalized International Market Place complex which front Kuhio Avenue and Kalakaua Avenue, as well as those spaces which may be close to existing air conditioning equipment, noise mitigation measures are recommended. Closure and air conditioning of the affected spaces can be an effective noise mitigation measure for this project.

2.5 UNRESOLVED ISSUES

There will be further action required with respect to the following unresolved issues:

- Proposed improvements to Kūhiō Avenue, as well as associated easements, for a valet drop off lane and a pedestrian sidewalk to provide safe pedestrian access will require review and approval by DPP and DTS.
- A Signage Master Plan will be submitted for review and approval as a Zoning Adjustment at a later date.
- A partial Archaeological Inventory Survey (AIS) concerning potential burials or cultural resource deposits and consistent with an AIS Plan approved by the State Historic Preservation Division ("SHPD") has been completed. The balance of the AIS will be performed by mid-2012. Any burials uncovered during the remaining AIS may require preparation and approval of a burial treatment plan to be approved by the Oahu Island Burial Council (OIBC). The OIBC and SHPD have been kept informed of the progress of the AIS.
- Communications with existing tenants impacted by the Project will continue beyond the completion of the Final EIS.

2.6 COMPATIBILITY WITH LAND USE PLANS AND POLICIES

- State Land Use - The Project Site is situated within the State land use Urban district. Within that district, lands are characterized by city-like concentrations of people, structures, streets, urban level of services and other related land uses. The existing developments on the Project Site as well as the Project's planned improvements and proposed uses are consistent with this Urban designation.
- General Plan - The Project will comply with policies related to improving visitor facilities, prohibiting growth in hotel and resort condominium units, protecting and preserving the natural environment, and timing new development with infrastructure.
- PUCDP - The Project will comply with policies related to protection of natural resources (in particular, the exceptional tree on the Project Site), support the visitor industry with updated facilities, enhance the walking experience in Waikīkī, and comply with the land use map designation of Resort and Commercial.
- Zoning - The Project will be developed in accordance with development standards of the WSD. The proposed commercial uses (retail, dining and entertainment) are permitted uses in the Resort Mixed Use Precinct of the WSD for the specific parcels which comprise the Project Site.

2.7 REQUIRED GOVERNMENTAL PERMITS AND APPROVALS

- City: WSD Permit, Major; Surface Encroachment Variance; Subdivision for Pedestrian Easement; Sidewalk Variance; CUP (Minor) for Joint Development; Building Permits; Flood Study; Trenching Permit; Grading Permit; Drain Connection; Site Development Division Master Application for Sewer Connection; Street Usage; Sign Master Plan (Zoning Adjustment); and Construction Plan Approval.
- State: NPDES Permit for construction over an acre and possibly for dewatering effluent (although not expected); Construction Noise Permit; Archaeological Inventory Survey; and Industrial Wastewater Discharge.

2.8 ALTERNATIVES CONSIDERED

2.8.1 Alternative I: No Action

The possibility of taking no action was considered and rejected, as the existing IMP and Town Center structures are dated; the IMP and Town Center structures are either obsolete or nearing the end of their useful lives; and all would need to be significantly upgraded or replaced to be competitive in today's dynamic retail and commercial markets serving Waikīkī and O`ahu generally.

2.8.2 Alternative II: Renovation of the Existing Structures

TRG and QEL considered renovating the existing structures, however, the condition of the existing structures at the IMP and Town Center and the existing interior and exterior layout of the buildings do not lend themselves to an economically viable renovation alternative. Many of the structures at the IMP and Town Center are either obsolete or nearing the end of their useful lives and are increasingly uncompetitive in today's marketplace. While the Miramar may not have yet reached the end of its useful life, the hotel opened in 1970 and portions of the structure date to 1961. The projected cost for renovation would be approximately $60 to $70 million.

2.8.3 Alternative III: Develop with Various Modifications to the WSD Standards through the Planned Development-Resort (PD-R)/Planned Development Commercial (PD-C) Permit Process

TRG and QEL considered a redevelopment scenario which would require, among other things, a request to modify development standards of the WSD in order to:

a. Reduce the yard area to allow development closer to Kūhiō and Kalākaua Avenues so as to maximize the value of the businesses fronting on these thoroughfares; and
b. Allow density over and above that permitted by the WSD.

The PD-C/PD-R process would extend the processing time for TRG to secure the necessary permits and approvals, but would also provide greater income potential once the Project was completed.

2.8.4 Alternative IV: Develop within the WSD Standards (No PD-R)

Clearing the Project Site not only provides an opportunity for TRG to start with a clean slate and develop in accordance with the development standards of the WSD, it would also create a land area of sufficient size and layout to develop a world class shopping destination. TRG's design will meet the requirements of the WSD including: landscape and building elements that will convey a Hawaiian sense of place incorporating historical, cultural, and educational features including, but not limited to, telling the story of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i; improved streetscape along Kalākaua and Kūhiō Avenues to enhance the pedestrian experience; significant open space throughout the Project to maintain and enhance an inviting, park-like setting; enhanced landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education; retention and enhancement of the "exceptional" banyan tree near Kalākaua Avenue; revitalized and redeveloped retail, dining and entertainment space to better serve the community; and associated utility, parking, and infrastructure improvements.

2.8.5 TRG's Proposal – Preferred Alternative

Alternative IV is TRG's preferred alternative, as it provides for an improved design not possible under the "No Action" and "Renovation of the Existing Structures" alternatives. The improved design will allow for conveying a Hawaiian sense of place, improved streetscape, enhanced pedestrian experience, significant open space, enhanced landscaped courtyards, and revitalized and redeveloped retail, dining and entertainment space.

The improvements in the Project are geared toward achieving the goal of the WSD guidelines as well as incorporating concepts that will enhance open space. Specific WSD objectives which will be met by the Preferred Alternative, include the following:

"(f) Provide for the ability to renovate and redevelop existing structures which otherwise might experience deterioration. . . ."

The Preferred Alternative will allow several aging and deteriorating structures to be replaced by a vibrant, attractive and well-designed visitor destination.

"(g) Enable the city to address concerns that development maintain Waikiki's capacity to support adequately, accommodate comfortably, and enhance the variety of worker, resident and visitor needs."

The Preferred Alternative will not only result in new and exciting retail, dining and entertainment experiences for both visitors and residents, but it will also provide much needed employment opportunities both during and after the construction of the Project.

"(h) Provide opportunities for creative development capable of substantially contributing to rejuvenation and revitalization in the special district, and able to facilitate the desired character of Waikiki for areas susceptible to change."

The Preferred Alternative would result in the rejuvenation and revitalization of the iconic International Market Place, while perpetuating the legacy of Queen Emma in the gathering place of Waikiki. The Project would also beneficially impact surrounding properties creating opportunities for further development and updating of Waikiki's offerings.

"(m) Provide people-oriented, interactive, landscaped open spaces to offset the high-density urban ambience."

The Preferred Alternative would include upgraded and inviting landscaping along both Kalākaua and Kūhiō Avenues, as well as landscaping and water features within the

Project's major courtyard areas which will be gathering places for interaction. People can enjoy the "exceptional" banyan tree not only from the ground looking up, but also from above and even within the tree's canopy while walking along the upper levels and bridges of the Project. Landscaping on the upper level of the Project will also provide visual relief for the overlooking taller buildings nearby, offering a pleasant change from the typical rooftop view of lower structures.

The Preferred Alternative will also result in implementation of the City's vision for Waikīkī as described in the PUC DP. Specifically, the vision seeks private reinvestment in the physical plant of Waikīkī to allow Waikīkī to remain the State's most popular tourist destination.

3. PURPOSE OF AND NEED FOR THE PROJECT

The Project is necessary given the age and condition of the existing structures at the IMP and Town Center, as well as the deteriorating economics associated with operating the same. The redevelopment will result in improved retail, dining, and entertainment facilities for visitors and local residents, as well as stabilize and increase the economic benefit to QEL and The Queens Health Systems for years to come.

The Queen's Medical Center and Queen Emma Land Company

In the 1850's, King Kamehameha IV and Queen Emma faced the decimation of their people from foreign diseases. Perilously close to extinction the King made an impassioned plea to the legislature to establish a western hospital. There were insufficient funds from the legislature to build a hospital. So the King and Queen went door-to-door, walking the streets of Honolulu to personally raise the funds.

On August 1, 1859 a temporary building with 18 beds opened on Fort Street as the Queen's Hospital. From that humble beginning, today, as successor to The Queen's Hospital, The Queen's Medical Center is the largest private nonprofit hospital in Hawaii, and the leading medical referral center in the Pacific Basin.

The Queen's Medical Center is part of The Queen's Health Systems, the parent company of a corporate enterprise that includes Molokai General Hospital, a 15-bed rural healthcare facility that provides the only emergency room on the island and QEL, a nonprofit organization established to support and advance healthcare in Hawaii, primarily through The Queen's Medical Center and its affiliates.

Queen's is dedicated to serving the healthcare needs of everyone and in fiscal year 2010, Queen's provided more than $118 million in healthcare services, education, charitable contributions, and uncompensated care as part of its mission to improve the well-being of Native Hawaiians and all of the people of Hawaii.

Maintaining this high level of community benefits and consistently high quality healthcare services requires substantial resources. For Queen's, much of this comes from revenues generated by the lands bequeathed by Queen Emma.

Owned and managed by QEL, these income-generating properties, including the IMP, Waikiki Town Center and the Miramar, enable Queen's to continue providing high quality healthcare to Hawaii's people. The management and enhancement of these income-generating properties are especially critical as demand for healthcare services will only grow as more of Hawaii's population ages and the need for newer, highly specialized facilities, equipment and expert staff increase.

By redeveloping these aging properties, Queen's will have the fixed resources needed to meet these growing healthcare demands, and continue its royal mission of taking care of the people of Hawai`i for many more generations to come.

The existing IMP and Town Center structures were built at various times between 1956 and 1978. All of the structures are outdated and/or obsolete, and QEL has been working toward their redevelopment since retaking management control of the IMP and Town Center in 1998. The Miramar, portions of which date to 1961, opened in 1970. This hotel is built upon the former Waikiki International Terminal (parking garage and transportation center). All existing structures on the Project Site will be demolished to make way for the redevelopment. The redeveloped Project would once again become competitive in Hawai`i's retail, dining and entertainment market and income generated from the Project will help fulfill Queen Emma's vision of improved health for Hawai`i's people by providing meaningful, long-term funding for The Queens Health Systems.

The Project will boost Hawai`i's economy as it attempts to recover from one of the most severe recessions in its history. Unemployment levels on O`ahu remain high, while both domestic and international visitor arrivals remain below desired levels. This recession has resulted in a significant decline in construction activity, with many workers in the construction industry out of work for months at a time. The development of this $250 to $300 million Project will provide much needed stimulus to the construction industry and the economy overall. The revitalized and increased commercial area within the Project will create more jobs and generate more sales and tax revenues than the existing development as well as create an updated, attractive environment which can spur additional visitor and local resident trips to Waikiki. In short, this significant investment in Waikīkī will result in short and long-term employment, increased visitor trips and spending, and increased State and City tax revenues.

The Project includes the replacement of all existing buildings and structures on the Project Site with a new retail, dining and entertainment center. The redeveloped center will be generally three levels in height, but the mauka end will have a seven-story structure consisting of two levels of retail on the `Ewa side and three levels on the Diamond Head side below five levels of parking (which generally replace the existing parking structures serving the IMP, Town Center and Miramar on the mauka side of the site). The Project will feature the following:

- Landscape and building elements that convey a Hawaiian sense of place incorporating historical, cultural, and educational features and opportunities including, but not limited to, telling the story of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i.
- Improved streetscape along Kalākaua and Kūhiō Avenues to enhance the pedestrian experience for visitors and local residents alike.
- Significant open space throughout the Project to maintain and enhance an inviting, park-like setting.
- Landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education.
- Retention and enhancement of the "exceptional" banyan tree near Kalākaua Avenue.
- Revitalized and redeveloped retail, dining and entertainment space to better serve the community—both visitors and local residents.
- Associated utility, parking and infrastructure improvements.

4. PROJECT DESCRIPTION

4.1 MAP

The Project Site is located in the Primary Urban Center of Honolulu. The Project is located on a 5.982 acre site in the center of Waikīkī (see Figure 1) and involves the existing IMP, Town Center and Miramar. The Project Site is bounded and accessed by Kalākaua Avenue to the southwest in the makai direction, Kūhiō Avenue to the northeast in the mauka direction, Sheraton Princess Kaiulani Hotel and the `OHANA Waikiki East hotel to the southeast in the Diamond Head direction, and the Holiday Inn Waikiki Beachcomber Resort, the Aqua Waikiki Wave hotel, and Duke's Lane to the northwest in the 'Ewa direction.

FIGURE 6 SURROUNDING STRUCTURES

4.2 STATEMENT OF OBJECTIVES

The Applicant proposes the Project to meet the following objectives:

- To replace buildings at the IMP and Town Center which have become obsolete or have outlived their usefulness as efficient and attractive visitor facilities with a world-class retail, entertainment and dining destination.
- To create a revitalized facility in Waikiki which not only meets the demands of today's urban resort destination traveler, but also renews the appeal of the IMP to local residents.
- To celebrate the IMP's iconic and nostalgic past with a fresh, new project.
- To create a rejuvenated project which generates income which provides support to QEL and The Queen's Health Systems in carrying out its mission to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all the people of Hawaii.
- To provide a needed boost to Hawaii's economy during a time when unemployment rates have risen to historically high levels on Oahu, domestic and international visitor arrivals have decreased significantly, and construction activity has declined.

4.3 GENERAL DESCRIPTION OF THE ACTION

4.3.1 Existing Condition - IMP and Town Center

The IMP and Town Center are on 4.827 acres and together have approximately 213,000 square feet (gross floor area) in four primary structures: the Town Center built in 1979, the Crazy Shirts Building built in 1956, the Quiksilver Building built in 1956 and the IMP buildings built between 1956 and 1978. The IMP and Town Center today, contain approximately 170 stores, carts and kiosks selling a variety of products and services to visitor and local shoppers. The IMP and Town Center offer 25 mostly fast food and food court dining facilities offering a variety of local and international cuisine.

The parking for the IMP and Town Center is currently accessed via a roadway easement abutting Kūhiō Avenue on the northwest side of the Project Site. The existing parking lot provides 220 parking stalls in a six-story mechanical parking structure.

Today, the retail stores, carts, kiosks and dining facilities in the IMP and Town Center collectively provide jobs for approximately 570 full-time and part-time employees.

The retail businesses in the IMP and Town Center operate from 9:00 am to 11:00 pm; dining facilities operate from 11:00 am to 11:00 pm; bars operate from 11:00 am to 2:00 am; and cabarets operate from 2:00 pm to 4:00 am.

4.3.2 Existing Condition - Miramar

Adjacent to the IMP and Town Center is the Miramar, a 21-story, 225-foot tall hotel development with 358 hotel rooms on 1.155 acres. The Miramar, portions of which date to 1961, opened in 1970. This hotel is built upon the former Waikiki International Terminal (parking garage and transportation center) dating to 1961. The Miramar has 17 guest room floors, 3 parking floors (with 209 parking stalls) and a lobby floor.

The Miramar provides four different on-site dining options, including Chinese, Korean and American cuisine. The hotel also has several on-site bars as well as an outdoor swimming pool, on-site tour desk services and some retail services.

Vehicular access to the site is located on the southeast side of the Miramar parcel, via a driveway and roadway easement which runs between Kūhiō Avenue and the existing six-story parking structure.

The Miramar provides jobs for approximately 100 full-time and part-time employees.

4.3.3 Proposed Development - International Market Place, Waikiki Town Center and Miramar Properties

The Project includes the replacement of all existing buildings and structures on the Project Site with a new retail, dining and entertainment center. The redeveloped center will be generally three levels in height, but the mauka end will have a seven-story structure consisting of two levels of retail on the `Ewa side and three levels on the Diamond Head side below five levels of parking (which generally replace the existing parking structures serving the IMP, Town Center and Miramar on the mauka side of the site). The Project will provide the following design features that will provide a significant improvement over the existing dated commercial facilities on the Project Site:

- Landscape and building elements that will convey a Hawaiian sense of place incorporating historical, cultural, and educational features and opportunities, including, but not limited to, telling the story of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i.
- Improved streetscape along Kalākaua and Kūhiō Avenues to enhance the pedestrian experience for visitors and local residents alike.
- Significant open space throughout the Project to maintain and enhance the inviting, park-like setting.
- Landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education.

- Retention and enhancement of the "exceptional" banyan tree near Kalākaua Avenue.
- Revitalized and redeveloped retail, dining and entertainment space to better serve the community—both local residents and visitors.
- Associated utility, parking, and infrastructure improvements.

The Project involves the removal of approximately 213,000 square feet (gross floor area) of existing commercial space at IMP and the Town Center sites and approximately 286,000 square feet (gross floor area) of existing space at the Miramar site. With a proposed redevelopment of 390,000 square feet (gross floor area) of new commercial space across the entire Project Site, the Project will result in a reduction of approximately 109,000 square feet (gross floor area).

TRG also proposes creation of an additional lane on Kūhiō Avenue along the Project frontage for valet use as well as a right turn lane to allow traffic to more easily enter the redeveloped parking structure. Access to that parking structure will be through use of the existing roadway easement on the southeast side of the Miramar parcel. In addition, the parking structure will have an exit lane connecting to Duke's Lane, which will provide convenient valet access back to Kūhiō Avenue and minimize valet travel on surrounding streets.

A preliminary concept plan showing the proposed improvements is provided in Appendix 1.

4.4 USE OF PUBLIC FUNDS OR LANDS

The Project will not involve the use of public funds. TRG proposes creation of an additional lane on Kūhiō Avenue along the Project frontage for valet use as well as a right turn lane to allow traffic to more easily enter the redeveloped parking structure. Use of this lane will require an exchange of easements to allow development of a sidewalk area within the boundaries of the Project Site as portions of the existing sidewalk will be replaced by the proposed additional lane.

4.5 PHASING AND TIMING OF ACTION

The development of the Project is estimated to take approximately 24 months.

Construction is anticipated to begin in 2013, once TRG receives all required permits and approvals, including acceptance of the Final EIS, approval of the Project design under the WSD provisions by the DPP, a surface encroachment variance, subdivision approval for a pedestrian easement, construction dewatering permit, building permits, trenching permits, grading permit, NPDES permit for construction over an acre and possibly for dewatering effluent (although not expected), and construction noise permit, and secures project financing. If started in 2013, the Project would open in 2015.

4.6 SUMMARY OF TECHNICAL CHARACTERISTICS

4.6.1 Use Characteristics

The IMP and Town Center today, contain approximately 170 stores, carts and kiosks selling a variety of products and services to visitor and local shoppers. The IMP and Town Center offer 25 mostly fast food and food court dining facilities offering a variety of local and international cuisine.

The Miramar is a 21-story, 225-foot tall hotel development with 358 hotel rooms. The Miramar has 17 guest room floors, 3 parking floors and a lobby floor. The Miramar provides four different on-site dining options, including Chinese, Korean and American cuisine. The hotel also has several on-site bars as well as an outdoor swimming pool, on-site tour desk services and some retail services.

The Project involves the removal of approximately 213,000 square feet (gross floor area) of existing commercial space at IMP and the Town Center sites and approximately 286,000 square feet (gross floor area) of existing space at the Miramar site. The redeveloped Project will include a variety of retail, dining and entertainments uses. With a proposed redevelopment of 390,000 square feet (gross floor area) of new commercial space across the entire Project Site, the Project will result in a reduction of approximately 109,000 square feet (gross floor area).

The IMP and Town Center provides jobs for approximately 570 full-time and part-time employees, while the Miramar provides jobs for approximately 100 full-time and part-time employees. The Project when completed will provide approximately 2,500 full-time and part-time jobs.

The IMP and Town Center merchandising (retail) businesses operates from 9:00 am to 11:00 pm; dining facilities operate from 11:00 am to 11:00 pm; bars operate from 11:00 am to 2:00 am; and cabarets operate from 2:00 pm to 4:00 am. The Project is expected to have similar operating hours.

4.6.2 Physical Characteristics

The existing IMP and Town Center consists of four commercial buildings totaling approximately 213,000 square feet (gross floor area): IMP, Quiksilver Building, Crazy Shirts Building and Town Center.

The Miramar is a 21-story, 225-foot tall hotel development with 358 hotel rooms. The Miramar has 17 guest room floors, 3 parking floors and a lobby floor.

The Project involves the removal of approximately 213,000 square feet (gross floor area) of existing commercial space at IMP and the Town Center sites and approximately 286,000 square feet (gross floor area) of existing space at the Miramar site. With a proposed redevelopment of 390,000 square feet (gross floor area) of new commercial space across the entire Project Site, the Project will result in a reduction of approximately 109,000 square feet (gross floor area).

TRG also proposes creation of an additional lane on Kūhiō Avenue along the Project frontage for valet use as well as a right turn lane to allow traffic to more easily enter the redeveloped parking structure. Access to that parking structure will be through use of the existing roadway easement on the southeast side of the Miramar parcel. In addition, the parking structure will have an exit lane connecting to Duke's Lane, which will provide convenient valet access back to Kūhiō Avenue and minimize valet travel on surrounding streets.

A preliminary concept plan showing the proposed improvements is provided in Appendix 1.

4.7 HISTORIC PERSPECTIVE

4.7.1 Archaeological Inventory Survey

Cultural Surveys Hawai`i ("CSH") prepared an archaeological inventory survey plan for the Project, titled "Final Archaeological Inventory Survey Plan for the International Market Place Re-Development Project" (the "Archaeological Inventory Survey Plan") and dated June 2011.

The SHPD in a letter dated June 22, 2011, commented on their review of the Archaeological Inventory Survey Plan and accepted it as final pursuant to Hawai`i Administrative Rule 13§13-284 and asked that the document be clearly marked as Final.

Copies of the Archaeological Inventory Survey Plan and SHPD letter are provided in Appendix 5.

The Archaeological Inventory Survey Plan's "Background Summary and Predictive Model" states as follows:

"The ahupua`a of Waikīkī, in the centuries before the arrival of Europeans, was a well-used locale with abundant natural and cultivated resources – including an expansive system of irrigated taro fields and numerous fishponds – supporting a large population that included the highest-ranking ali`i (Hawaiian royalty). In the second half of the nineteenth century, after a period of depopulation and desuetude, Waikīkī was reanimated by the Hawaiian ali`i and the foreigners residing there, and by farmers continuing to work the irrigated field

system that had been converted from taro to rice. This farming continued up to the first decades of the twentieth century when the newly-constructed Ala Wai Canal drained the remaining ponds and irrigated fields of Waikīkī.

"The present project area is located in central Waikīkī that, in traditional Hawaiian times and before the massive drainage accomplished by the Ala Wai Canal, comprised a complex of lo`i (taro) and banana agricultural fields. Land Commission Award documents from the mid-nineteenth century record ali`i land owner, continuing Native Hawaiian habitation, and taro cultivation in parcels adjacent to the present project area. Subsequent nineteenth and twentieth century documents – including historic maps and photographs – indicate that the project area from traditional Hawaiian times to the modern era comprised agricultural fields. In traditional Hawaiian times, such an environment would have provided a base for habitation, work, and recreational activities of the population. From at least the mid-nineteenth century, the project area in Kaluaokau was the home of the high ali`i and of the monarchy. King Lunalilo built a small cottage on this property and used it as a health retreat in the 1860s and 1870s. In 1874, at his death, he bequeathed the property to Queen Emma, who also occasionally occupied the property until her death in 1885. The Queen Emma Trust leased the land in the early twentieth century to the Moana Hotel and later the Matson Navigation Company for additional hotel rooms and cottages for workers. In 1957, the International Market Place was constructed in the project area.

"The substantial history of archaeological work in Waikīkī has indicated a relatively high density of burials within Jaucus sand deposits such as constitute the soils in the proposed project area. Much of Waikīkī was formerly quite low-lying, at or close to the water table. Lands that were slightly higher, such as the present proposed project area were preferentially chosen for interment of the dead.

"Three areas of very high densities of burials have been previously reported from Waikīkī: in 1963 from the present Outrigger Canoe Club (apparently 96 burials – but see discussions above), in 1993 in a large communal burial feature uncovered during the realignment of Kālia Road at Fort DeRussy (approximately 40 human burials, Carlson et. al. 1994) and during a Kalākaua Avenue water line project near the intersection with Kealohilani Avenue (18 burials; Perzinski et al. 2000). It seems probable that additional areas with a high density of burials will be encountered in the future.

"Especially relevant to the present project area are the scattered burial sites found within one to two blocks of the current project area, including: remains (of one individual) recovered near the "Tahiti By Six" Bar in 1967 (Bishop Museum NAGPRA records), during gas repair work in front of the Moana Hotel (1 burial), during road/sewer work along Kalākaua Avenue (six burials), at the Waikīkī Theater (one burial), and at the Ka`iulani Hotel (one

burial). In addition, human bones representing at least 17 individuals were discovered and reinterred at the Moana Hotel basement and grounds.

"Several archaeological studies have recorded the presence within Waikīkī of subsurface cultural deposits of both pre-contact Hawaiian and historic provenance. These deposits were intact despite years of construction activity that have altered the entire Waikīkī area. The authors of these studies emphasize the potential for discovering similar intact deposits elsewhere in Waikīkī."

Partial Completion of the Archaeological Inventory Survey:

Introduction

The Archaeological Inventory Survey Plan for the International Market Place Re-Development Project, Waikīkī Ahupua'a, Honolulu (Kona) District, Island of O'ahu TMK: [1]-2-6-022: 036, 037, 038, 039 & 043 (Hammatt and Shideler 2011) reviewed and accepted by the State Historic Preservation Division (SHPD, June 22, 2011; Log No 2010.1654, Doc No. 1106MV09) provides agreed upon specifics for conducting an archaeological inventory survey at the International Market Place, Waikiki Town Center, and Miramar Waikiki Hotel parcels. These agreed upon specifics included the excavation of 44 test trenches at the International Market Place and Waikiki Town Center parcels and 16 test trenches at the Miramar Waikiki Hotel parcel. Subsequently, in consultation with Cultural Descendants of Waikīkī, the O'ahu Island Burial Council and the SHPD it was agreed to augment the International Market Place/ Waikiki Town Center archaeological inventory survey fieldwork with three additional test trenches for a total of 47 proposed test trenches.

Cultural Services Hawaii is performing the inventory survey fieldwork. Work on the 47 archaeological inventory survey test trenches at the International Market Place/Waikiki Town Center started in January, 2012 and have been completed. Consultation is on-going with the SHPD regarding the possible need for some supplementary fieldwork in this area in consideration of the finds.

Finds to Date

There have been relatively few finds. Most notable has been the identification of human skeletal remains in previously disturbed contexts in three test excavations and the identification of an at least partially intact human burial in another based on surface examination. Finds are as follows:

Test Trench 33	*Disarticulated human remains in a previously disturbed context and a few faunal bones (kept with remains)*
Test Trench 35	*Arm bones in anatomical position were observed along with other human bones in the immediate vicinity in a previously disturbed context. In on-site*

	consultation with the SHPD O'ahu archaeologist there was initial agreement that this constitutes a "burial"
Test Trench 39	*A disarticulated human cranial fragment.*
Test Trench 42	*A single human foot bone*

The SHPD was promptly informed regarding each of these finds. These finds remain in the test trenches in which they were encountered awaiting authorization from SHPD for further test excavation. No determination of long-term disposition has been made nor is determination of long-term disposition anticipated in the immediate future. Initial consultation with the SHPD indicates their accord that the finds of disarticulated human skeletal remains in disturbed contexts do not constitute "burial sites" under law. These finds of disarticulated bones are not understood as constituting historic properties per se at this time. There were no kuleana Land Commission Awards in the vicinity. The find in Test Trench 35 is understood as a burial and as a historic property. We have requested a determination of ethnicity for this burial from the SHPD.

Jurisdiction over these finds of disarticulated bones appears to lie solely with the SHPD but the SHPD may request consultation with other parties. Jurisdiction over the burial depends on SHPD determination of ethnicity. If a determination of Native Hawaiian ancestry by a reasonable belief is made by the SHPD then the O'ahu Island Burial Council would also have jurisdiction (HAR 13-300-33). Consultation with Cultural Descendants of Waikīkī has been ongoing and we will be discussing the findings at a meeting scheduled for early March.

There have been three other finds to date that are regarded as constituting historic properties.

Cut basalt curb stones were identified in-situ in Test Trenches 35 and 37 and are understood as discrete archaeological features more than 50 years old relating to early twentieth century drive ways (possibly related to the former Seaside Hotel).

A small refuse pit containing a number of bottles (mostly wine bottles) was identified in-situ in Test Trench 33 and is understood as a discrete archaeological feature more than 50 years old.

Implications of Stratigraphy Observed

While there is certainly some localized variation, the project area's stratigraphy is dominated by two fairly massive fill episodes. The upper fill episode is primarily of terrigenous (dirt) fill and is believed to be associated with a fill episode to raise the elevation of the ground surface of the International Market Place circa 1956. A lower fill episode includes disturbed sand and older demolition debris and may only slightly pre-date the upper fill episode and probably dating to the 1940s or early 1950s (although it contains older artifacts in a dis-

turbed context). Older fill episodes are also present in some places (we know 'Āpuakēhau Stream was filled in by 1927).

Undisturbed "native" in-situ sand sediment is typically only encountered quite close to the water table which is typically encountered at 6-feet to 8-feet below present ground surface. There are specific areas in which the in situ sand is thicker. Even in these in-situ sediments disturbance by later, deep, utility lines and or prior grading activities is common.
The typical thinness of in-situ sands above the water table may be primarily because the natural ground surface was typically never as much as a meter above the water table and/or that the upper portion of the natural ground surface was bladed away during the course of grading activities.

The implication of this typical pattern (again there are exceptional areas) is that for much of the International Market Place cultural deposits and intact burials would not be expected. Habitation deposits and burials would not be expected if the natural sand surface was always much less than a meter above the water table. It may be the case that cultural deposits were present in thicker sediments above the water table but that these were bladed away in the course of grading activities 50 years ago.

On-going Work

The comments above include preliminary observations based on on-going work and a clearer picture of finds and their implications should be available soon. Our fieldwork at the Miramar Waikiki portion of the project will begin soon. After the completion of the field work and data synthesis, an archaeological inventory survey report will be prepared and submitted to the SHPD.

On-going Consultation

Pro-active consultation for this project began in the fall of 2010 and has continued in a series of working meetings with the Cultural Descendants of Waikīkī as well as the O'ahu Island Burial Council and SHPD. Discussions have included reviewing the project information and background research that was conducted in preparation for the archaeological inventory survey testing as well as the proposed testing methodology and locations. Project proponents are very sensitive to the cultural and historic background of the project area and the views of the cultural descendants that have ancestral ties to Waikīkī. Now that we have determined the presence of significant cultural and historical resources, we will continue to seek and gather information in a good faith and culturally appropriate manner which includes publication of notice in the newspaper and consultation with OIBC and recognized cultural descendants in accordance with the burial laws. As mentioned above, consultation with the SHPD regarding any supplemental testing as well as appropriate burial treatment is on-going.

4.7.2 ARCHITECTURAL EVALUATION OF INTERNATIONAL MARKET PLACE AND WAIKIKI TOWN CENTER STRUCTURES

Mason Architects, Inc. has prepared Preliminary Evaluations of International Market Place and Waikiki Town Center (Evaluations), included in its entirety in Appendix 6. The Evaluations provides detail on the construction dates and alteration histories for the buildings on the Project site. Current photographs of the structures are included in the Evaluations. Research and a site visit indicated that all of the buildings and features on the Project site have been altered and no final evaluations of the National Register of Historic Places (NRHP) eligibility were made. Representatives of Mason Architects, Inc. and WCIT Architecture met with the Architectural Branch of the State Historic Preservation Division to discuss future steps in the historic review process.

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5. ALTERNATIVES

The Project is not anticipated to have a significant impact on the surrounding area in terms of public services and the environment primarily because of the proposed net reduction in the total floor area on the combined properties (reduction in hotel rooms and increase in commercial space). Positive economic impacts are projected with the Project, with increases in construction and long-term retail, dining and entertainment employment. The Project is also anticipated to generate increased revenues from resort, retail, dining and entertainment services, resulting in significant tax revenue generation for the State and significant property tax revenue for the City.

5.1 ALTERNATIVE I: NO ACTION

The possibility of taking no action was considered and rejected, as the existing IMP and Town Center structures are dated; the IMP and Town Center structures are either obsolete or nearing the end of their useful lives; and all would need to be significantly upgraded or replaced to be competitive in today's dynamic retail and commercial markets serving Waikīkī and O`ahu generally. The existing structures are not conducive to expand dining and entertainment alternatives needed to energize the IMP and Town Center and which could entice locals and visitors back to what was once the entertainment capital of Waikīkī. The "no action" alternative is not an economically viable alternative; it would mean continued repair and maintenance of the existing improvements, which would only result in further aging and degradation of the facilities and weakening of their competitive positioning in the market.

5.2 ALTERNATIVE II: RENOVATION OF THE EXISTING STRUCTURES

TRG and QEL considered renovating the existing structures, however, the condition of the existing structures at the IMP and Town Center and the existing interior and exterior layout of the buildings do not lend themselves to an economically viable alternative. Many of the structures are either obsolete or nearing the end of their useful lives and are increasingly uncompetitive in today's marketplace. While the Miramar may not have yet reached the end of its useful life, the hotel opened in 1970 and portions of the structure date to 1961. Renovating to adapt the properties to today's standards—even if possible—would not generate sufficient incremental income to be economically viable. Renovations to existing facilities would cost approximately $60 to $70 million.

5.3 ALTERNATIVE III: DEVELOP WITH VARIOUS MODIFICATIONS TO THE WSD STANDARDS THROUGH THE PLANNED DEVELOPMENT-RESORT (PD-R)/PLANNED DEVELOPMENT COMMERCIAL (PD-C) PERMIT PROCESS

TRG and QEL considered a redevelopment scenario which would require, among other things, a request to modify development standards of the WSD in order to:

a. Reduce the yard area to allow development closer to Kūhiō and Kalākaua Avenues to maximize the value of the businesses fronting on these thoroughfares.

b. Allow density over and above that permitted by the WSD.

The PD-C/PD-R process would extend the processing time for TRG to secure the necessary permits and approvals, but would also providing greater income potential once the project was completed.

5.4 ALTERNATIVE IV: DEVELOP WITHIN THE WSD STANDARDS (NO PD-R)

Clearing the Project Site not only provides an opportunity for TRG to start with a clean slate and develop in accordance with the development standards of the WSD, it would also create a land area of sufficient size and layout to develop a world class shopping destination. TRG's design will meet the requirements of the WSD including: landscape and building elements that will convey a Hawaiian sense of place incorporating historical, cultural, and educational features including, but not limited to, telling the story of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i; improved streetscape along Kalākaua and Kūhiō Avenues to enhance the pedestrian experience; significant open space throughout the Project to maintain and enhance an inviting, park-like setting; enhanced landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education; retention and enhancement of the "exceptional" banyan tree near Kalākaua Avenue; revitalized and redeveloped retail, dining and entertainment space to better serve the community; and associated utility, parking, and infrastructure improvements.

5.5 APPLICANT'S PROPOSAL – PREFERRED ALTERNATIVE

Alternative IV is the preferred alternative and improvements in the Project will be developed in accordance with the development standards and guidelines of the WSD. This will minimize delays and will not require deviation from the development standards and guidelines of the WSD.

Alternative IV provides for an improved design and increase in commercial areas that would not be possible under the "No Action" and "Renovation of the Existing Structures" alternatives.

Clearing the Project Site provides an opportunity for TRG to start with a clean slate and develop in accordance with the development standards of the WSD. TRG's design will meet the requirements of the WSD including: landscape and building elements that will convey a Hawaiian sense of place incorporating historical, cultural, and educational features including, but not limited to, telling the story of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i; improved streetscape along Kalākaua and Kūhiō Avenues to enhance the pedestrian experience; significant open space throughout the Project to maintain and enhance an inviting, park-like setting; enhanced landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural

programs and education; retention and enhancement of the "exceptional" banyan tree near Kalākaua Avenue; revitalized and redeveloped retail, dining and entertainment space to better serve the community; and associated utility, parking, and infrastructure improvements. The Project is anticipated to cost approximately $250 to $300 million.

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6. ENVIRONMENTAL SETTING

6.1 LOCAL AND REGIONAL PERSPECTIVE

The Project is located on a 5.982 acre site in the center of Waikīkī (see maps attached as Figure 1) and involves the IMP, Town Center and Miramar. The Project Site is bounded and accessed by Kalākaua Avenue to the southwest in the makai direction, Kūhiō Avenue to the northeast in the mauka direction, Sheraton Princess Ka`iulani Hotel and the `Ohana Waikiki East hotel to the southeast in the Diamond Head direction, and the Holiday Inn Waikiki Beachcomber Resort, the Aqua Waikiki Wave hotel, and Duke's Lane to the northwest in the `'Ewa direction.

The surrounding area includes numerous other resort and resort support uses such as retail and restaurant establishments. These include the Outrigger East Hotel, Hyatt Regency Waikiki, King's Village, the Moana Surfrider Hotel complex, and the Waikiki Police Substation.

The greater surrounding area includes hotels, commercial centers, condominiums, apartments, and churches, Fort DeRussy, the Ala Wai Canal, the Ala Wai Golf Course, the Honolulu Zoo, the Waikiki Shell, Kapiolani Park and Waikiki Beach.

6.2 RARE OR UNIQUE ENVIRONMENTAL RESOURCES

6.2.1 Flora

Char & Associates, Botanical/Environmental Consultants, prepared a botanical assessment titled "International Market Place Redevelopment Project: Botanical Resources Assessment Study", dated May 31, 2004. A complete copy is attached as Appendix 7. The Botanical Resources Assessment "Discussion section states as follows:

"Landscaping plantings make up the vegetation on the project site. The majority of the plants are introduced or alien species. Introduced species are all those plants which were brought to the Hawaiian Islands by humans, intentionally or accidentally, after Western contact, that is, Cook's arrival in the islands in 1778. The coconut and green ti are originally of Polynesian introduction and are widely used in landscaping today. One small bird's-nest fern (Asplenium nidus) is found by the water feature on the Waikiki Town Center parcel. The bird's-nest fern is indigenous, that is, it is native to the islands and elsewhere. However, it is also cultivated and used for landscaping."

"None of the plants observed on the project site is a threatened and endangered species or a species of concern (U.S. Fish and Wildlife Service 1999a, 1999b; Wagner et al. 1999). This is not surprising given the nature of the project site. All of the plants found on the project site are widely cultivated throughout the islands, and in other tropical and subtropical lands."

"The proposed redevelopment of the project site is not expected to have a significant negative impact on botanical resources. There are no botanical reasons to impose any restrictions, conditions, or impediments to the proposed redevelopment project."

Although the above-referenced Botanical Resources Assessment covered only the IMP and Town Center portions of the Project Site, the Miramar site is fully developed and contains only planter areas with introduced landscaping along Kūhiō Avenue and along the access drive on the east side of that site.

TRG has engaged the services of Walters, Kimura, Motoda, Inc. and Steve Nimz, a certified arborist, in preparing an assessment of the trees on the property. Walters, Kimura, Motoda has provided the following summary:

"A tree assessment report was prepared by Steve Nimz and Associates, Inc. on September 29, 2011 to collect data on the existing trees and palms. Sixty one trees and palms were identified and numbered on the site map. A detailed spreadsheet corresponds to the site map and includes the following data for each tree and palm:

1. *Tree number*
2. *Species – common and scientific name*
3. *Trunk diameter*
4. *Height*
5. *Crown spread*
6. *Health condition (based on visual inspection)*
7. *Structural condition (based on visual inspection)*
8. *Mitigation (preserve, marginal/preserve, marginal/transplant, transplant, remove)*
9. *Comments regarding health and structural condition*
10. *Photographs*

"An additional site map includes the location of the aerial roots generated from the Ficus trees identified as Tree No. 1 and 2. The associated spreadsheet includes the following data for each aerial root:

1. *Diameter*
2. *Mitigation (preserve, marginal)*
3. *Comments*
4. *Photographs*

"One (1) Ficus benghalensis tree is listed on the Register of Exceptional Trees of the City and County of Honolulu and requires special permitting prior to any crown and/or root pruning.

"No state or federally protected, threatened, or endangered species of plants are known to inhabit the project area.

"Anticipated Impacts and Mitigation Measures"

"The proposed improvements include the preservation of the exceptional banyan and the banyan at the food court, as well as the relocation of three monkeypod trees. Coconut palms and other trees that are identified as worthy of transplanting will be relocated, if feasible.

"Trees that are identified as being in decline, have poor structure, or have decay and wounds will be removed for safety concerns. Other existing trees will be removed, as necessary, to allow for construction of the proposed improvements.

"Additional landscaping includes coconut palms along both Kalakaua and Kuhio Avenues, as well as in the concourses between the courts. At Level 3, a combination of native Hawaiian, Polynesian-introduced, and introduced trees are proposed to provide shade, color and fragrance. The canopies of the two existing banyans will extend above Level 3 to provide additional shade and interest."

During the preconstruction phase, Mr. Nimz will work with TRG and the development team to determine specific protection measures for each tree which will be dictated by the amount and proximity of the demolition and construction work anticipated at each location. The established measures will be monitored by Mr. Nimz during the archaeological, demolition and construction phases of the Project development.

The tree assessment report prepared by Steve Nimz and Associates, Inc. is included in Appendix 8.

6.2.2 Fauna

Faunal Surveys prepared a faunal survey for the IMP and Town Center redevelopment titled "Avifaunal and Feral Mammal Field Survey of the IMP in Waikiki-Proposed Redevelopment, TMK: 2-6-022: 38 and 43" and dated July 5, 2004. A complete copy is attached as Appendix 9. The faunal survey "Conclusions" section states as follows:

"The typical array of alien birds found in this region of Oahu were observed on the survey. No unexpected species were noted. The presence of the threatened White Tern was also expected given the extensive documentation of the range of this species on Oahu. The absence of native land birds, waterbirds, and migratory shorebirds was expected due to an absence of appropriate habitat for these species. Feral mammal ob-

servations were limited to the Roof Rat but other alien mammals likely occur from time to time on the property. The value of this property for birds is the presence of large trees for nesting, roosting and foraging. Removal or significant trimming of these large trees will affect the relative abundance of birds at this location."

The faunal survey "Recommendation" section states as follows:

"The White Tern is not federally listed as either threatened or endangered. VanderWerf of USFWS Honolulu (pers. comm.) suggested that because the White Fern is not federally listed any concerns about the impact of proposed development on this species be directed to David Smith, Oahu Biologist with DLNR DOFAW (808) 973-9787. He further suggested that trimming of the trees be done outside of the major breeding season for White Terns. This would generally mean in the months of October and November."

TRG plans to schedule future trimming of the larger trees that provide nesting opportunities for the White Terns on the proposed IMP and Town Center properties during the months of October and November, as recommended in the faunal survey. The months of October and November fall outside of the major breeding season for White Terns.

Although the above-referenced faunal survey covered only the IMP and Town Center portions of the Project Site, the Miramar site is fully developed and contains only planter areas with introduced landscaping along Kūhiō Avenue and along the access drive on the east side of the property. These areas do not provide habitat areas for birds or feral mammals.

6.3 RELATED PROJECTS IN THE REGION

In addition to the Project, there are several other projects in the area. Some of them are mentioned below.

6.3.1 Gray's Beach Restoration Project

According to the Environmental Assessment/Environmental Impact Statement Preparation Notice for the "Gray's Beach Restoration Project", Kyo-ya Hotels & Resorts is proposing to restore and stabilize a sandy beach fronting the Sheraton Waikiki Hotel property, approximately 1,500 feet west of the Moana Surfrider Hotel complex. All of the proposed work for this project is located within the State Land Use Conservation District. The proposed work can generally be described as follows:

- Construction of rock T-head groins along the shoreline fronting the Sheraton Waikiki Hotel, with the eastern-most groin replacing the existing Royal Hawaiian groin; and

» Replacement of sand fill between the groins to create a beach with a minimum horizontal crest width of 30-feet at the +5.2 foot elevation extending from the seawall, and a IV:10H slope from the crest to the sea bottom.

This project is intended to enhance recreational and aesthetic enjoyment of the area and provide protection for the backshore. The restored beach is expected to facilitate lateral access along the shoreline and enhance recreational opportunities. Pending receipt of the required permits and approvals, project construction was expected to begin in early 2011 and be completed by the end of 2011. It is TRG's general understanding that the Gray's Beach Restoration Project has been put on hold, but that permitting for this development could begin again in 2012.

In the event the construction period for the Gray's Beach Restoration Project overlaps with the construction period for the Project, TRG will communicate with Kyo-ya Hotels & Resorts with the goal of minimizing disruption to surrounding streets during the overlapping construction periods.

Long term impacts from beach restoration action are not anticipated to result in any cumulative negative impacts with the Project. If anything, along with other neighboring projects, it will serve to continue the revitalization of the core of Waikīkī in significant ways.

6.3.2 Princess Ka`iulani Renovation & Development and the Replacement of the Moana Surfrider Hotel Diamond Head Tower with a New Tower

The Princess Ka`iulani project includes plans for a tower with 210 condo-hotel suites and 61 fee simple residences, a 2-level podium with retail/restaurants, 187 below grade parking spaces, recreational amenities, and other accessory uses, a parking structure with 625 spaces and hotel accessory uses, an energy saving deep well cooling system and the renovation of the existing 666-room Ainahau Tower.

The Diamond Head Tower development will include a tower with 185 hotel rooms and 40 fee simple residences, a 2-level podium with accessory uses to the hotel, auto court, beach access, public surfboard racks and a 3-foot site elevation.

Impacts include encroachment of the Diamond Head Tower into the 40-foot shoreline setbackand the 100-foot coastal building and height setback, impact on infrastructure, loss of older hotel/retail buildings and short-term construction impacts.

Mitigation includes improved public ocean views, upgrade of sewer mains, completion of an archaeological inventory survey, an archaeological monitoring plan, traffic improvements, and mitigation of runoff, construction noise and air quality impacts through best

management practices.

In the event the construction periods for the Princess Ka`iulani and Diamond Head Tower Redevelopment Projects overlap with the construction period for the Project, TRG will communicate with Kyo-ya Hotels & Resorts with the goal of minimizing disruption to surrounding streets during the overlapping construction periods.

Long term impacts from Kyo-ya's resort hotel, condominium, and commercial development will result in cumulative impacts to infrastructure and traffic in relation to the impacts of the Project. However, based on Kyo-ya's Final EIS and TRG's EISPN, both projects are anticipated to result in minimal impact on the existing level of service of the intersections, surrounding the projects. In addition there will be a net reduction in wastewater and water demand at full buildout of both projects. Other positive long term impacts will be increases in employment, GET collections (increase in State tax revenues) and property taxes (increase in City and County tax revenues) from the two developments. The synergy which will be created by these two adjacent redevelopment projects in the heart of Waikīkī is expected to result in an exponential increase in positive impacts and public benefits.

6.3.3 Hilton Hawaiian Village - Village Master Plan

Implementation of the "2010 Village Master Plan" will update and expand the Hilton Hawaiian Village's offering of world class shopping, dining, entertainment and hospitality options. The following improvements are planned:

- Renovation, alteration, and refurbishment (primarily interior and minor exterior projects or above-grade improvements) of existing building facades, common use areas, recreational amenities, and landscaped areas;
- Relocation, realignment, and reallocation of retail and dining areas, recreational amenities, open space, back-of-house space, traffic circulation, pedestrian flow and access within the Hilton Hawaiian Village;
- Construction of two new timeshare towers. The first tower will be located in the mauka corner of the property near Paoa Place and Kalia Road and will be 350 feet tall and include approximately 300 timeshare units, with a portion located above the current bus depot and loading areas. The second tower will be located above the makai corner of the Rainbow Bazaar, will be 260 feet tall, and include approximately 250 timeshare units. Also planned is the reconfiguration of public sidewalk fronting Kalia Road and overall street front improvements that include new landscaping, a new public bus pull-out lane, and trolley pull-out lane, and bus shelter.

The 2010 Village Master Plan is a new plan that carries forward from the existing improvements on the property. Timetable for the major improvements is estimated at roughly ten years, as follows:

- Retail space renovations and improvement of public space amenities are ongoing for projects not requiring land use permitting actions
- The development of the first timeshare tower is planned for 2013-2015
- Expansion of retail and convention space is planned from 2012-2013
- Expansion of the Super Pool and lobby area is planned from 2013-2014
- The development of the second timeshare tower is planned in 2019-2021

This proposed development is located at the far west end of Waikīkī about a half mile from the Project Site, thus, the roadways affected by construction at this site should not result in cumulative impacts with the construction occurring at the Project Site. The first timeshare tower is planned to be under construction at roughly the same time as the construction of the Project and there is expected to be an overlap in construction periods; however, construction at this site should not result in cumulative construction impacts with the Project.

Long term impacts from Hilton's proposed timeshare towers will result in cumulative impacts to infrastructure and traffic in relation to the impacts of the Project. The Project's net reduction in wastewater and water demand (see Appendix 10, Preliminary Engineering Report International Market Place Revitalization Project) should help to offset the regional impact with increases in infrastructure requirements at the Hilton. The Project's traffic impact report indicates there will be no significant impact on traffic, related to level of service at surrounding intersections. Other positive long term impacts will be increases in employment, GET collections (increase in State tax revenues) and property taxes (increase in City and County tax revenues) from the two developments.

Hilton's planned timeshare (should qualify as condo hotel units, with amenities provided) development with 300 units by 2015 and another 250 units by 2021, is anticipated to help to offset the loss of 358 hotel units at the Miramar. The cumulative impact would result in a net increase of 193 timeshare/hotel units.

6.3.4 Waikiki Landing

The Waikiki Landing project site currently houses a boatyard repair facility, convenience store and fueling station. The project proposes to renovate and upgrade the existing boatyard facility and the redevelopment of the remainder of the existing site. The development is expected to include the following improvements:

- Boat yard Building with 10,694 square feet of retail space; 9,287 square feet of restaurant space; and 1,877 square feet of office space.
- Wharf Building with 6,098 square feet of restaurant space and 1,319 square feet of office space.
- Canoe House with 4,094 square feet of space for wedding ceremonies to be held on-site.
- Diamond Vista Building with 3007 square feet of retail space; 1,583 square feet of office space; 6,048 square feet of space for wedding ceremonies to be held on-site.
- At-grade parking

The proposed wedding facilities within the Canoe House and Diamond Vista Building should accommodate up to 6 small weddings a day (with about 12 guests per wedding). The project should be completed by the year 2013.

This proposed development is located at the far west end of Waikīkī about a mile from the Project Site. Construction at this site will not result in cumulative construction impacts with the Project. In addition, this project is scheduled for completion (2013) by the time construction is anticipated to begin at the Project Site.

Long term impacts from the Waikiki Landing will result in cumulative impacts to infrastructure and traffic in relation to the impacts of the TRG Project. TRG's net reduction in wastewater and water demand should help to offset the regional impact with increases in infrastructure requirements at the Waikiki Landing. TRG's traffic impact report indicates there will be no significant impact on traffic, related to level of service at surrounding intersections. Other positive long term impacts will be increases in employment, GET collections (increase in State tax revenues) and property taxes (increase in City tax revenues) from the two developments.

6.3.5 Waikiki Beach Maintenance

The Waikiki Beach Maintenance project site is located on Waikīkī Beach, along the shoreline of Mamala Bay on the south shore of O`ahu, Hawai`i. The shoreline proposed for beach maintenance extends approximately 1,700 linear feet from the west end of the Kūhiō Beach crib walls to the existing groin between the Royal Hawaiian and Sheraton Waikiki hotels. Since 1985 the shoreline has been chronically eroding and receding. The purpose of the project by the Department of Land and Natural Resources is to restore and enhance the recreational and aesthetic benefits provided by the beach, as well as maintaining lateral access along the shore. The proposed project will include the following primary components:

- The recovery of up to 24,000 cubic yards of sand from deposits located1,500 to 3,000 feet offshore in a water depth of about 10 to 20 feet.
- Pumping the sand to an onshore dewatering site to be located in an enclosed basin within the east Kūhiō Beach crib wall.
- Transport of the sand along the shore and placement to the design beach profile.
- The removal of two old deteriorated concrete sandbag groin structures located at the east end of the project area.

The project will consist of an initial nourishment of up to 24,000 cubic yards of sand. The average beach width is anticipated to be increased by 37 feet. A second nourishment of up to 12,000 cubic yards would be accomplished after 7-10 years to further maintain the beach. The two nourishments would maintain the beach for an estimated 20 years.

Although originally planned for completion by Spring 2011, under the revised schedule, the project began in January, 2012 and is expected to be completed by March, 2012. This schedule ensures that this project will not be occurring during the construction period of the Project and there should be no cumulative construction impacts.

Long term impacts from beach restoration action are not anticipated to result in any cumulative negative impacts with the Project. If anything, along with other neighboring projects, it will serve to continue the revitalization of the core of Waikīkī in a major way.

6.3.6 Royal Hawaiian Market Place

The proposed development is situated on a 7,200 square foot lot at the corner of Royal Hawaiian Avenue and Lauula Street. The Project will replace 20 temporary tarp and plywood retail kiosks about 10 feet by 10 feet in size by a two-story structure with 3,395 square feet on the ground floor and 1,380 square feet on the second floor. This represents a relatively small commercial development with existing retail, dining and an existing 218-foot concrete masonry structure with a money exchange/take-out food shop that will remain.

The proposed development will support many of the existing tenants. The Project is not expected to have a significant impact since it essentially continues the existing commercial use on the project site in a permanent structure. The applicant plans to begin construction as soon as the applicant receives approval of development permits from the City and the construction is expected to take about four months.

This applicant's schedule should have the project construction completed just prior to the anticipated start of construction of the IMP Project and there should be no cumulative construction impacts.

6.4 POPULATION AND GROWTH CHARACTERISTICS

The Project will have no impact on the number of residents in Waikīkī, since it does not include demolition or construction of any dwelling units.

The Project will reduce the visitor population potential of Waikīkī with the demolition of 358 hotel rooms at the Miramar, although with current Waikīkī hotel vacancy rates, the actual visitor population is unlikely to be impacted. The Project will provide important support services for visitors and local residents through convenient, upgraded and varied shopping, dining, and entertainment experiences.

7. RELATIONSHIP TO LAND USE PLANS, POLICIES, AND CONTROLS

7.1 STATE LAND USE

The Project Site is within the State land use Urban under district. Within that district, lands are characterized by city-like concentrations of people, structures, streets, urban level of services and other related land uses. The existing developments on the Project Site as well as the proposed developments are consistent with this Urban designation.

7.2 GENERAL PLAN

The compliance of the Project with the General Plan objectives is discussed as follows:

7.2.1 Economic Activity

General Plan Objective B - To maintain the viability of O`ahu's visitor industry.

Policy 2 - Provide for a high quality and safe environment for visitors and residents in Waikīkī.

The Project will be a significant upgrade from existing facilities and provide a high quality and safe environment for visitors and residents in Waikīkī. The public benefits will include improving the visitor and local resident retail, dining and entertainment experience in Waikīkī; enhanced open space available to the public; a greater average setback along both Kalākaua Avenue and Kūhiō Avenue; improved traffic circulation along Kūhiō Avenue; and provision of an economic stimulus to a local and national economy that have been suffering through the impacts of a recession. The development will also result in an increase in property values for the City and County of Honolulu (resulting in increased property taxes) and generate additional tax revenue in terms of GET to the State.

The Project is intended to become a world-class retail, entertainment and dining destination infused with Hawaiian culture which meets the demands of today's urban resort destination visitor and renews the appeal of the IMP to the local resident. Although a fresh, new project, it will celebrate the IMP's iconic and nostalgic past, and become a gathering place for all.

Policy 3 - Encourage private participation in improvements to facilities in Waikīkī.

TRG proposes to widen Kūhiō Avenue to create a valet/right turn lane to improve traffic circulation with the development of the Project. By significantly upgrading the Kūhiō Avenue side of the entire Project Site, TRG and QEL also expect that it will stimulate the upgrade of properties along Kūhiō Avenue in both directions, and thereby upgrade the visitor and resident experience.

Policy 5 - Prohibit further growth in the permitted number of hotel and resort condominium units in Waikīkī.

The Project will reduce by 358 the number of hotel units in Waikīkī.

Policy 9 - Encourage the visitor industry to provide a high level of service to visitors.

The Project will upgrade existing facilities to improve the visitor and local resident retail, dining and entertainment experience in Waikīkī. That experience will also include enhanced open space, improved view corridors, and improved traffic circulation along Kūhiō Avenue.

7.2.2 Natural Environment

General Plan Objective A - To protect and preserve the natural environment.

Policy 9 - Protect mature trees on public and private lands and encourage their integration into new developments.

As part of the Project, TRG plans to preserve and protect the exceptional banyan tree as well several other mature trees on the Project Site.

7.2.3 Energy

General Plan Objective A - To maintain an adequate, dependable, and economical supply of energy for O`ahu residents.

Policy 3 - Support programs and projects which contribute to the attainment of energy self-sufficiency on O`ahu.

The existing buildings that are proposed to be demolished were built in the 1950s to the 1970s and do not incorporate the energy savings measures that will be introduced in the newly developed structures. TRG intends to design, maintain, and operate the Project employing best practices for energy efficiency and environmental sustainability for projects of its kind. The new buildings will meet or exceed the energy efficiency code requirements. TRG will review all applicable LEED rating systems, use the certification standards as guidelines, and pursue certification when financially feasible. The 'open air' nature of the center will reduce the projected energy consumption from the lighting and mechanical systems. Passive lighting will be maximized and the makai to mauka orientation of the pedestrian open spaces will take advantage of the trade wind circulation. TRG intends to incorporate high performance building skins and roofing in the Project to maximize building thermal efficiency. TRG will explore the use of photovoltaic panels

above the parking deck as a financial and environmental strategy – but also for screening and shading reasons. TRG will implement low-flow plumbing fixtures, explore waterless urinals, incorporate efficient landscape irrigation systems, and explore the use of non-potable water in planting areas in an effort to further reduce wastewater and potable water demands. TRG will reduce the Project's material waste through effective construction and operational recycling programs. Green Tenant Design & Operation Guidelines will be issued to all tenants to encourage ongoing energy efficiency and environmental measures. The same will be further discussed in Section 8.3.2 of this EISPN.

7.2.4 Physical Development And Urban Design

General Plan Objective A - To coordinate changes in the physical environment of O`ahu to ensure that all new developments are timely, well-designed, and appropriate for the areas in which they will be located.

Policy 2 - Coordinate the location and timing of new development with the availability of adequate water supply, sewage treatment, drainage, transportation, and public safety facilities.

The various public service agencies have indicated that water supply, sewage treatment, quasi-public utilities and public safety facilities are adequate to support the Project. Drainage impacts will be reduced with the provision of additional landscaped open space. See "Preliminary Engineering Report International Market Place Revitalization Project" attached as Appendix 10.

TRG's Traffic Impact Report (Appendix 4) indicates there will be no significant impact on traffic related to level of service at surrounding intersections.

Policy 3 - Phase the construction of new developments so that they do not require more regional supporting services than are available.

The phasing of the Project will not require more supporting services than are available, as discussed in the previous sections.

7.3 PUC DEVELOPMENT PLAN

The Project's compliance with the PUC DP is discussed as follows:

7.3.1 The Vision For The PUC's Future

7.3.1.1 Honolulu is the Pacific's Leading City and Travel Destination

"With ongoing redevelopment and improvement, Waikīkī remains the State's largest and most popular visitor destination."

Given the IMP's history and location, the Project is critical to implementing this important vision statement. The proposed action will result in the redevelopment and improvement of this important and internationally known commercial center in the heart of Waikīkī. The aging and dated structures need replacement and upgrading to keep and enhance Waikīkī as the State's most popular visitor destination.

7.3.1.2 Land Use and Transportation

7.3.1.3 Visitor Industry

"The need to upgrade Waikīkī. Waikīkī is competing in the global market and, as a mature destination, needs to be refurbished and improved. In addition to upgrading streets and public spaces, the City and State need to adopt policies that will elicit private reinvestment in Waikīkī's physical plant."

TRG proposes to invest approximately $250 to $300 million to redevelop and revitalize the IMP and to re-establish it as the gathering place it once was where locals and visitors could come to shop, dine and be entertained. This private reinvestment in Waikīkī's physical plant will implement this important vision statement of the PUC DP.

7.3.1.4 Walking

"Regional pedestrian networks are appropriate for the central Honolulu and Pearl Harbor areas. Districts with existing high levels of pedestrian activity include Waikīkī and Downtown. . . Additional elements of the network are new promenades and other pedestrian improvements to city streets (e.g., Punchbowl Street, Nimitz Highway in the Downtown area, Ward Avenue, Young Street, Keeaumoku Street and Kalākaua Avenue."

TRG plans to improve the pedestrian experience along Kalākaua Avenue and Kūhiō Avenue with enhanced public open space and mostly greater setbacks than currently exist. The setback along Kalākaua Avenue and Kūhiō Avenue will be increased to the required 20-foot average. These extended setback areas will be part of the increased open space provided on the Project Site.

A significant increase in open space available to the public and landscaping along these two major thoroughfares will greatly enhance the pedestrian experience through Waikīkī and provide relief from the urban forms in Waikīkī.

7.3.1.5 Bicycles

"To encourage bicycle ridership, the City has employed a Bicycle Coordinator, installed bike

racks on all its buses and on many of Honolulu's streets, and has planned and partially developed a system of bikeways."

The Honolulu Bicycle Master Plan (dated April 1999) proposes a bike lane along the makai side of Kalākaua Avenue from Ala Moana Boulevard to Kapahulu Avenue. Based on a discussion with the City's Bicycle Coordinator, the bike lane has been included in last year's budget proposal and is planned to be developed within the next two years.

TRG plans to provide bicycle racks in the new parking structure to accommodate employees that may bicycle to work, using the new bike lane planned for Kalākaua Avenue.

7.4 LAND USE MAP PUC - EAST

The Project Site is located in an area designated Resort and Commercial on the PUC DP Land Use Map (PUC - East); and the Project's proposed retail, dining and entertainment uses are consistent with this designation.

7.5 LAND USE ORDINANCE (Sec. 21-9.80 Waikiki Special District)

7.5.1 Waikiki Special District Objectives (Sec. 21-9.80-1)

7.5.1.1 Promote a Hawaiian Sense of Place

The Project's concept design includes landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education. The largest center courtyard includes a landscaped gathering place with hula mound and kupuna story hearth. Here and elsewhere, the Project will allow space for Hawaiian dance and Hawaiian arts and crafts. A water feature, Wai `Āpuakēhau, is included to capture the essence of the `Āpuakēhau Stream, which once flowed from the mountains to the sea and through part of the Project Site (the water features depth is expected to be no more than six inches).

7.5.1.2 Optimum Community Benefits

The resort and residential community in Waikīkī will benefit from the incorporation of historical, cultural, and educational features planned for the site. The community also benefits from the health care provided by the Queen Emma Foundation, and from the opportunity to contribute to the provision of those services.

7.5.1.3 Variety of Compatible Land Uses

The Project will include retail, dining and entertainment a mixed use venue of compatible land uses in support of the resort and residential community in Waikīkīand the larger island wide residential community.

7.5.1.4 Multimodal Transportation in Waikīkī

The Project will further the WSD objective to support the efficient use of multimodal transportation in Waikīkī and encourage the use of public transit, while balancing the critical need for adequate parking at the Project in order to attract local residents back to the International Market Place and ensure its success over the long term.

The Project is being designed assuming that the majority of the people coming to the Project will arrive on foot or use multi-modal transportation. It will take advantage of the existing bus facilities that exist along Kūhiō and Kalākaua Avenues. Convenient bike racks will be provided near the Project entries on both streets, with additional racks in the parking garage as needed to satisfy bike-user demand. TRG is proposing a drop off lane which is designed to accommodate vans and shuttles as well as valet. TRG believes this lane will not only reduce pedestrian and traffic conflicts, but will also assist the efficient flow of traffic by removing stopping vehicles from the moving lanes of traffic. Those arriving by the many vans and shuttles serving the Waikiki area will find the boarding experience both convenient and safe, encouraging the future use of the same.

TRG intends to implement a TMP which will encourage its employees to use public transit and carpools and will encourage and assist tenants in doing the same for their employees. TRG will provide within its management office an employee responsible for the TMP who will encourage and coordinate the use of public transit and carpools, and make transit and biking information available to all employees at the Project Site. Transit and biking information will also be made available for all patrons at the customer service desk within the Project.

7.5.1.5 Support Visitor and Resident Needs

The Project will provide commercial support for visitors and residents with retail development, varied dining experiences and entertainment in a conveniently located mixed use development. The redevelopment of the Project Site will enhance the visitor experience and welcome residents across the island back to the IMP.

7.5.1.6 Rejuvenation and Revitalization in the Special District

The Project will rejuvenate and revitalize a commercial center that has experienced a normal aging process and is in need of redevelopment. The new improved commercial center may serve as a catalyst for redevelopment of neighboring properties.

7.5.1.7 Hawaii's Tropical Climate and Ambience

The Project will take advantage of Hawaii's tropical climate and ambiance with an open air common area that will include tropical landscaping and water features. The tree

canopy of the "exceptional" banyan tree will be visible from the second and third levels and will provide for a unique experience in Waikīkī, as visitors and residents have the opportunity to meander around the canopy and dine in sight of it.

7.5.1.8 Diamond Head View from Punchbowl

The Project will be a low rise development that will not affect views of Diamond Head from the Punchbowl Lookout.

7.5.1.9 Pedestrian Orientation in Waikīkī; People-Oriented, Interactive Landscaped Open Spaces

The Project, through its open air mall and pedestrian access between Kalākaua Avenue and Kūhiō Avenue will provide an inviting pedestrian experience through the Project Site.

The walkway system will be 30 to 40 feet wide and enhanced with landscaping, open space, entryways, inviting ground level uses and features, street furniture (including lighting, rest stops and trash disposal recommended in WSD objectives), and one or more water features. In addition, the clear walkway is planned for a minimum width of 10 to 12 feet. During operating hours, this pedestrian access through the Project Site will provide a landscaped pedestrian access between Kalākaua and Kūhiō Avenue, breaking up the long block between Seaside and Ka'iulani Avenues, and reducing pedestrian traffic along the Duke's Lane service drive.

The design intent is to provide an inviting park-like setting with landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education. The "exceptional" banyan tree will become a centerpiece of one of the three large court areas and the tree's canopy will be a real and unique part of the visitor experience on the second and third levels. For the many pedestrians along Kalākaua and Kūhiō, the Project is providing an inviting entry with sight lines to the interior space which will entice the curious. The vertical transportation within the Project is placed to make an easy circuit up to and around the second and third levels. The dining terrace on the third level with its combination of multiple restaurants, open-air seating, and views of the sky, tree canopies and entertainment areas will make it an attraction unlike anything else in Waikīkī and one well worth seeking out. The parking structure is designed above the retail shops in order to deliver all parking patrons to the third level with direct access to the dining terrace and the ability to shop the Project from top to bottom and back.

7.5.2 General Requirements and Design Controls (Sec. 21-9.80 4)

The design of buildings and structures will reflect a Hawaiian sense of place, as described in this section.

7.5.2.1 Uses and Structures Allowed in Required Yards and Setbacks

Should roof eaves, awnings (including retractable awnings) and other sunshade devices be provided, they will not be more than 42 inches vertically or horizontally beyond the building face for buildings under 60 feet in height. On buildings over 60 feet in height, roof eaves may extend more than 42 inches into a required yard, street setback or height setback area if the resulting roof form is integral to a cohesive, coherent design character for the structure. In no case, will such extension exceed one-half the width of the required yard or height setback.

Interactive informational displays, if provided, will be developed as part of a Master Signage Plan subject to Zoning Adjustment approval with consideration of the requirements of Section 21-9.80-4.a.(9) of the Land Use Ordinance (the "LUO").

7.5.2.2 Curb Cuts

Curb cuts for driveway openings and sight distances at all intersections will comply with the design standards of the Department of Transportation Services. TRG has kept the curb cuts for the Project to just the two existing curb cuts fronting the Project Site along Kūhiō Avenue. TRG has further eliminated access from the Project between the Project and the Aqua Waikiki Wave Hotel (the hotel will continue to utilize this curb cut for vehicle access). Traffic from the Project will now be limited to the access drive from Kūhiō Avenue on the Diamond Head side of the Project and to Duke's Lane, both of which have a signal light at Kūhiō Avenue to minimize vehicle/pedestrian conflicts.

7.5.2.3 Design Guidelines.

General Guidelines. The only general guideline described in LUO Exhibit 21-9.15 that affects this Project is the 260-foot height limit. The tallest structure in the Project will be 77 feet, which will be significantly below the maximum permitted height for the Project Site.
Yards. The 20-foot yards required per the development standards under LUO Table 21-9.6(B) will be met through yard averaging.

Utility Installations. Except for antennas, utility installations (if developed) will be designed and installed in an aesthetic manner so as to hide or screen wires and equipment completely from view, including views from above; provided, however, that any antenna located at a height of 40 feet or less from existing grade, visible from a public right-of-way, will take full advantage of stealth technologies in order to be adequately screened from view at ground level without adversely affecting operational capabilities.
Building Materials. TRG will be utilizing articulated concrete and plaster finishes bringing

out neutral tones for the larger areas of color on the structure to blend with the natural environment. A variety of building materials will be employed, including natural materials and textured concrete and plaster.

Building Scale, Features and Articulation. The building facade will be varied with a high degree of articulation. TRG will utilize open dining lanais, shading devices, recessed windows and projecting eyebrows in providing articulation and contrast. The development will include various building heights. These architectural elements are intended to promote a Hawaiian sense of place.

Exterior Building Colors. The use of reflective materials will be limited. Exterior colors will contribute to the tropical resort ambiance and complement the added landscaping. Generally neutral tones are being considered for the development with more vibrant and pronounced colors being used for accenting.

Ground Level Features:

a. Within the development, attention will be given to pedestrian-oriented ground level features, consistent with the open mall that will run between Kalākaua Avenue and Kūhiō Avenue. A close indoor-outdoor relationship will be promoted with the open air mall and the abutting shops. Design priority will include the visual links through the development connecting the sidewalk and other public areas with on-site open spaces.
b. Building facades at the ground level along open spaces and major streets (including Kalākaua Avenue, Kūhiō Avenue, Kapahulu Avenue, Ala Wai Boulevard and Ala Moana Boulevard) will include as appropriate open lobbies, arcade entrances, and display windows, and may include outdoor dining where it is permitted.
c. All commercial uses located at ground level in the Project are subject to paragraph "b".
d. The Project will not include a hotel, and therefore no hotel lobbies are planned. However, the open mall will provide an open air experience encouraged in hotel lobbies.
e. Although the buildings will not be situated between a street and the shoreline or between a street and open spaces, the ground level pedestrian way will provide visual links between the street and the open pedestrian mall through the Project Site.
f. Where blank walls occur fronting a street or open space, they shall be screened with heavy landscaping or appropriately articulated exterior surfaces.
g. No ground level parking facilities are proposed.
h. Retail shops will front on both Kalākaua Avenue and Kūhiō Avenue and these developments do not lend themselves to open lobbies.

Outdoor Lighting. Lighting for the Project will be utilized to contribute to public safety and to enhance the nighttime ambiance of the open space areas on the property. Out-

door lighting will be subdued or shielded so as not to provide inappropriate or excessive spillage onto surrounding properties or public rights-of-way. The proposed torch design feature at the Kalākaua Avenue entrance to the Project, however, is not intended to be shielded or screened. This torch design is one element under consideration and is depicted in the Rendering included in Appendix 1.

7.5.2.4 Landscaping.

a. Some trees six inches or greater in trunk diameter will be removed in accordance with the Tree Assessment Report (Appendix 8) and as may be recommended by the Project landscape architect, Walters, Kimura, Motoda, Inc. These trees will need to be removed to allow appropriate development of the Project Site.

   Six Major trees are identified on the Project Site, including one "exceptional" tree (Ficus Tree #1). Ficus Trees #1 and #3 and Monkeypod #4 will be preserved in place. Ficus Trees #2 and #5 and Monkeypod Tree #6 are located within proposed building footprints and will be removed.

   Three additional trees, Monkeypods #20, #37 and #39 are good candidates for relocation and will be relocated on the Project Site.

   The Tree and Palm Inventory spreadsheet in Appendix 8 identifies the existing trees on the Project Site and includes recommendations for disposition. A large majority of these trees are not visible from Kūhiō Avenue or Kalākaua Avenue. Various trees have been identified as remove, marginal, or marginal/transplant due to the species, health and/or structural condition of the trees.

b. Trees proposed for removal may be relocated to another landscape area on the Project Site.
c. The parking structure will be landscaped or articulated with designs to reduce the impact of a solid wall.
d. Newly introduced landscape will include fragrant, lush, tropical vegetation and native plant species, where appropriate.
e. Fences or walls exceeding 36 inches in height, except for moss rock walls, shall be landscaped with vine or hedge planting or other approved vegetation on the street side. The only exception will be retractable fences to secure the property after business hours.
f. All landscape areas will have an adequate irrigation system.

7.5.2.5 Height Regulations

a. Rooftop height exemptions will not be required for the proposed development

which is planned at a height well below the 260-foot height limit.

b. Coastal height setbacks are not applicable for this development located mauka of Kalākaua Avenue.

c. TRG understands that ground floor uses other than dwellings are exempt from off-street parking requirements.

7.5.2.6 Vending Carts

Vending carts located at ground level will be located within the interior portion of the property and will be appropriately screened from the street and sidewalks at Kalākaua Avenue and Kūhiō Avenue.

7.5.3 Resort Mixed Use Precinct

7.5.3.1 Permitted Uses

The Resort Mixed Use Precinct allows as permitted uses the Project's proposed retail, dining, entertainment and management offices.

7.5.3.2 Development Standards

Development Standard	Resort Mixed Use Precinct	Project
Minimum lot area (square feet)	10,000	260,576
Minimum lot width and depth (feet)	50	Average - 300 width and 400 depth
Front yard (feet) Side yard (feet)	20 0	20 (average) 0
Maximum Density (FAR)	1.0 (plus 1/2 of abutting right-of-way area)	289,038 sf
Minimum open space (percent of zoning lot)	0	24,224 sf (9.3%)
Open Space Bonus	10 sf/1 sf of public open space 5 sf/1 sf of open space 3 sf/1 sf of arcade area 1 sf/1 sf of rooftop landscape	0 121,120 sf 0 0
Max FAR	3.5	1.64
Maximum Height (feet)	260 per zoning map	70
Transitional Height Setback	1 foot for every 10 feet of height over 40 feet	1 foot for every 10 feet of height over 40 feet

7.5.3.2 Parking

The parking requirement for the project, based on 390,000 square feet of commercial space and about 165,200 square feet on the ground floor is 281 parking stalls. TRG plans to provide 776 parking spaces, which is 495 spaces in excess of the 281 required under the LUO. TRG believes it critical to the long-term success of a revitalized International Market Place that the Project attract not only tourists and immediately nearby residents, but all residents of the Island. The Project is being designed with that objective in mind. In addition to a tenant mix which will include a variety of stores not found elsewhere in

Hawaii, TRG intends to provide a unique dining and entertainment experience on the third level with a cluster of restaurants providing outdoor dining in view of the Exceptional Tree canopy as well as cultural and other entertainment venues reminiscent of the heyday of the IMP. TRG understands that most tourists will walk to the International Market Place. In the interest of attracting a broader market of local residents, however, TRG has tried to strike a balance between the number of stalls that would be required for a shopping center outside of Waikiki versus the parking requirements for a shopping center in Waikiki. Were this Project located in a typical suburban area, the likely parking demand would be between 1,600 and 1,800 cars (parking ratio of 4.5 to 5.0 spaces per 1,000 square feet of gross leasable area). The Royal Hawaiian Shopping Center has 611 stalls serving 310,000 square feet of gross leasable area (1 stall per 507 square feet or 1.98 parking ratio). TRG's proposal for 776 parking stalls for 355,000 square feet of gross leasable area (1 stall per 457 square feet or 2.19 parking ratio) is approximately the same, and TRG thinks appropriate. Since TRG will not be able to add needed parking once the Project is built, they have sized the parking consistent with the stated objective of attracting local residents back to IMP in order to assure the Project's long-term success.

7.5.3.3 Loading

Appendix 11 provides a diagram that shows the service truck (loading vehicles) access route and diagrams depicting adequate turning radius for vehicles to reverse into the loading stall on the access drives on the west (Duke's Lane) and east (former Miramar at Waikiki access drive) sides of the Project and safely enter and exit onto the public streets (Kūhiō Avenue and Kalākaua Avenue) in a forward manner.

7.6 WAIKIKI SPECIAL DISTRICT GUIDELINES

The proposed development will satisfy the objectives and standards of the WSD as follows:

7.6.1 Hawaiian Sense of Place

The Project's design will reflect a "Hawaiian Sense of Place" by paying tribute to the history of the area, including its special features and its past inhabitants.

The Project's concept design includes landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education. The largest center courtyard will include a landscaped gathering place with hula mound and kupuna story hearth. Here and elsewhere, the Project will allow space for Hawaiian dance and Hawaiian arts and crafts. A water feature, Wai `Āpuakēhau, is included to capture the essence of the `Āpuakēhau Stream, which once flowed from the mountains to the sea and through part of the Project Site.

7.6.2 Building Design

7.6.2.1 Orientation & Form

The Project will be a low to mid rise development with most of its buildings following a mauka-makai orientation to maximize natural ventilation.

The design of the Project steps in both plan and elevation. In plan, in order to create large landscaped courtyards, the development provides stepping to form open courtyards. The building also steps in elevation in the courtyard areas as upper floors open into open dining areas at the third level. The roof elements are also scaled in relation to the staggered portions of the building, emphasizing the stepped nature of the design. Due to the combination of stepping in both plan and elevation, the building's form is graduated and scaled, with the view from the pedestrian level in mind.

7.6.2.2 Open Space

The open space in the main courtyards provide opportunities for landscaping, water features, canopy trees, and gathering places to accommodate cultural programs and education. Open landscaped areas leading visitors into the Project will be provided at Kalākaua Avenue and Kūhiō Avenue. Additional open space and a wide landscaped pathway through the Project will provide access between Kūhiō Avenue and Kalākaua Avenue. TRG expects to provide about 14.08% open space.

7.6.2.3 Parking Facilities

The parking facility will be located above the anchor tenant and other commercial tenants along the Kūhiō Avenue side of the Project. The facility is planned to contain approximately 776 parking spaces, which is 495 spaces in excess of the 281 required under the LUO. This location is noted in the "Waikiki Special District Design Guidelines" as appropriate for parking in a structure.

7.6.2.4 Articulation, Scale, Material Color

The building facade will be varied with a high degree of articulation. TRG will utilize open dining lanais, shading devices, recessed windows and projecting eyebrows in providing articulation and contrast.

The development will include various building heights and incorporate hip roof forms.

TRG will be utilizing articulated concrete and plaster finishes bringing out neutral tones for the larger areas of color on the structure to blend with the natural environment.

A variety of building materials will be employed, including natural materials and textured concrete and plaster. The use of reflective materials will be limited. Exterior colors will contribute to the tropical resort ambiance and complement the added landscaping. Generally neutral tones are being considered for the development with more vibrant and pronounced colors being used for accenting.

These elements of articulation, material and color are in keeping with the recommendation of the "Waikiki Special District Design Guidelines"

7.6.2.5 Entries, Lobbies & Arcades

TRG plans open landscaped entry areas leading visitors into the Project at both Kalākaua and Kūhiō Avenues. Additional open space and a wide landscaped pathway through the Project will provide access between Kūhiō and Kalākaua Avenues.

The Project's concept design includes landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education. The large center courtyard includes a landscaped gathering place with hula mound and kupuna story hearth. Here and elsewhere, the Project will allow space for Hawaiian dance and Hawaiian arts and crafts. A water feature, Wai `Āpuakēhau, is included to capture the essence of the `Āpuakēhau Stream, which once flowed from the mountains to the sea and through part of the Project Site (the water features depth is expected to be no more than six inches). These elements are in keeping with the recommendations of the Waikiki Special District Design Guidelines.

All of the ground level retail establishments will be oriented to the public streets or the central walkway and plaza areas to create an attractive linkage between the public pedestrian areas and the private commercial establishments. The pedestrian promenade will be enhanced with landscape and hardscape that evokes an open plaza type environment in contrast to an unadorned sidewalk or mall.

7.6.2.6 Visual Links

The open landscaped entry area will provide a visual link for visitors to Nāhua Street which provides views toward the Ala Wai Canal, the prominent open space and water feature along Ala Wai Boulevard.

7.6.2.7 Features in Required Yards

» TRG proposes creation of an additional lane on Kūhiō Avenue along the Project frontage for valet use as well as a right turn lane to allow traffic to more easily enter the redeveloped parking structure. Both uses will take traffic out of the through lanes on Kūhiō Avenue. Access to the parking structure will be through use of the existing

roadway easement on the southeast side of the Miramar parcel and will minimize impacts to Kūhiō Avenue. The retail and commercial frontage along Kalākaua Avenue and Kūhiō Avenue will be improved and pedestrian friendly.

- Walls & Fences - No walls or fences are planned along Kalākaua Avenue or Kūhiō Avenue.
- Shading Devices - Shading devices such as roof overhangs and eaves are proposed, and will encroach into the required yards no more than the amount permitted by the LUO.
- Outdoor Dining - Outdoor dining facilities are proposed.
- Rooftop Design and Equipment Screening - Rooftop machinery, equipment and utility installations will not exceed the established height limit and will be screened from view.

7.6.2.8 Landscaping

As indicated in the preliminary concept plan, landscaping will be provided to improve the streetscape along Kalākaua and Kūhiō Avenues and enhance the pedestrian experience for visitors and local residents alike. There will be significant open space throughout the Project to maintain and enhance the inviting, park-like setting. The Project will provide enhanced landscaped courtyards surrounding canopy trees and areas which can accommodate cultural programming. The "exceptional" banyan tree near Kalākaua Avenue will be retained and protected. The Project will provide a landscaped central gathering place with hula mound and kupuna story hearth.

Although the LUO does not require open space or landscaping, other than front yard setbacks for the portion of the Project Site in the Resort-Commercial Precinct, TRG proposes landscaped open areas leading in from Kalākaua Avenue and Kūhiō Avenue which will lead visitors to the large open courtyard in the central part of the Project Site.

The center courtyard includes a landscaped gathering place with hula mound and kupuna story hearth. Here and elsewhere, the Project will allow space for Hawaiian dance and Hawaiian arts and crafts. A water feature, Wai `Āpuakēhau, is included to capture the essence of the `Āpuakēhau Stream, which once flowed from the mountains to the sea and through part of the Project Site (the water features depth is expected to be no more than six inches). These landscape elements are in keeping with the recommendations of the Waikīkī Special District Design Guidelines.

TRG has engaged the services of both Walters, Kimura, Motoda, Inc. and Steve Nimz, a certified arborist. A tree assessment report has been prepared by Mr. Nimz and is included in Appendix 8. Walters, Kimura, Motoda has provided the following summary:

"The proposed improvements include the preservation of the exceptional banyan and the banyan at the food court, as well as the relocation of three monkeypod trees. Coconut palms and other trees that are identified as worthy of transplanting will be relocated, if feasible.

"Trees that are identified as being in decline, have poor structure, or have decay and wounds will be removed for safety concerns. Other existing trees will be removed, as necessary, to allow for construction of the proposed improvements.

"Additional landscaping includes coconut palms along both Kalakaua and Kuhio Avenues, as well as in the concourses between the courts. At Level 3, a combination of native Hawaiian, Polynesian-introduced, and introduced trees are proposed to provide shade, color and fragrance. The canopies of the two existing banyans will extend above Level 3 to provide additional shade and interest."

7.6.2.9 Water Features and Artwork

A water feature, Wai `Āpuakēhau, is included to capture the essence of the `Āpuakēhau Stream, which once flowed from the mountains to the sea and through part of the Project Site. Other water features are also being considered in other areas of the Project.

While no specific artwork has been identified at this stage of design, it is anticipated that the central courtyard would include a statue or other appropriate memorial honoring the legacy of Queen Emma, King Kamehameha IV, Prince Albert Edward and their significant contributions to the health and care of the people of Hawai`i.

7.6.2.10 Sidewalk & Paving

Private walkways will be developed with patterned and/or textured paving materials to provide a sense of scale and rhythm appropriate to the surrounding buildings. Public walkways will be constructed to match the existing sidewalks on Kalākaua Avenue and Kūhiō Avenue.

7.6.2.11 Signage

TRG has not designed the proposed signs for the Project; however, the proposed signs will meet LUO requirements, likely through development of a Signage Master Plan to be submitted as a Zoning Adjustment. If illuminated, the lighting will comply with the WSD guidelines.

7.6.2.12 Lighting

Lighting for the Project will be utilized to contribute to public safety and to enhance the nighttime ambiance of the open space areas on the property. Outdoor lighting will be subdued or shielded so as not to provide inappropriate or excessive spillage onto surrounding properties or public rights-of-way. The proposed torch design feature at the Kalākaua Avenue entrance to the Project, however, is not intended to be shielded or screened.

7.6.3 Urban Design Controls

7.6.3.1 Waikiki Gateways and Fort DeRussy

The Project is not situated near any of the five Waikiki Gateways nor is it situated near Fort DeRussy.

7.6.3.2 Major Streets

Kalākaua and Kūhiō Avenues are identified as Major Streets in the WSD Design Guidelines. Due to the increase in front yards, the proposed design will improve pedestrian flow and offer visual relief for motorists. Landscaping and trees will be located to accentuate the tropical outdoor experience.

7.6.3.3 Waikiki Promenade

The Project is not situated along the Waikiki Promenade and will not affect the Waikiki Promenade.

7.6.3.4 Coastal Height Setback

The Project is not located near the shoreline; therefore it is not subject to a coastal height setback.

7.6.3.5 Mini Parks

No mini parks are planned at the Project, however, as indicated in the preliminary concept plan, landscaping will be provided to improve the streetscape along Kalākaua and Kūhiō Avenues and enhance the pedestrian experience for visitors and local residents alike. There will be significant open space throughout the Project to maintain and enhance the inviting, park-like setting. TRG will provide enhanced landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education.

7.6.3.6 Significant Public Views

The Project will not impact the significant views that are identified in the WSD Design Guidelines and Section 9.80-3(a) of the LUO.

7.6.3.7 Public Pedestrian Access

The Project will continue to provide public pedestrian access through the Project during business hours, as encouraged in the Waikiki Special District Design Guidelines. The walkway system will be enhanced with landscaping, open space, entryways, inviting ground level uses and features, street furniture, and one or more water features. In addition, the walkway will be wider than 6 feet, and will include lighting, rest stops and trash disposal as recommended in Waikiki WSD objectives. During operating hours, this pedestrian access through the Project Site will provide a landscaped pedestrian access between Kalākaua and Kūhiō Avenue, breaking up the long block, between Seaside and Ka`iulani Avenues and reducing pedestrian traffic along Duke's Lane service drive.

7.6.3.8 Historic Structures, Significant Sites and Landmarks

The existing IMP, Town Center and the Miramar are not listed as historic on either the State or Federal Register of Historic Properties.

7.7 LIST OF NECESSARY APPROVALS

The Project will require acceptance of the Final EIS by the DPP. The following is a preliminary list of the anticipated permits, approvals and reviews that are required prior to construction of the Project.

7.7.1 City and County of Honolulu

- WSD Permit, Major
- Surface Encroachment Variance
- Subdivision for Pedestrian Easement
- Sidewalk Variance
- CUP for Joint Development
- Building Permits
- Flood Study
- Trenching Permit
- Grading Permit
- Drain Connection
- Site Development Division Master Application for Sewer Connection
- Street Usage
- Sign Master Plan Approval (Zoning Adjustment)
- Construction Plan Approval

7.7.2 State of Hawaii

- NPDES Permit for construction over an acre and possibly for dewatering effluent (although not expected)
- Construction Noise Permit
- Archaeological Inventory Survey
- Industrial Wastewater Discharge Permit

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8. PROBABLE IMPACTS

8.1 IMPACTS OF THE NATURAL OR HUMAN ENVIRONMENT ON THE PROJECT

Neither the natural nor human environment is anticipated to have an impact on the Project.

8.2 DIRECT AND INDIRECT IMPACTS

The Traffic Impact Report attached as Appendix 4 indicates there will be no significant impact on traffic, related to level of service at surrounding intersections.

The Preliminary Engineering Report attached as Appendix 10 indicates the Project will result in a net reduction in water and wastewater demand.

Although the total gross floor area of the Project will be decreased by 109,000 square feet, the total gross leasable area of commercial space will increase by approximately 164,700 square feet. The Project proposes a total of 355,000 square feet (gross leasable area) less an existing 168,800 square feet of commercial space on IMP and the Town Center sites and less an existing 21,500 square feet of commercial space at the Miramar site. As a result, once the Project is completed, it will create approximately 2,500 full-time and part-time jobs (a net overall increase of approximately 1,800 full-time and part-time jobs) more than offsetting the 670 total existing full-time and part-time jobs at the IMP, Town Center and Miramar.

The redeveloped and increased size of retail space will result in additional sales for tenants that provide goods and services for sale in the new retail space, including any local firms represented.

The upgrade of the entire length of the Kūhiō Avenue side of the Project Site, may indirectly stimulate the upgrade of other properties along Kūhiō Avenue in both directions, and thereby upgrade the broader visitor and resident experience.

A short term indirect impact will be increased revenues for construction-related industries providing services and supplies to contractors involved in the construction of the Project.

8.3 GENERAL PUBLIC BENEFITS

The Project offers a multitude of public benefits as discussed below:

8.3.1 Economic Boost

The following applicable preliminary analysis was provided by John M. Knox & Associates in the EISPN:

"The IMP Revitalization Project will provide a needed boost to the economy of Hawai`i in what has been one of the most severe recessions in recent history. Unemployment rates

have increased to historically high levels on O`ahu, visitor arrivals have decreased significantly both domestically and internationally, and construction activity has declined. TRG will spend approximately $250 million to $300 million to stimulate construction and improve a major visitor facility in Waikīkī. The investment will stimulate short and long-term employment and generate increased visitor spending and State and City tax revenues.
John M. Knox & Associates has been contracted to conduct an economic impact study, to be summarized in the Draft EIS and appended in full form."

John M. Knox & Associates has now prepared an economic analysis for the IMP Revitalization Project, entitled Redevelopment of International Market Place: Economic Impact, dated December 21, 2011. The full report is provided in Appendix 12. The following summarizes some key findings from the report:

The Project is expected to result in the following direct and indirect/induced construction effect on the economy over the 25 month construction period: output - $461.6 million dollars; total household income - $138.1 million; and 2,435 jobs created or supported.

The Project during its operational phase in its first full stable calendar year (2019 assuming a 2015 opening) is expected to generate $241.0 million in on-site sales; $79.1 million in total household income; and 2,590 on-site jobs.

The Project between 2013 and 2022 (Construction and Operational Phases) is expected to generate County revenues of $35.40 million primarily from property taxes, but also including the Waikīkī Business Improvement District Assessment, GET 0.5% surcharge and Transient Accommodations Tax returned to the County.

The Project between 2013 and 2022 (Construction and Operational Phases) is expected to generate State revenues of $140.23 million.

8.3.2 Sustainable Strategies

TRG intends to design, maintain, and operate the Project employing best practices for energy efficiency and environmental sustainability for projects of its kind. The new buildings will meet or exceed the energy efficiency code requirements. TRG will review all applicable LEED rating systems, use the certification standards as guidelines, and pursue certification when financially feasible. The 'open air' nature of the center will reduce the projected energy consumption from the lighting and mechanical systems. Passive lighting will be maximized and the makai to mauka orientation of the pedestrian open spaces will take advantage of the trade wind circulation. TRG intends to incorporate high performance building skins and roofing in the project to maximize building thermal efficiency. TRG will explore the use of photovoltaic panels above the parking deck as a financial and

environmental strategy – but also for screening and shading reasons. TRG will implement low-flow plumbing fixtures, explore waterless urinals, incorporate efficient landscape irrigation systems, and explore the use of non-potable water in planting areas in an effort to further reduce wastewater and potable water demands. TRG will reduce material waste through effective construction and operational recycling programs. Green Tenant Design & Operation Guidelines will be issued to all tenants to encourage ongoing energy efficiency and environmental measures. LEED (Leadership in Energy and Design) is an internationally recognized building certification system intended to provide building owners and operators a concise framework for identifying and implementing practical and measurable green building design, construction, operations and maintenance solutions.

8.3.3 Waikiki Special District

The Project will achieve several of the key objectives of the WSD guidelines and result in demonstrable contributions that benefit the community and the stability, function and overall ambiance of Waikīkī. The following are anticipated public benefits:

8.3.3.1 Enhanced Open Space

The Project will result in open space that is usable and visible to the public and that creates visual relief. The open space will be approximately 36,682 square feet. The majority of this open space will be open to the public along the landscaped public sidewalks (yard area) along Kalākaua Avenue and Kūhiō Avenue and during business hours, through the Project in the pedestrian access and gathering spaces in open courtyard areas. The resulting area, combined with the open area from property line to edge of curb creates an environment that allows expansive walkways with extensive landscaping. These publicly accessible open spaces are an important component of this proposed redevelopment and represent a marked improvement over the existing open space located internally on the property.

The setback along Kalākaua Avenue and Kūhiō Avenue will increase to an average of 20 feet. These extended setback areas will not count as open space but will provide landscaped and paved pedestrian areas on the property that will be open to the public. A significant increase in open space available to the public and landscaping along these major thoroughfares will greatly enhance the pedestrian experience through Waikīkī by providing relief from the urban forms that affect much of the street level experience in Waikīkī.

8.3.3.2 Improved Traffic Circulation

TRG proposes to add a new lane on Kūhiō Avenue to be used as a valet area and as a right turn lane for traffic entering the existing roadway easement on the southeast side of the Miramar parcel for access to the parking structure located above the anchor tenant building and other commercial building fronting on Kūhiō Avenue. The parking structure

will also have an exit lane that will connect to Duke's Lane, which will provide convenient valet access back to Kūhiō Avenue minimizing valet travel on surrounding streets.

8.3.3.3 Hawaiian Sense of Place

The Project will enhance the "Hawaiian Sense of Place" of the area. Respectful of the history of the area, its special features and its past inhabitants, the Project will provide a relationship with its past through design.

The Project's concept design includes landscaped courtyards, water features, canopy trees and gathering places to accommodate cultural programs and education. The large center courtyard includes a landscaped gathering place with hula mound and kupuna story hearth. Here and elsewhere, the Project will provide space for cultural activities such as Hawaiian dance and Hawaiian arts and crafts. A water feature, Wai `Āpuakēhau, is included to capture the essence of the `Āpuakēhau Stream, which once flowed from the mountains to the sea and through part of the Project Site (the water features depth is expected to be no more than six inches).

8.4 DEMOGRAPHIC IMPACTS

8.4.1 Residential Population

The Project will have no impact on the number of residents in Waikīkī as it does not include demolition or construction of any dwelling units.

8.4.2 Visitor Population

The Project will reduce the visitor population potential of Waikīkī with the demolition of 358 hotel rooms at the Miramar, although with current Waikīkīhotel vacancy rates, the actual visitor population is unlikely to be impacted. Further, the reduction in hotel rooms would be off-set with the proposed development at the Hilton Hawaiian Village which plans 550 timeshare units in two new towers and the overall unit count in Waikīkī is expected to increase during roughly the same period of time that the Project is being developed. The Project will provide important support services for visitors and local residents through convenient, improved and varied shopping, dining and entertainment experiences.

8.4.3 Character or Culture of the Neighborhood

The character and culture of the surrounding neighborhood will not change, as the existing development with its focus on retail, dining and entertainment will be replaced by a similar expanded complex providing improved retail, dining and entertainment services in the heart of Waikīkī. However, the revitalization of this property could provide an incentive for surrounding properties to also redevelop and revitalize their properties with

a needed upgrading of facilities in this part of Waikīkī. One of the immediate neighboring properties, the Princess Ka`iulani, has received land use approvals to redevelop and revitalize their site. The Project will continue to provide commercial support for the Waikīkī community of residents, visitors and employees, as well as local residents from other parts of the island.

The elimination of the Miramar will reduce the number of visitors in the immediate area, however, other planned hotel/timeshare improvements are planned at the Hilton and the overall unit count in Waikīkī is expected to increase during roughly the same period of time that the Project is being developed.

8.4.4 Displacement of Tenants

The Project will result in the displacement of the existing tenants at the IMP and Town Center during the construction period and thereafter. The displacement of tenants upon redevelopment of IMP and the Town Center has been anticipated for some years. QEL has been planning for the redevelopment since it regained control of and began directly operating IMP and the Town Center in 1998. The tenants have been informed and updated as redevelopment plans have continued, and their leases and license agreements specifically acknowledge the potential for redevelopment and are either short term or cancellable upon written notice. Similarly, the Miramar ground lease expired in 2010 and has been extended for a short term pending the commencement of redevelopment.

The existing tenants at the Project Site will continue to be informed of the progress and timing of the redevelopment. The most recent meetings to update the tenants occurred during the week of October 31, 2011. In January 2012, they were informed of the timing and locations of the AIS trenching work being performed. The tenants will also be appropriately notified of their lease or license termination, and should have ample time to make alternative arrangements should the Project move forward. In addition, QEL has previously proposed to make available to affected tenants various forms of assistance including brokerage services for potential relocation options as well as small business, vocational and educational referral services, and expects to offer similar forms of assistance as and when the Project moves forward.

8.5 HOUSING IMPACTS

The Project will not affect housing in the area as no existing dwelling units are being removed and no new dwelling units are planned.

8.6 PUBLIC SERVICES

8.6.1 Access and Transportation

Wilson Okamoto Corporation prepared a traffic impact report, titled "Traffic Impact Report International Market Place Revitalization", dated October 2011. A complete copy of this report is attached as Appendix 4.

8.6.2 Area Roadway System

The area roadway system is described as follows:

"A. General

"The proposed project will be located adjacent to Kalakaua Avenue, a predominantly four-lane, one-way (eastbound) City and County of Honolulu roadway generally oriented in the east-west direction that with Ala Wai Boulevard forms a couplet system that provides access through Waikiki. Kuhio Avenue runs parallel to this couplet and also serves as an access roadway through Waikiki.

'B. Area Roadway System

"West of the project site, Kalakaua Avenue intersects Seaside Avenue, a connector roadway between Kalakaua Avenue and Ala Wai Boulevard generally oriented in the north-south direction. At this signalized intersection, Kalakaua Avenue has an exclusive left-turn lane, a shared left-turn and through lane, and three through lanes while Seaside Avenue has two northbound departure lanes.

"East of the intersection with Seaside Avenue, Kalakaua Avenue intersects Ka`iulani Avenue. Ka`iulani Avenue originates at Kalakaua Avenue as a one-way (northbound) roadway that transitions to a two-way roadway at the intersection with Kanekapolei Street. At this signalized intersection, Kalakaua Avenue has an exclusive left-turn lane and three through lanes while Ka`iulani Avenue has two northbound departure lanes.

"North of the intersection with Kalakaua Avenue, Seaside Avenue intersects Kuhio Avenue, an alternate east-west access roadway through Waikiki that runs parallel to Kalakaua Avenue and Ala Wai Boulevard. At this signalized intersection, the eastbound approach of Kuhio Avenue has two lanes that serve left-turn and through traffic movements, and the westbound approach has two lanes that serve through and right-turn traffic movements, while the northbound approach of Seaside Avenue has exclusive turning lanes and one through lane.

"East of the intersection with Seaside Avenue, Kuhio Avenue intersects Duke's Lane and Nohonani Street, a connector roadway between Kuhio Avenue and Ala Wai Boulevard generally oriented in the north-south direction. At this signalized intersection, the eastbound approach of Kuhio Avenue has two through lanes while the westbound approach has two lanes that serve through and right-turn traffic movements. The Duke's Lane approach of the intersection has one lane that serve all traffic movements while the Nohonani Street approach has one lane that serves left-turn and right-turn traffic movements.

"Further east, Kuhio Avenue intersects Nahua Street, a one-way (northbound) connector roadway between Kuhio Avenue and Ala Wai Boulevard. At this signalized intersection, the eastbound approach of Kuhio Avenue has two lanes that serve left-turn and through traffic movements, and the westbound approach has two lanes that serve through and right-turn traffic movements while Nahua Street has one northbound departure lane.

"Near the eastern edge of the project site, Kuhio Avenue intersects Walina Street, a one-way (southbound) connector roadway between Kuhio Avenue and Ala Wai Boulevard. At this signalized intersection, the eastbound approach of Kuhio Avenue has two lanes that serve through and right-turn traffic movements, and the westbound approach has two lanes that serve left-turn and through traffic movements while the Walina Street approach has two lanes that serve all traffic movements.

"East of the intersection with Walina Street, Kuhio Avenue intersects Kanekapolei Street, a connector roadway between Ka`iulani Avenue and Ala Wai Boulevard generally oriented in the north-south direction. At this signalized intersection, the eastbound approach of Kuhio Avenue has an exclusive left-turn lane, one through lane, and a shared through and right-turn lane while the westbound approach has two lanes that serve all traffic movements. The northbound approach of Kanekapolei Street has two lanes that serve left-turn and through traffic movements while the southbound approach has two lanes that serve all traffic movements.

"North of the intersection with Kuhio Avenue, Seaside Avenue intersects Ala Wai Boulevard. At this signalized intersection, Ala Wai Boulevard has three westbound lanes that serve left-turn and through traffic movements while the Seaside Avenue approach has two exclusive left-turn lanes.

"East of the intersection with Seaside Avenue, Ala Wai Boulevard intersects Nohonani Street. At this unsignalized intersection, Ala Wai Boulevard has three westbound lanes that serve left-turn and through traffic movements while Nohonani Street has one lane that serves left-turn traffic movements.

"Further east, Ala Wai Boulevard intersects Nahua Street. At this unsignalized intersection, Ala Wai Boulevard has three westbound through lanes while Nahua Street has one lane that serves left-turn traffic movements.

"At the eastern end of the study area, Ala Wai Boulevard intersects Kanekapolei Street. At this signalized intersection, Ala Wai Boulevard has three westbound lanes that serve left-turn and through traffic movements while Kanekapolei Street has two exclusive left-turn lanes."

8.6.3 Traffic Impacts

The Traffic Impact Report's "Conclusion" states:

"VII. CONCLUSION

The proposed project entails the replacement of the existing International Market Place adjacent to Kalakaua Avenue which houses a variety of shops, carts, restaurants, and hotel uses with a new retail complex. With the implementation of the aforementioned recommendations, the proposed International Market Place revitalization project is not expected to have a significant impact on traffic operations in the project vicinity. The traffic movements at the study intersections in the vicinity are expected to continue operating at levels of service similar to without project conditions. Although traffic conditions with the proposed redevelopment are expected to remain similar to without project conditions, the preparation of a Traffic Management Plan is recommended to further minimize the impact of the project on the surrounding roadways."

8.6.4 Traffic Mitigation Measures

The Traffic Impact Report section titled "Recommendation" states as follows:

"VI. RECOMMENDATIONS
Based on the analysis of the traffic data, the following are the recommendations associated with the proposed International Market Place revitalization project:

1. Provide sufficient sight distance for motorists to safely enter and exit all project driveways.

2. Provide adequate on-site loading and off-loading service areas and prohibit off-site loading operations.

3. Provide adequate turn-around area for service, delivery, and refuse collection vehicles to maneuver on the project site to avoid vehicle-reversing maneuvers onto adjacent public roadways.

4. Provide sufficient turning radii at all driveways to avoid or minimize vehicle encroachments to oncoming traffic lanes.

5. Align the primary vehicular access with Walina Street at the intersection with Kuhio Avenue to minimize conflicts between turning vehicles.

6. Modify the traffic signal phasing and timing at the intersection of Kuhio Avenue with Walina Street to accommodate the addition of the primary vehicular access for the proposed project to the intersection.

7. Align the primary pedestrian access along Kuhio Avenue with the intersection with Nahua Street.

8. Align the primary pedestrian access along Kalakaua Avenue with the existing signalized mid-block crosswalk.

9. Provide an additional eastbound lane along Kuhio Avenue between the proposed valet pull-out and the primary access at the intersection with Walina Street to minimize the impact of valet operations on Kuhio Avenue.

10. Provide a physical barrier between the eastbound through lanes of traffic along Kuhio Avenue and the auxiliary lane extending from the valet pull-out at the intersection with Nahua Street to eliminate vehicular conflicts with vehicles utilizing valet services.

11. Provide exclusive left-turn and right-turn lanes along the primary vehicular access at the intersection of Kuhio Avenue with Walina Street.

12. Ensure that queuing from the valet pull-out along Kuhio Avenue does not extend onto the adjacent public roadway.

13. Prepare a Traffic Management Plan (TMP) for the International Market Place that includes traffic demand management strategies, as well as, traffic circulation, parking and loading management strategies."

During the design phase of the Project, TRG will work to implement the recommendations of the Traffic Impact Report.

The primary public transportation improvement will be the extended lane proposed along Kūhiō Avenue. It is designed to accommodate vans and shuttles as well as valet and will assist the efficient flow of traffic by removing stopping vehicles from the moving lanes of traffic. The lane would be extended the length of the Project along Kūhiō Avenue to provide sufficient stacking for vehicles entering the Project's loading and parking facilities opposite the Walina Street intersection. This stacking capacity will also minimize disruptions to the two through lanes used by buses and other traffic.

The circulation pattern for the valet is designed to minimize use of public right of way with the added benefit of valet drivers making all right turns when parking or delivering vehicles. No u-turns or backing up is required or permitted which further enhances pedestrian safety on the sidewalk and traffic flow on Kūhiō's through lanes. Figure 5 (page 16) provides the circulation pattern of the valet drivers.

The physical barrier proposed in recommendation #10 will be a low curb extending past the Nahua Street intersection with openings for two crosswalks. This curb is intended to prevent vehicles in the passenger loading/turn lane from merging into east bound traffic at the intersection or crosswalks, thereby eliminating any conflict from a merge move with pedestrians using the crosswalk or vehicles turning onto Kūhiō Avenue from Nahua Street.

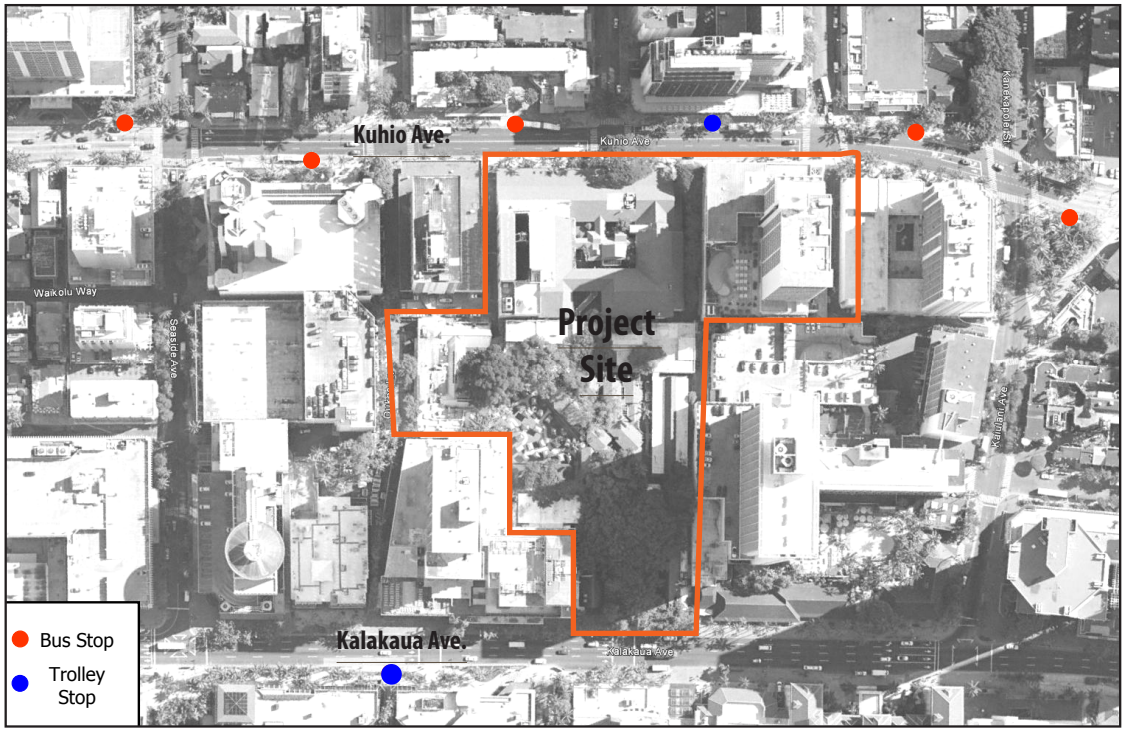

FIGURE 7 BUS & TROLLEY STOP LOCATIONS

On Kūhiō Avenue, the nearest bus stops on the makai side of the street are on the blocks before and after the Project; both of which are strategically placed by TheBus for appropriate separation and ease of service. The Project will not adversely affect the bus operations at those stops. The bus stops on the mauka side of Kūhiō and on Kalākaua are outside of the traffic flow servicing the Project and will not be impacted. Figure 7 shows the locations of the bus stops and trolley stops that service the Project site.

TRG will ensure that the TMP focuses holistically on mobility in general, in and around the Project site. Pedestrian flow and safety is as paramount as traffic flow, particularly since the large majority of the Project's visitors will be on foot. TRG wants the Project to be safe and friendly to all however they arrive – on foot or bicycle, via shuttle or public transit, or by car. The current design is intended to help minimize vehicle and pedestrian conflicts during passenger drop-offs. The Project's loading areas are also out of the public right of way and sidewalk areas further increasing pedestrian safety and reducing sidewalk congestion. Bike racks will be provided near the Project entries on both streets, with additional racks in the parking garage as needed to satisfy bike-user demand. The TMP will encourage its employees to use public transit and carpools and will encourage and assist tenants in doing the same for their employees.

8.6.5 Water

Wilson Okamoto Corporation has prepared a "Preliminary Engineering Report International Market Place Revitalization Project" dated October 2011 for the Project that is included in its entirety in Appendix 10. Included in this Report is a discussion on water demand, summarized below:

"Potable water service is provided and operated by the City & County of Honolulu's Board of Water Supply (BWS). Potable water service is currently adequate to support the proposed redevelopment. A water availability letter was received from BWS stating the existing water system is currently adequate to accommodate the revitalization project. In the vicinity of the project site, there is an 8-inch water main extending along Kalakaua Avenue and a 24- and 16-inch water main located along Kuhio Avenue. Currently, 6 domestic water meters of various sizes serve the project site.

"Based on City and County Board of Water Supply demand factors, an average daily demand of 92,500 gpd was determined for potable water for the revitalization project. This average daily demand represents a 38.0 percent decrease compared to the existing demand of 150,093 gpd."

The availability letter received from BWS on January 24, 2011 stating the existing water system is presently adequate to accommodate the proposed development is included in Appendix 13.

Ms. Susan Uyesugi, Program Administrator of the BWS in a letter dated January 10, 2012 (Appendix 14) noted that the existing water system is adequate to accommodate the proposed development. However, final decision on the availability of water will be confirmed when the building permit application is submitted for approval. TRG was further notified that when water is made available, it will be required to pay the Water System Facilities Charges for resource development, transmission and daily storage and that the Project is subject to the BWS cross-connection control and backflow prevention requirements prior to the issuance of a building permit. As recommended, TRG will coordinate the on-site fire protection requirements with the Fire Prevention Bureau of the Honolulu Fire Department.

8.6.6 Wastewater

Wilson Okamoto Corporation has prepared a "Preliminary Engineering Report International Market Place Revitalization Project" dated October 2011 for the Project that is included in its entirety in Appendix 10. Included in this Report is a discussion on wastewater demand, summarized below:

"The municipal sanitary sewer system is operated by the City and County of Honolulu's Department of Environmental Services. The sewer mains in the vicinity of the project site consist of two 18- and one 16-inch sewer mains along Kuhio Avenue and a 12- and 8-inch sewer main along Kalakaua Avenue. Although portions of the City's collection system downstream of the project site is currently at or near capacity, we do not anticipate any off-site sewer improvements since the wastewater flow generated under the proposed project is less than what is presently generated. A new Site Development Division Master Application for Sewer Connection will be submitted to confirm adequacy of the City's sewer collection system to support the revitalization project."

"An average sanitary sewer flow of 187,500 gpd is projected for the redevelopment project based on City and County guidelines for wastewater contribution. This projected sewer flow is approximately 13 percent lower than the existing flow of 216,506 gpd."

8.6.7 Drainage and Storm Water Quality

Wilson Okamoto Corporation has prepared a "Preliminary Engineering Report International Market Place Revitalization Project" dated October 2011 for the Project that is included in its entirety in Appendix 10. Included in this Report is a discussion on drainage and storm water quality, summarized below:

"At a minimum, the proposed finished floor elevations of the new buildings should be set above the base flood elevation of 7 feet. However, since the existing elevations along Kalakaua Avenue are approximately 7.0 feet, a higher finished floor elevation above 7.0 feet

should be considered during the design phase to ensure positive drainage flow away from the building entrances.

"The municipal drainage system fronting the project site consists of an 18- and 24-inch drainline along Kuhio Avenue and an 18-inch drainline along Kalakaua Avenue. Both the Kuhio and Kalakaua Avenue drainage systems convey flows in the westerly direction to Seaside Avenue where the system continues along Ala Wai Boulevard and discharges to the Ala Wai Canal near the intersection of Kanekapolei Place and Ala Wai Boulevard through an 18-inch reinforced concrete pipe.

"The City's existing storm drainage system appears to be functioning well and adequate for the collection of rainfall runoff and delivery of flow towards the Seaside Avenue system before discharging into the Ala Wai Canal.

"During the design phase of the project, a Storm Drainage Report will be required to confirm the pre and post storm drainage flows generated by the site including a detailed breakdown of the distribution of the flows to the City's system. As noted above, since the existing site is an urbanized, fully-developed, and built-up district, we do not expect any increase in the storm water quantity generated by the proposed project. The proposed storm drainage flow pattern will follow existing conditions to avoid redistribution of the project storm water flow to the City's offsite drainage system."

Prior to connection to the City's system, the on-site storm water will be filtered, per the DPP, Rules Relating to Storm Drainage Standards ("Rules"), Storm Water Quality Section, dated January 2000. A Drain Connection License will be required by DPP in the event that any new drain connections are required for the Project. The Applicant understands that the Rules are scheduled to be revised in 2012 to include Low Impact Development (LID) measures as required by the City's MS4 permit. The Project will comply with the then applicable Rules.

8.6.8 Solid Waste Disposal

The DES, Refuse Collection and Disposal Division manages solid waste disposal facilities for the Island of O`ahu. There are two City solid waste disposal facilities: the H-POWER refuse to energy plant at Campbell Industrial Park and Waimānalo Gulch Landfill. PVT Land Company operates a privately owned and operated, licensed, solid waste facility for recovery of recyclable materials and disposal of construction and demolition materials. The PVT Landfill accepts wastes on a pre-arranged basis from haulers and contractors registered with them. Waste loads are screened with recyclable materials removed for sale/reuse and the remaining wastes land filled. The capacity of the PVT Landfill as currently licensed is about 20 years, with expansion areas available.

The solid waste generated by the proposed development will be continue to be collected by a private firm and will not impact municipal refuse services.

TRG intends to implement a recycling program targeting bottles, cans, cardboard, paper, cooking oils, and kitchen wet wastes. TRG will encourage its tenants to utilize bio-degradable food containers and to minimize the use of plastic bags. Following completion of the Project, TRG will maintain a waste management recycling system.

TRG will consider recycling the construction waste generated by the demolition of the structures on the Project Site. The demolition contractor will be directed to contact the various companies that offer their services in recycling metals and other construction wastes and will direct their use of one of these companies subject to availability of services.

8.6.9 Public Schools

The Project will not affect the population of school age children and will not impact the local school system.

8.6.10 Parks

The Project will not impact the demand for existing parks or recreation areas in the surrounding neighborhood

8.6.11 Police

Initial response will be provided by patrol officers assigned to District 6, which operates out of the Police Substation located at 2405 Kalākaua Avenue next to Kūhiō Beach, approximately 700 feet away from the Project Site. The administrative offices for District 6 operate out of the Alapai Headquarters.

The Chief of Police Louis M. Kealoha in a letter dated January 9, 2012 (Appendix 14) noted that the Project may cause an increase in calls for police services because of the anticipated pedestrian and vehicle congestion during the construction phase. However, once completed, the Project should have no significant impact on the facilities or services of the Honolulu Police Department.

8.6.12 Fire

The Waikiki Fire Station 7 with its engine and ladder company will provide primary response in case of an emergency. The Waikiki Fire Station is located less than a mile away and will be able to quickly respond to a fire on the Project Site.

Fire Chief Kenneth G. Silva in a letter dated January 9, 2012 (Appendix 14) noted that certain requirements must be met. Due to the unique nature of this redevelopment project, the Applicant will engage a highly-qualified fire code consulting firm to develop a fire suppression system which addresses fire coverage and life safety issues for the open plaza central portion of the site and which will be subject to the Honolulu Fire Department's review and approval. The Applicant will provide a water supply, approved by the County, capable of supplying the required fire flow for fire protection of all facilities and buildings on the premises. Specifically, TRG will assure on-site fire hydrants and mains are provided when any portion of a facility or building is in excess of 150 feet (45 720mm) from a water supply on a fire apparatus access road, as measured by an approved route under the 1997 Uniform Fire Code, Section 903.2, as amended. The Applicant will submit civil and construction drawings to the Honolulu Fire Department for review and approval.

8.6.13 Utilities

8.6.13.1 Electricity

HECO has existing power lines serving this area including the Project Site and TRG will coordinate the timing of the development with HECO to ensure that the power lines will be adequate to support the Project and that HECO facilities are not be adversely impacted. The demand for electrical service is not anticipated to change significantly.

TRG intends to design, maintain, and operate the Project employing best practices for energy efficiency and environmental sustainability for projects of its kind. The new buildings will meet or exceed the energy efficiency code requirements. TRG will review all applicable LEED rating systems, use the certification standards as guidelines, and pursue certification when financially feasible. The 'open air' nature of the center will reduce the projected energy consumption from the lighting and mechanical systems. Passive lighting will be maximized and the makai to mauka orientation of the pedestrian open spaces will take advantage of the trade wind circulation. TRG intends to incorporate high performance building skins and roofing in the Project to maximize building thermal efficiency. TRG will explore the use of photovoltaic panels above the parking deck as a financial and environmental strategy – but also for screening and shading reasons. TRG will implement low-flow plumbing fixtures, explore waterless urinals, incorporate efficient landscape irrigation systems, and explore the use of non-potable water in planting areas in an effort to further reduce wastewater and potable water demands. TRG will reduce material waste through effective construction and operational recycling programs. Green Tenant Design & Operation Guidelines will be issued to all tenants to encourage ongoing energy efficiency and environmental measures.

8.6.13.2 Telephone

Hawaiian Telcom currently serves the Project Site and has existing utility service lines in the area. It is expected that these existing lines will continue to be used to service the Project. TRG will coordinate with Hawaiian Telcom to determine if new lines will be required. No off-site work is expected.

8.6.13.3 Cable/Satellite Television and High-speed Internet Access

Cable/Satellite television and high-speed internet access service is currently provided to the hotel rooms located at the Miramar. It is anticipated that these services will be provided to commercial tenants, as needed.

8.7 ENVIRONMENTAL IMPACTS

8.7.1 Environmentally Sensitive Area

The Project is situated in an area with the potential for burial sites, some of which may be Native Hawaiian burial sites. The Project's impact on such burial sites will be determined by the Archaeological Inventory Survey planned for the Project Site. Since there is no endangered flora or fauna on the Project Site and no other environmentally sensitive features on the Project Site, the Project Site, except for potential burials, is not considered to be environmentally sensitive.

8.7.2 Historical and Archaeological Resources

Cultural Surveys Hawai`i prepared an archaeological inventory survey plan for the Project, titled "Final Archaeological Inventory Survey Plan for the International Market Place Re-Development Project" (Archaeological Inventory Survey Plan) and dated June 2011.

SHPD in a letter dated June 22, 2011, commenting on their review of the Archaeological Inventory Survey Plan and accepted it as final pursuant to Hawai'i Administrative Rule 13§§13-284 and asked that the document be clearly marked as Final.

Copies of this Final Archaeological Inventory Survey Plan and SHPD letter are provided in Appendix 5.

The Archaeological Inventory Survey Plan's "Background Summary and Predictive Model" states as follows:

"The ahupua`a of Waikīkī, in the centuries before the arrival of Europeans, was a well-used locale with abundant natural and cultivated resources – including an expansive system of irrigated taro fields and numerous fishponds – supporting a large population that included the highest-ranking ali`i (Hawaiian royalty). In the second half of the nineteenth century,

after a period of depopulation and desuetude, Waikīkī was reanimated by the Hawaiian ali`i and the foreigners residing there, and by farmers continuing to work the irrigated field system that had been converted from taro to rice. This farming continued up to the first decades of the twentieth century when the newly-constructed Ala Wai Canal drained the remaining ponds and irrigated fields of Waikīkī.

"The present project area is located in central Waikīkī that, in traditional Hawaiian times and before the massive drainage accomplished by the Ala Wai Canal, comprised a complex of lo`i (taro) and banana agricultural fields. Land Commission Award documents from the mid-nineteenth century record ali`i land owner, continuing Native Hawaiian habitation, and taro cultivation in parcels adjacent to the present project area. Subsequent nineteenth and twentieth century documents – including historic maps and photographs – indicate that the project area from traditional Hawaiian times to the modern era comprised agricultural fields. In traditional Hawaiian times, such an environment would have provided a base for habitation, work, and recreational activities of the population. From at least the mid-nineteenth century, the project area in Kaluaokau was the home of the high ali`i and of the monarchy. King Lunalilo built a small cottage on this property and used it as a health retreat in the 1860s and 1870s. In 1874, at his death, he bequeathed the property to Queen Emma, who also occasionally occupied the property until her death in 1885. The Queen Emma Trust leased the land in the early twentieth century to the Moana Hotel and later the Matson Navigation Company for additional hotel rooms and cottages for workers. In 1957, the International Market Place was constructed in the project area.

"The substantial history of archaeological work in Waikīkī has indicated a relatively high density of burials within Jaucus sand deposits such as constitute the soils in the proposed project area. Much of Waikīkī was formerly quite low-lying, at or close to the water table. Lands that were slightly higher, such as the present proposed project area were preferentially chosen for interment of the dead.

"Three areas of very high densities of burials have been previously reported from Waikīkī: in 1963 from the present Outrigger Canoe Club (apparently 96 burials – but see discussions above), in 1993 in a large communal burial feature uncovered during the realignment of Kālia Road at Fort DeRussy (approximately 40 human burials, Carlson et. al. 1994) and during a Kalākaua Avenue water line project near the intersection with Kealohilani Avenue (18 burials; Perzinski et al. 2000). It seems probable that additional areas with a high density of burials will be encountered in the future.

"Especially relevant to the present project area are the scattered burial sites found within one to two blocks of the current project area, including: remains (of one individual) recovered near the "Tahiti By Six" Bar in 1967 (Bishop Museum NAGPRA records), during gas repair work in front of the Moana Hotel (1 burial), during road/sewer work along Kalākaua

Avenue (six burials), at the Waikīkī Theater (one burial), and at the Ka`iulani Hotel (one burial). In addition, human bones representing at least 17 individuals were discovered and reinterred at the Moana Hotel basement and grounds.

"Several archaeological studies have recorded the presence within Waikīkī of subsurface cultural deposits of both pre-contact Hawaiian and historic provenance. These deposits were intact despite years of construction activity that have altered the entire Waikīkī area. The authors of these studies emphasize the potential for discovering similar intact deposits elsewhere in Waikīkī."

8.7.3 Natural Resources

8.7.3.1 Water Resources

There are no potable or surface fresh water resources on the Project Site. The Project Site is located in Waikīkī, on the mauka side of Kalākaua Avenue, about 300 feet from the shoreline. The waters off the south shore of O`ahu, including Waikīkī, are designated Class A by the State DOH. Rules of the State DOH indicate that the purpose of the Class A designation is to protect these waters for recreational use and aesthetic enjoyment. Because there are no fresh water features on the sites, the Project is not anticipated to adversely impact these resources.

8.7.3.2 Flood Plain Management

Most of the development site is in Zone AE (special flood hazard area inundated by 100-year flood) with a 7-foot base flood elevation, according to the Flood Insurance Rate Map of the Federal Emergency Management Agency (FEMA), panel 370 of 395, Map Number 15003C0370 E , dated January 19, 2011. A small portion of the development site in the southernmost corner of the development site is in Zone XS with 1% chance of flood with average depths of less than 1 foot or with drainage areas less than 1 square mile.

At a minimum, the proposed finished floor elevations of the new buildings should be set above the base flood elevation of 7 feet. However, since the existing elevations along Kalākaua Avenue are approximately 7.0 feet, a higher finished floor elevation above 7.0 feet should be considered during the design phase to ensure positive drainage flow away from the building entrances.

The Project will comply with flood hazard requirements. Prior to construction, TRG will provide a Flood Fringe District Certification to establish the Regulatory Flood Elevation as required by the City. Additionally, TRG plans to elevate all emergency generators above flood and tsunami elevation levels.

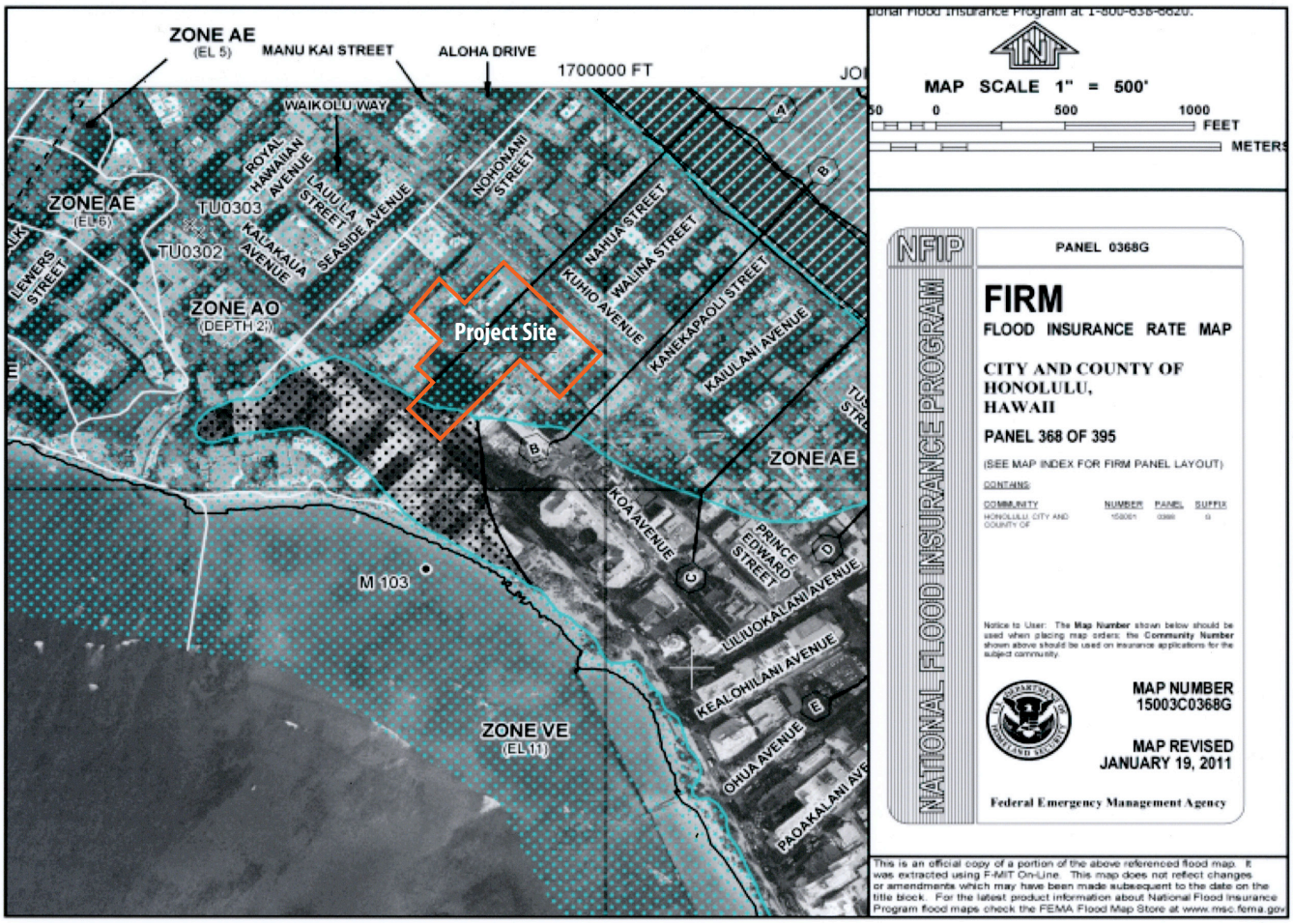

FIGURE 8 FEMA FLOOD INSURANCE RATE MAP

The Project will comply with the rules and regulations of the National Flood Insurance Program presented in Title 44 of the Code of federal Regulations (44CFR). The Project will also comply with applicable flood ordinances of the City.

8.7.3.3 Topography and Soils

In general, the Project Site is relatively flat with elevations along the Kūhiō Avenue property boundary ranging from about 4.75 to 5.50 feet. The elevations along Kalākaua Avenue and Duke's Lane are approximately 7.0 and 5.5 feet respectively. Elevations within the interior areas of the market place are slightly higher.

The U.S. Department of Agriculture, Soil Conservation Service Soil Survey Report for the Island of O`ahu classifies the soil for this area as Jaucus sand (JaC) under the Jaucus Series. This series consists of excessively drained soil that occurs on narrow, coastal plains adjacent to the ocean. The soil develops from the wind and water eroded sand from coral and seashells. This type of soil is found in terrain that is nearly level to strongly

sloping, ranging in elevation from sea level to 650 feet. Annual rainfall will usually be between 10 and 30 inches with a mean annual soil temperature of 75 degrees Fahrenheit. Jaucus soils are geographically linked with Pūlehu, Mokulē`ia, Kaloko and Lualualei soils.

Jaucus soils are used for pasture, sugarcane growth, truck crops, alfalfa, wildlife habitat, urban and recreational development. Natural vegetation for this soil consists of the following: kiawe, bristly foxtail, koa haole, Bermuda grass, Australian saltbush and finger grass.

Jaucus sand, 0 to 15 percent slopes (JaC), are characterized by runoff that is very slow to slow and water erosion that is slight. Wind erosion, however, presents an imminent hazard where vegetation has been removed. These soils are single grain, sand, pale to very pale brown in color and more than 60 inches deep. In most cases, accumulation of organic matter and alluvium makes surface layer appear dark brown. Soil is neutral to moderate alkaline. Permeability is rapid and available water capacity is .5 to 1.0 inch per foot of soil. Root can penetrate to a depth of 5 feet or more. Lack of stability and firmness make the workability for this soil difficult.

Jaucus sand (JaC) primary use is for pasture, sugarcane growth, truck crops and urban development.

8.7.3.4 Noise

Y. Ebisu & Associates has prepared an Acoustic Study . The study in its entirety is provided in Appendix 2. The following are excerpts from the report:

SUMMARY

Chapter I, Summary, summarizing the potential acoustic impacts of the Project states as follows:

"The existing and future traffic noise levels in the vicinity of the proposed International Market Place Revitalization Project in Waikiki (see FIGURE 1) were evaluated for their potential noise impacts and their relationship to current FHA/HUD noise standards. The traffic noise level increases along the major access roadways to and from the project site were calculated. No significant increases in traffic noise are predicted to occur along Kalakaua Avenue, Kuhio Avenue, Ala Wai Boulevard, and the various mauka-makai cross streets as a result of project traffic following project build-out by CY 2015. Traffic noise from Kalakaua Avenue and Kuhio Avenue will continue to control background ambient noise levels in the project environs, with traffic noise levels exceeding 65 DNL at existing resort units which front Kalakaua Avenue and Kuhio Avenue.

"Project traffic will add less than 0.3 DNL additional units of noise along Kalakaua Avenue, Kuhio Avenue, and Ala Wai Boulevard. Along the cross streets where existing traffic noise levels are relatively low, project traffic will add 0.0 to 2.5 DNL units of noise. The increases in future traffic noise levels resulting from project generated traffic are not considered to be significant.

"Increases in traffic noise levels of 0.2 to 0.6 DNL are predicted to occur along Kalakaua Avenue, Kuhio Avenue, and Ala Wai Boulevard as a result of the increases in non-project traffic by CY 2015. These increases are expected to occur with or without the proposed revitalization project, are considered to be small, and will be difficult to perceive between 2011 and 2015.

"Unavoidable, but temporary, noise impacts may occur during the demolition and construction activities within the project area, and particularly during the demolition and excavation activities on the project site. Because construction activities are predicted to be audible within the project site and at adjoining properties, the quality of the acoustic environment may be degraded during periods of construction. Mitigation measures to reduce construction noise to inaudible levels will not be practical in all cases, but the use of quiet equipment (i.e., construction equipment with factory supplied mufflers and with enclosed engine compartments) is recommended as a standard mitigation measure. The implementation of Hawaii State Department of Health permit procedures and curfew periods for construction activities is also expected for this project.

"Concrete pile driving operations will not be required on this project because the use of Auger Cast piles is planned to minimize potential noise and vibration impacts at adjacent properties during construction of the project.

"Potential noise impacts from on site mechanical equipment and activities may be minimized through the use of sound attenuating devices at the mechanical equipment, scheduling of maintenance activities to daylight hours, and properly managing the use of any outdoor entertainment areas to avoid noise complaints. The proposed activities within the redevelopment area are very similar to existing retail activities, so maintaining the status quo in respect to noise emissions should not be difficult."

MITIGATION MEASURES

Chapter VII. Discussion Of Project-Related Noise Impacts And Possible Mitigation Measures includes a discussion of mitigation measures for the Project states in part as follows:

"Traffic Noise. Noise impacts from project related traffic along the roadways which are expected to service the project traffic (Kalakaua Avenue, Kuhio Avenue, and Ala Wai Boule-

vard) are not expected due to the relatively low levels of project related traffic noise when compared to the noise levels of non-project related traffic and other noise sources. In addition, the existing resort units which are located in the immediate vicinity of the project are currently provided with air conditioning.

"For those new tenant spaces in the revitalized International Market Place complex which front Kuhio Avenue and Kalakaua Avenue, as well as those spaces which may be close to existing air conditioning equipment, noise mitigation measures are recommended. Closure and air conditioning of the affected spaces can be an effective noise mitigation measure for this project.

"General Construction Noise. Audible construction noise will probably be unavoidable during the entire project construction period.

.....

"The units in the resort and commercial buildings which are adjacent to the project site are predicted to experience the highest noise levels during construction activities due to their close proximity to the construction sites. Adverse impacts from construction noise are not expected to be in the "public health and welfare" category due to the temporary nature of the work, the availability of closure and air conditioning for noise mitigation at the majority of the resort and commercial units in the project area, and due to the administrative controls available for regulation of construction noise. Instead, these impacts will probably be limited to the temporary degradation of the quality of the acoustic environment in the immediate vicinity of the project site. Mitigation of construction noise to inaudible levels will not be practical in all cases due to the intensity of construction noise sources (80 to 90+ dB at 50 FT distance), and due to the exterior nature of the work (demolition, excavation, grading, trenching, concrete pouring, hammering, etc.). The use of properly muffled construction equipment should be required on the job site.

"Severe noise impacts are not expected to occur inside air conditioned structures which are beyond 70 to 450 FT of the project construction sites. Inside naturally ventilated structures, interior noise levels (with windows or doors opened) are estimated to range between 73 to 55 dBA at 70 FT to 450 FT distances from the construction site. Closure of all doors and windows facing the construction site would generally reduce interior noise levels by an additional 5 to 10 dBA.

"The incorporation of State Department of Health construction noise limits and curfew times, which are applicable throughout the State of Hawaii (Reference 4), is another noise mitigation measure which is normally applied to construction activities. FIGURE 24 depicts the normally permitted hours of construction. Noisy construction activities are not allowed

on Sundays and holidays, during the early morning, and during the late evening and nighttime periods under the DOH permit procedures.

"New On Site Activities. The retail shops, restaurants, and any impromptu outdoor entertainment areas do not represent totally new activity centers for the project site. Risks of adverse noise impacts from the new shops, restaurants, and entertainment areas are therefore considered to be low. Compliance with local noise regulations will be required at the new establishments. The applicable State Department of Health (DOH) noise limits (see Reference 4) are 60 dBA and 50 dBA during the daytime and nighttime periods, respectively, and these limits apply to fixed machinery and equipment, such as outdoor air conditioning equipment, emergency generator, and exhaust fans. Control of noise emissions from the new outdoor equipment will be required during the design of the new facilities. The Honolulu Liquor Commission also applies similar noise limits to music and other noises which may emanate from an establishment where alcohol is served. Because existing background ambient noise levels in Waikiki and within the International Market Place and Waikiki Town Center revitalization project area are generally higher than the State Department of Health noise limits, the noise limits of 60 and 50 dBA will probably not apply to the project area, and noise levels from project sources will generally be allowed to be as high as existing daytime and nighttime background ambient noise levels.

"Tire squeal noise can occur if the circulation roadway surfaces within the planned parking garage structure are smooth or slick. In general, the use of coarse or brush concrete finishes, asphalt, or nonskid coatings on these circulation roadway surfaces will prevent the inception of tire squeal noise for typical circulation speeds within the parking garage structure. The use of these types of surfaces is recommended to prevent tire squeal noise."

8.7.3.5 Air Quality

B.D. Neal has prepared an Air Quality Study . The study in its entirety is provided in Appendix 3. The following are excerpts from the report:

SUMMARY

Section I, Summary, summarizing the potential acoustic impacts of the Project states as follows:

"TRG IMP LLC is proposing to redevelop the International Market Place in Waikiki on the island of Oahu. The proposed project will consist of the replacement and expansion of the existing retail facilities and removal of the Miramar Hotel. This study examines the potential short and long-term air quality impacts that could occur as a result of construction and use of the proposed facilities and suggests mitigative measures to reduce any potential air quality impacts where possible and appropriate.

"Both federal and state standards have been established to maintain ambient air quality. At the present time, seven parameters are regulated including: particulate matter, sulfur dioxide, hydrogen sulfide, nitrogen dioxide, carbon monoxide, ozone and lead. Hawaii air quality standards are comparable to the national standards except those for nitrogen dioxide and carbon monoxide which are more stringent than the national standards.

"Regional and local climate together with the amount and type of human activity generally dictate the air quality of a given location. The climate of the Waikīkī area is very much affected by its leeward and coastal situation. Winds are predominantly trade winds from the east northeast except for occasional periods when kona storms may generate strong winds from the south or when the trade winds are weak and landbreeze-seabreeze circulations may develop. Wind speeds typically vary between about 5 and 15 miles per hour providing relatively good ventilation much of the time. Temperatures in leeward areas of Oahu are generally very moderate with average daily temperatures ranging from about 70°F to 84°F. The extreme minimum temperature recorded at Honolulu Airport is 54°F, while the extreme maximum temperature is 95°F. This area of Oahu is one of the drier locations in the state with rainfall often highly variable from one year to the next. Monthly rainfall has been measured to vary from as little as a trace to as much as 10 inches. Average annual rainfall amounts to about 21 inches with summer months being the driest.

"The present air quality of the project area appears to be reasonably good based on nearby air quality monitoring data. Air quality data from the nearest monitoring stations operated by the Hawaii Department of Health suggest that all 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.

"If the proposed project is given the necessary approvals to proceed, there may be some short- and/or long-term impacts on air quality that may occur either directly or indirectly as a consequence of project construction and use. Short-term impacts from fugitive dust could occur during the project construction phase. To a lesser extent, exhaust emissions from stationary and mobile construction equipment, from the minor disruption of traffic, and from workers' vehicles may also affect air quality during the period of construction. State air pollution control regulations require that there be no visible fugitive dust emissions at the property line. Hence, an effective dust control plan must be implemented to ensure compliance with state regulations. Fugitive dust emissions can be controlled to a large extent by watering of active work areas, using wind screens, keeping adjacent paved roads clean, and by covering of open-bodied trucks. Other dust control measures to consider include limiting the area that is disturbed at any given time and/or mulching or chemically stabilizing inactive areas that have been worked. Paving and landscaping of project areas early in the construction schedule will also reduce dust emissions. Monitoring dust at the project boundary during the period of construction could be considered as a means to evaluate the effectiveness of the

project dust control program. Exhaust emissions can be mitigated by moving construction equipment and workers to and from the project site during off-peak traffic hours.

"To assess the potential long-term impact of emissions from project-related motor vehicle traffic operating on roadways in the project area after construction is completed, a computerized air quality modeling study was undertaken. The air quality modeling study estimated current worst-case concentrations of carbon monoxide at intersections in the project vicinity and predicted future levels both with and without the proposed project. During worst-case conditions, model results indicated that present 1-hour and 8-hour worst-case carbon monoxide concentrations are well within both the state and the national ambient air quality standards. In the year 2015 without the project, worst-case carbon monoxide concentrations were predicted to remain nearly unchanged, and concentrations would remain well within standards. With the project in the year 2015, estimated worst-case carbon monoxide concentrations indicated essentially no impact compared to the without project case. Concentrations would remain well within standards. Due to the negligible impact the project is expected to have, implementing mitigation measures for long-term traffic-related air quality impacts is unnecessary and unwarranted."

MITIGATION MEASURES

Section 8, Conclusions and Recommendations summarizing mitigation measures for the Project states as follows:

"The major potential short-term air quality impact of the project could occur from the emission of fugitive dust during demolition and construction. Uncontrolled fugitive dust emissions from construction activities could amount to about 1.2 tons per acre per month, depending on rainfall. To control dust, active work areas and any temporary unpaved work roads should be watered at least twice daily on days without rainfall. Use of wind screens and/or limiting the area that is disturbed at any given time will also help to contain fugitive dust emissions. Wind erosion of inactive areas of the site that have been disturbed could be controlled by mulching or by the use of chemical soil stabilizers. Dirt-hauling trucks should be covered when traveling on roadways to prevent windage. A routine road cleaning and/or tire washing program will also help to reduce fugitive dust emissions that may occur as a result of trucks tracking dirt onto paved roadways in the project area. Establishment of landscaping early in the construction schedule will also help to control dust. Monitoring dust at the project boundary during the period of construction could be considered as a means to evaluate the effectiveness of the project dust control program and to adjust the program if necessary.

"During construction phases, emissions from engine exhausts (primarily consisting of carbon monoxide and nitrogen oxides) will also occur both from on-site construction equipment and from vehicles used by construction workers and from trucks traveling to and

from the project. Increased vehicular emissions due to disruption of traffic by construction equipment and/or commuting construction workers can be alleviated by moving equipment and personnel to the site during off-peak traffic hours.

"After the proposed project is completed, any long-term impacts on air quality in the project area due to emissions from project related motor vehicle traffic should be negligible. Worst-case concentrations of carbon monoxide should remain within both the state and the national ambient air quality standards. Implementing any air quality mitigation measures for long-term traffic-related impacts is probably unnecessary and unwarranted."

8.7.3.6 Visual Impacts

The Project's proposed structures will be situated in a highly urbanized area surrounded by the following structures which include several high rises as indicated in Figure 6:

The approximate heights of the following surrounding structures were obtained by Google Earth and/or Sanborn Maps:

- Āinahau Tower - 28 stories, 309 feet
- Hyatt Regency Waikiki - 39 stories, 364 feet
- King's Village – 70 feet
- Waikiki Hana – 72 feet
- Waikiki Paradise – 18 feet
- Outrigger East Hotel - 20 stories 215 feet
- Royal Hawaiian Shopping Center – 40 feet
- Outrigger Waikiki - 140 feet
- Moana Surfrider Hotel, Surfrider Tower - 21 stories, approximately 233 feet

The existing IMP is about 25 -35 feet in height. The existing Miramar has 21 stories and a height of 220 feet.

The Project will have a height of approximately 65 feet along Kalākaua Avenue and 85 feet along Kūhiō Avenue and will not adversely affect the surrounding developments, most of which are significantly taller.

8.8 COASTAL ZONE MANAGEMENT

The Project Site is within the coastal zone management area, but not within the City's Special Management Area. As such, a Special Management Area Use Permit will not be required, and the

Project is not subject to permit requirements under Chapter 25, Revised Ordinances of Honolulu.

The Project is located about 300 feet from the shoreline on the mauka side of Kalākaua Avenue. Development on the makai side of Kalākaua Avenue (Moana Surfrider Resort Complex) and Kalākaua Avenue provide a buffer for any impacts from the Project Site on the ocean and shoreline area. The proposed development will not affect coastal views, coastal recreation, coastal ecosystems, or coastal hazards.

8.9 CUMULATIVE IMPACTS WITH OTHER RELATED PROJECTS

As discussed earlier, other projects planned and under construction in the area, including Waikiki Landing and Waikiki Beach Maintenance will be completed by the time construction begins on the Project and there will be no cumulative construction impacts. Gray's Beach, Princess Ka`iulani and Diamond Head Tower Redevelopment, and Hilton Hawaiian Village could be under construction at the same time as the IMP Revitalization Project and with the exception of the Hilton Hawaiian Village (due to its distance from the IMP) will require coordination of traffic mitigation measures to address the cumulative construction impacts. Due to the reduction in infrastructure impacts, sewer and water demand, at the Project and the Princess Kaiulani and Diamond Head Tower Redevelopment, there will be a reduction in cumulative impacts for these combined projects and an off-set in increased infrastructure requirements when the Hilton Hawaiian Village and Waikiki Landing expansions are included in the mix. The Gray's Beach and Waikiki Beach Maintenance projects involve beach widening through mining off-shore sand and will not result in cumulative impacts with the redevelopment and expansion projects.

Redevelopment will not have a significant impact on the level of service at surrounding intersections and when included with the Gray's Beach and Waikiki Beach Maintenance projects will not have a significant impact on traffic at this central to eastern end of Waikīkī. The Hilton Hawaiian Village and Waikiki Landing projects are situated at the western end of Waikīkī and their improvements will affect traffic at that end of Waikīkī.

8.10 POPULATION AND GROWTH IMPACTS

The Project will not result in the demolition or construction of dwelling units and will not affect residential population in Waikīkī.

8.11 CULTURAL IMPACT ASSESSMENT

Cultural Surveys Hawai`i, Incorporated prepared the draft "Cultural Impact Assessment for the International Market Place Revitalization Project, Waikīkī Ahupua`a, Honolulu (Kona) District, O`ahu Island" dated October 2011. A complete copy of this draft report is attached as Appendix 15. The summary and recommendations portion of the assessment is provided below:

"Section 7 Summary and Recommendations

"CSH undertook this CIA at the request of the Queen Emma Land Company and The Taubman Company. The cultural survey broadly included the entire ahupua`a of Waikīkī (Waikīkī Kai) including the specific Project area within the `ili of Kaluaokau.

"7.1 Results of Background Research

"Background research for this Project yielded the following results (presented in approximate chronological order):

"1. A vast system of irrigated taro fields was constructed across the littoral plain from Waikīkī Kai to the lower valleys of Mānoa and Pālolo in approximately A.D. 1400. This, in combination with coconut groves and fishponds along the shoreline, enabled the growth of a sizeable population, including the coastal village of Waikīkī, which most likely centered around the mouth of `Āpuakēhau Stream in the vicinity of the Project area.

"2. Cultural layers excavated throughout Waikīkī Kai and radiocarbon dated to approximately A.D. 1400 to 1800 provide evidence of this habitation, cultivation and aquaculture, as well as occupational activities of fishing, manufacture of tools and ornaments, and the use of adzes (see Figure 6, Table 2). In close proximity to the Project area are cultural layers indicative of habitation at the Princess Ka`iulani Hotel (State Inventory of Historic Places [SIHP] 50-80-14-7066, Runyon et al. 2010), Moana Hotel (SIHP 50-80-14-1974, Simons et al. 1991; SIHP 50-80-14-7068, Thurman et al. 2009), and at Kalākaua Avenue (Bush et al. 2002). In addition, a cultural layer indicative of wetland cultivation is located at the nearby Waikīkī Shopping Plaza (SIHP 50-80-14-5796, Yucha et al. 2009).

"3. At least seven heiau (places of worship) and other religious sites were located in Waikīkī Kai, including Helumoa Heiau (also called `Āpuakēhau Heiau) (Thrum 1907a:44) and Nā Pōhaku `Ola Kapaemahu a Kapuni (commonly called the Wizard Stones) (Paglinawan 1997; Thrum 1907b:139–141) in the vicinity of the Project area. These sites are connected through mo`olelo (oral traditions) to `Āpuakēhau Stream, which once flowed through the southeast portion of the Project area.

"4. Four of these heiau were associated with human sacrifice, including Helumoa Heiau (Thrum 1907a:44). Sacrificial drownings of kauwā (outcast caste) also took place in Waikīkī (Ka Loea Kālai`āina 1899, translation in Sterling and Summers 1978:33). In addition, excavations and surveys have documented a high density of burials within the Jaucas sand deposits of Waikīkī, including 24 burials at the Moana Hotel (SIHP 50-80-14-1974, Simons et al. 1991). Within the Project area, human remains representing one individual buried with a funerary object (shell) were uncovered in 1967 by Lloyd J. Soehren during construction of the "Tahiti By Six" bar (Bernice Pauahi Bishop Museum [BPBM] Oa-A5-16, Bishop Museum Native American Graves Protection and Repatration Act [NAGPRA] Inventory O`ahu Federal Register 1998). In addition, the following burials (single or small concentrations) have been uncovered along or near Kalākaua Avenue in close proximity to the Proj-

ect area (within 400 feet): SIHP 50-80-14-5856-A; SIHP 50-80-14-5856-B (Winieski et al. 2002); SIHP 50-80-14-5856-C; SIHP 50-80-14-5864-C; 50-80-14-5860-U and –V (Bush et al. 2002); SIHP 50-80-14-3745 (Griffin 1987), SIHP 50-80-14-6703 (O`Leary et al. 2005); SIHP 50-80-14-5863 (Winieski et al. 2001); SIHP 50-80-14-7067 (Runyon et al. 2010); and SIHP 50-80-14-7065, Runyon et al. 2010).

"5. Waikīkī Kai was a place of royal residence, starting with Mā`ilikūkahi in approximately A.D. 1490 (Kamakau n.d., cited in McAllister 1933:74) and extending through Kamehameha (`Ī`ī 1959:17). The `ili of Kaluaokau, in which the Project area is located, was one such place of royal residence. At the Māhele (division of Hawaiian lands), the `ili of Kaluaokau was granted to William Lunalilo (LCA 8599, `Āpana 31), and bequeathed to Queen Emma. A map by C.J. Lyons in 1855–1877 shows the location of Lunalilo's cottage just outside the Project area to the southwest.

"6. The Moana Hotel was built in 1901, with auxiliary cottages in the Project area (1914 Sanborn Fire Insurance map). Other cottages were built in the 1920s at the Moana Hotel Annex and `Āinahau Court, located to the east of the Project area (the current Princess Ka`iulani Hotel). The International Market Place was built in 1957 (Queen Emma Foundation n.d) and the Miramar Hotel was constructed in 1962 (Young 2010).

"7. Oral histories indicate early twentieth century gathering practices of several varieties of limu (seaweed) and wana (sea urchin) along the Waikīkī coast, and catching of manini (reef surgeonfish) in the near-shore waters and moi (threadfish), shrimp, `oama (young weke, or goatfish), mullet, `a`awa (wrasse), āholehole (young stage of āhole, or Hawaiian flagtail), pāpio (young stage of ulua, or crevalle, jack or pompano), and `o`opu (goby) in `Āpuakēhau Stream (University of Hawai`i Center for Oral History 1985).

"7.2 Results of Community Consultation
"CSH attempted to contact 126 community members and government agency and community organization representatives. Of the ten people that responded, six cultural descendents, kūpuna or kama`āina participated in formal interviews for more in-depth contributions to the CIA; one interview is still pending approval. This community consultation indicates:

"1. Waikīkī was once a place for fishing and cultivation of kalo lo`i of the chiefs, followed as a place for former royalty to relax and entertain, according to Coochie Cayan of SHPD. Cy Harris also notes that several heiau were located in Waikīkī, with the most famous heiau of O`ahu, Papa`ena`ena Heiau, located on the slope of Lē`ahi (Diamond Head).

"2. A history of music and entertainment in Waikīkī, and the International Market Place in particular, continues to have a strong sense of attachment for community participants. Van Horn Diamond recalls listening in his youth to the Hawaiian musicians who played at the International Market Place, including Don Ho. He has fond memories of the group, "Hawaii Calls," which broad-

cast its radio show from the banyan tree inside the International Market Place. For Mr. Diamond, this music scene was, and continues to be, an integral part of the International Market Place. In addition, Sylvia Krewson-Reck remembers the Hawaiian music entertainers at Kūhiō Beach, and Anna Ka`olelo Machado Cazimero performed the `ukulele, guitar and the stand-up bass, as well sand, with the Kodak Hula Show at Sans Souci Beach.

"3. The coastal waters of Waikīkī provided resources for community participants. In their youth, Mrs. Cazimero gathered limu līpe`epe`e, wana, and hā`uke`uke (urchin) for food and medicine, and caught `upāpalu (cardinal fish), and Cy Harris gathered limu kohu (seaweed) and wāwae`iole (a moss).

"4. The ocean waters of Waikīkī were also a place of relaxation for community participants. Ms. Krewson-Reck was an avid surfer, and she and other participants enjoyed the beaches with their families.

"5. Most community participants and respondents support the Project. Clyde Nāmu`o of OHA suggests that native plant species traditionally found in the Project area should be considered in the landscaping design to encourage practical traditional plant uses and, if drought resistant, to reduce demands on irrigation water.

"6. The main concern expressed by four community participants is the high likelihood of inadvertent discovery of burials or burial sites in the Project area. Mr. Harrissuggests that epidemics resulted in mass burials along the coastal regions. Mr. Clarence Medeiros, Jr., stresses the customary practice of burying family members within their pā hale (yard). Mr. Diamond indicates that burials have been uncovered to the east of the Project area at the former Moana Hotel cottages (current site of the Princess Ka`iulani Hotel) and along Kalākaua Avenue in close proximity to the International Market Place. Ms. Coochie Cayan of SHPD indicates human remains in adjacent parcels.

"7. Should any burials be uncovered within the International Market Place, Mr. Diamond asserts that as much information of the remains and context must be understood as possible. He recommends legally extricating the remains to a proximate location in order to address them, and to ascertain the significance of the site of the remains. Depending on the findings, the human remains could be preserved in a memorial for "all past generations" within Waikīkī.

"7.3 Impacts and Recommendation
"Based on the information gathered for the cultural and historic background and community consultation detailed in this CIA report, the proposed Project may potentially impact Native Hawaiian burials. CSH identifies this potential impact and makes the following recommendations:

"1. The International Market Place is located on Jaucas sand deposits, a preferred location for interment; one burial with a funerary object was uncovered in 1967 within the Project area (BPBM Oa-A5-16, Bishop Museum NAGPRA Inventory O`ahu Federal Register 1998), and several burials and burial concentrations have been uncovered in close proximity to the Project area. In addition, cultural layers in close proximity to the Project area indicate evidence of former habitation and cultivation.

Land-disturbing activities during construction may uncover presently undetected burials or other cultural finds. Personnel involved in the construction activities of the Project should be informed of the possibility of inadvertent cultural finds, including human remains. Should burials (or other cultural finds) be identified during ground disturbance, the construction contractor should immediately cease all work and the appropriate agencies notified pursuant to applicable law.

"2. The Queen Emma Land Company and The Taubman Company should consult with community members to develop a reinterment plan and cultural preservation plan in the event that any human remains or cultural sites or artifacts be uncovered during construction or long-term maintenance for the Project."

TRG will continue its meetings with community members and descendants, in an effort to integrate preservation and restoration ideas into the design of the Project as well as consider other ideas and options that may benefit the local Waikīkī community.

TRG's community outreach also included meetings with the WNB Chair and Zoning Committee Chair, Waikiki Improvement Association, SHPD, OIBC, and OHA. This outreach is discussed in more detail in Section 15 of this Draft EIS.

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9. CONFORMANCE WITH SMA GUIDELINES

The Project Site is within the coastal zone management area, but not within the City's Special Management Area. As such, a Special Management Area Use Permit will not be required, and the Project is not subject to permit requirements under Chapter 25, Revised Ordinances of Honolulu.

The Project is located about 300 feet from the shoreline on the mauka side of Kalākaua Avenue. Development on the makai side of Kalākaua Avenue (Moana Surfrider Resort Complex) and Kalākaua Avenue provide a buffer for any impacts from the Project Site on the ocean and shoreline area. The Project will not affect coastal views, coastal recreation, coastal ecosystems, or coastal hazards.

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10. RELATIONSHIP BETWEEN LOCAL SHORT-TERM USES OF HUMANITY'S ENVIRONMENT AND THE MAINTENANCE OF LONG-TERM PRODUCTIVITY

The Project will replace existing urban resort and commercial developments that have long been established on the properties and contributed to the long-term productivity of the properties. The proposed redevelopment of the Project Site is important to the maintenance and enhancement of the long-term productivity of those properties. The commercial facilities on the properties have deteriorated over time and need to be replaced to continue and enhance the long-term productivity of the properties.

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11. DESCRIPTION OF IRREVERSIBLE AND IRRETRIEVABLE COMMITMENTS OF RESOURCES

The IMP, Waikiki Town Center and Miramar represent existing irreversible and irretrievable commitments of the land to urban resort and commercial development. However, many of the buildings at the IMP and Town Center have become obsolete or have outlived their usefulness as efficient and attractive visitor facilities capable of support the visitor industry in Waikīkī. They are in need of repair and/or replacement, and the best economic alternative to assure their redevelopment and revitalization is to demolish and rebuild the structures on the site. While Miramar may not have yet reached the end of its useful life, the hotel opened in 1970 and portions of the structure date to 1961. This action will allow a development that complies with the LUO and WSD requirements and standards, provide an opportunity for enhanced open space, and create a land area of sufficient size and layout to develop a world class shopping destination.

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12. PROBABLE ADVERSE ENVIRONMENTAL EFFECTS WHICH CANNOT BE AVOIDED

Some of the probable adverse effects which cannot be avoided include the following:

12.1 LOSS OF MIRAMAR HOTEL

The loss of 358 hotel rooms at the Miramar, resulting in the loss of approximately 100 full-time and part-time hotel jobs. This will also result in the loss of hotel room tax revenue.

12.2 TEMPORARY LOSS OF RRETAIL AND DINING ON THE PROJECT SITE

The temporary loss of retail and dining and associated jobs at the IMP, Town Center and Miramar and the loss of GET revenue during the construction period.

12.3 DISPLACEMENT OF EXISTING TENANTS

The displacement of the existing tenants at the IMP and Town Center during the construction period and thereafter.

12.4 CONSTRUCTION IMPACTS

Short term construction impacts related to noise and air quality. There will also be short term impacts related to vehicular and pedestrian traffic related to the construction a the Project Site.

The demolition of the tower and lower structure of the Miramar at Waikiki Hotel will be accomplished using a tower crane and small equipment on a floor by floor basis using trash chutes to remove debris to the ground level for haul off. No structure implosion is planned.

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13. MITIGATION MEASURES

13.1 JOB REPLACEMENT

Although the total gross floor area of the Project will be 109,000 square feet less than the combined floor area of the existing IMP, Town Center and Miramar, the total gross leasable area of commercial space will increase by approximately 164,700 square feet. The Project proposes a total of 355,000 square feet (gross leasable area), while the existing gross leasable area of the IMP and the Town Center sites is 168,800 square feet of the existing gross leasable area on the Miramar site is 21,500 square feet. As a result, once the Project is completed, it will create approximately 2,500 full-time and part-time jobs (a net overall increase of approximately 1,800 full-time and part-time jobs) more than offsetting the 670 total existing full-time and part-time jobs at the IMP, Town Center and Miramar.

13.2 INCREASED TAX REVENUES

Although there will be a reduction in GET collection during construction, the future projected increase in sales and GET from the Project will more than off-set the tax revenues lost during construction.

13.3 TENANT INFORMATION, NOTICE AND ASSISTANCE

The displacement of tenants upon redevelopment of the IMP and the Town Center has been anticipated for some years. QEL has been planning for the redevelopment since it regained control of and began directly operating the IMP and the Town Center in 1998. The tenants have been informed and updated as redevelopment plans have continued, and their leases and license agreements specifically acknowledge the potential for redevelopment and are either short term or cancellable upon written notice. Similarly, the Miramar long-term leasehold expired in 2010 and has been extended for a short term pending the commencement of redevelopment.

The existing tenants at the Project Site will continue to be informed of the progress and timing of the redevelopment. The most recent update meetings occurred the week of October 31. Prior to the start of the AIS trenching work in February 2012, specific information was provided to them concerning the timing and location of the work to be done. They will also be appropriately notified of their lease or license termination, and should have ample time to make alternative arrangements should the Project move forward. In addition, QEL has previously proposed to make available to affected tenants various forms of assistance including brokerage services for potential relocation options as well as small business, vocational and educational referral services, and expects to offer similar forms of assistance as and when the Project moves forward.

13.4 CONSTRUCTION PRACTICES

13.4.1 NOISE

Y. Ebisu & Associates has prepared an Acoustic Study . The study in its entirety is provided in Appendix 2.

Chapter VII. Discussion Of Project-Related Noise Impacts And Possible Mitigation Measures, from that Acoustic Study, includes a discussion of mitigation measures for the Project during construction phases that is summarized as follows:

The use of properly muffled construction equipment will be required on the job site.

Closure of all doors and windows facing the construction site would generally reduce interior noise levels by an additional 5 to 10 dBA.

Compliance with State Department of Health construction noise limits and curfew times, which are applicable throughout the State of Hawaii (Reference 4), will help to mitigate noise from construction activities.

Compliance with applicable State Department of Health (DOH) noise limits during the daytime and nighttime periods for new establishments, which also apply to fixed machinery and equipment, such as outdoor air conditioning equipment, emergency generator, and exhaust fans will help to mitigate noise impacts on surrounding properties. The Honolulu Liquor Commission will also apply noise limits to music and other noises which may emanate from an establishment where alcohol is served.

The use of coarse or brush concrete finishes, asphalt, or nonskid coatings on circulation roadway surfaces will prevent the tire squeal noise for typical circulation speeds within the parking garage structure.

13.4.2 AIR QUALITY

B.D. Neal has prepared an Air Quality Study . The study in its entirety is provided in Appendix 3.

Section 8, Conclusions and Recommendations, from that Air Quality Study, describes mitigation measures for the Project and is summarized as follows:

To control dust, active work areas and any temporary unpaved work roads will be watered at least twice daily on days without rainfall. Use of wind screens and/or limiting the area that is disturbed at any given time will also help to contain fugitive dust emissions.

Wind erosion of inactive areas of the site that have been disturbed will be controlled by mulching or by the use of chemical soil stabilizers. Dirt-hauling trucks will be covered when traveling on roadways to prevent windage. A routine road cleaning and/or tire washing program will also help to reduce fugitive dust emissions that may occur as a result of trucks tracking dirt onto paved roadways in the project area. Establishment of landscaping early in the construction schedule will also help to control dust.

Increased vehicular emissions due to disruption of traffic by construction equipment and/or commuting construction workers will alleviated by moving equipment and personnel to the site during off-peak traffic hours.

13.4.3 TRAFFIC

Although traffic operations (level of service) with the Project in 2015 are expected to remain similar to conditions without the Project in 2015. Traffic mitigation measures are planned to improve traffic circulation along Kūhiō Avenue, as discussed earlier, and included in the Traffic Impact Report.

13.5 TRAFFIC IMPROVEMENTS

Although traffic operations (level of service) with the Project in 2015 are expected to remain similar to conditions without the Project in 2015. Traffic mitigation measures are planned to improve traffic circulation along Kūhiō Avenue, as discussed earlier, and are included in the Traffic Impact Report.

13.6 AREA HOTEL CONSTRUCTION

Other actions occurring in Waikīkī that are not driven by TRG, but which will help mitigate the loss of 358 hotel rooms include the following:

- The Hilton Hawaiian Village is planning to develop 550 new timeshare units which will more than offset the loss of jobs and hotel room tax revenue associated with the loss of Miramar's 358 rooms. A first phase of 300 units is planned for completion by 2015, with a second phase of 250 timeshare units planned for completion by 2021.
- The City Council has approved a mass rezoning of Waikīkī that has resulted in all properties within the Resort Commercial Precinct being rezoned to the Resort Mixed Use Precinct. As a result of the passage of Bill 52 (2011) and Bill 53 (2011), hotels, time-share and transient vacation units have now become permitted uses on land formerly in the Resort Commercial Precinct. This rezoning now permits the development of thousands of additional hotel units in Waikīkī, further offsetting the loss of the Miramar hotel units in addition to creating even more jobs and hotel room tax revenues. The total developed gross floor area of the Project will be decreased by 109,000 square feet and the total commercial leasable area will increase by approximately 164,700 square feet.

13.7 Acoustical (Noise) Long Term Impacts

Y. Ebisu & Associates has prepared an Acoustic Study . The study in its entirety is provided in Appendix 2. The following summarizes mitigation measures for potential long term noise impacts related to traffic and air conditioning equipment:

"Traffic Noise. Noise impacts from project related traffic along the roadways which are expected to service the project traffic (Kalakaua Avenue, Kuhio Avenue, and Ala Wai Boulevard) are not expected due to the relatively low levels of project related traffic noise when compared to the noise levels of non-project related traffic and other noise sources. In addition, the existing resort units which are located in the immediate vicinity of the project are currently provided with air conditioning.

"For those new tenant spaces in the revitalized International Market Place complex which front Kuhio Avenue and Kalakaua Avenue, as well as those spaces which may be close to existing air conditioning equipment, noise mitigation measures are recommended. Closure and air conditioning of the affected spaces can be an effective noise mitigation measure for this project.

14. SUMMARY OF UNRESOLVED ISSUES

There will be further action required with respect to the following unresolved issues:

- Proposed improvements to Kūhiō Avenue, as well as associated easements, for a valet drop off lane and a pedestrian sidewalk to provide safe pedestrian access will require review and approval by DPP and DTS.
- A Signage Master Plan will be submitted for review and approval as a Zoning Adjustment at a later date.
- An AIS concerning potential burials or cultural resource deposits and consistent with an AIS Plan approved by SHPD will be performed in early 2012. Burials uncovered during the AIS may require preparation and approval of a burial treatment plan to be approved by the Oahu Island Burial Council.
- Communications with existing tenants impacted by the Project will continue beyond the completion of the Final EIS.

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15. COMMUNITY INPUT

TRG has been proactive in keeping the community and cultural descendants apprised of the Project's progress, and have solicited comments and concerns to be identified and incorporated in plans as applicable. Some specific actions taken to date are summarized below.

15.1 WAIKIKI NEIGHBORHOOD BOARD

A meeting was conducted with Mr. Bob Finley, Chair of the Waikiki Neighborhood Board No. 9 and Mr. Jeff Merz (Chair of the New Projects Committee) on October 4 , 2011 to discuss the Project in anticipation of appearing at the December 6, 2011 Board meeting. At the December 6, 2011 Board meeting, a presentation of the Project was made by Steve Kieras, representative for TRG. Following the presentation and an opportunity for the Board to express questions, comments and concerns, the Board unanimously supported the Project, with a vote of 13-0-0.

15.2 WAIKIKI IMPROVEMENT ASSOCIATION

A presentation of the Project was made to Mr. Rick Egged, President of the Waikiki Improvement Association, on October 4, 2011. A presentation to the Waikiki Improvement Association Board was made on December 14, 2011.

15.3 HAWAII HOTEL AND LODGING ASSOCIATION

A presentation of the Project was made to Mufi Hannemann, President of the Hawaii Hotel and Lodging Association, on October 5, 2011.

15.4 HAWAII TOURISM AUTHORITY

A presentation of the Project was made to Mike McCartney, President of the Hawaii Tourism Authority, on October 6, 2011.

15.5 OUTDOOR CIRCLE

A presentation of the Project was made to Mary Steiner and Bob Loy of the Outdoor Circle on October 4, 2011.

15.6 CULTURAL OUTREACH

TRG began outreach efforts with SHPD and the Native Hawaiian community early in the Project seeking information about traditional historical and cultural knowledge and beliefs and practices associated with the Project site and its surroundings. To supplement information provided in the archaeological documentation, approximately 126 letters were sent out requesting information and/or oral history interviews for the cultural impact assessment for the Project. The following outlines some of the cultural consultation efforts to date:

15.6.1 SHPD

TRG and CSH met with the Culture and History Branch chief and the staff archaeologist on November 9, 2010, in order to facilitate project planning. As a result of that meeting and ongoing correspondence between CSH and SHPD, SHPD approved (accepted) the AIS on June 22, 2011. The Project team will continue to consult and coordinate closely with SHPD to meet the historic preservation review requirements in Hawai`i Revised Statutes Chapter 6E and the HAR. During the AIS trenching process, CSH has been immediately notifying SHPD about any significant finds.

15.6.2 OIBC

A presentation of the Project was made to the OIBC on March 9, 2011. Because the OIBC was unable to meet on a regular basis in 2011 due to vacancies and quorum related issues, TRG initiated individual meetings earlier in 2011 with the OIBC Chair and Vice-Chair (the Vice Chair is also the Kona representative) to get their early thoughts on the Project. Now that the archaeological inventory survey work is underway an update will be presented to the OIBC. TRG will continue to consult and coordinate with the OIBC and SHPD to keep them informed and seek guidance related to potential native Hawaiian burial issues.

15.6.3 Cultural Descendants

TRG began consultation with the cultural descendants of the Waikīkī ahupua`a early on in respectful recognition of their ancestral connections to the proposed Project area. TRG invited the recognized cultural descendants and representatives from native Hawaiian organizations to a meeting held on November 9, 2010, to present the Project and listen to the views and perspectives of the cultural descendants. An additional update meeting was held on November 1, 2011. A further meeting is planned for March 6, 2012. TRG acknowledges the special expertise of the cultural descendants and will facilitate ongoing consultation to consider appropriate concerns throughout the process.

15.6.4 OHA

TRG met with staff members of OHA on March 10, 2011 to review the details of the Project and better understand potential concerns.

TRG made a commitment that ongoing coordination and consultation with the SHPD, OIBC, and lineal and cultural descendants of the Waikīkī ahupua`a will continue as a high priority for this Project.

16. CONSULTED PARTIES PRE-EISPN

The following agencies, organizations and public utilities were consulted through presentations or correspondence in the preparation of the EIS Preparation Notice. A copy of the comments that were received and their respective responses from TRG are collectively attached as Appendix 13.

Office of the Mayor of the City and County of Honolulu
City Councilmember Stanley Chang
Senator Brickwood Galuteria
Representative Tom Brower
Board of Water Supply
Department of Planning and Permitting
Department of Transportation Services
Department of Land and Natural Resources
Department of Business, Economic Development & Tourism
State Historic Preservation Division
Oahu Island Burial Council
Office of Hawaiian Affairs
Hawaii Tourism Authority
Waikiki Improvement Association
Hawaii Hotel & Lodging Association
Waikiki Neighborhood Board Chair and Zoning Committee Chair
Outdoor Circle

Presentations are listed below or have been covered under Section 15 Community Input.

16.1 Office of the Mayor and Department of Planning and Permitting

A presentation of the Project was made to Mayor Peter Carlisle and David Tanoue, Director ofthe Department of Planning and Permitting on October 4, 2011. A general overview of the Project was given including background on the Project team, history of efforts to date, proposed concept design and anticipated schedule. Major concerns presented included protection of iwi kupuna, preservation of the exceptional banyan tree, and impacted existing tenants. In addition to the concerns above, they inquired whether the Miramar was union or non-union (it is non-union) and asked if the Project intends to comply with the proposed WSD Ordinance under review by the City. The Mayor and Mr. Tanoue were generally supportive of the Project.

A presentation of the Project was made to staff at the Department of Planning and Permitting on October 5, 2011. A general overview of the Project was given including background on the Project team, history of efforts to date, proposed concept design and anticipated schedule. Major concerns presented included protection of iwi kupuna, preservation of the "exceptional" banyan tree, and impacted existing tenants. In addition to the concerns above, Mr. Tony Ching, Chief of DPP's Urban Design Branch, asked if TRG had considered the proposed WSD Ordinance under review at the City and TRG's timing for submitting the draft EISPN to the Department.

16.2 Councilmember Stanley Chang

A presentation of the Project was made to Councilmember Stanley Chang on October 4, 2011. A general overview of the Project was given including background on the Project team, history of efforts to date, proposed concept design and anticipated schedule. Major concerns presented included protection of iwi kupuna, preservation of the "exceptional" banyan tree, and impacted existing tenants. In addition to the concerns above, he inquired about the nature of the tenants and the likelihood of late night activities or excessive noise as well as the applicable parking requirements and amount of parking to be provided. Councilman Chang was generally supportive of the Project.

16.3 Senator Brickwood Galuteria

A presentation of the Project was made to Senator Brickwood Galuteria on October 6, 2011. A general overview of the Project was given including background on the Project team, history of efforts to date, proposed concept design and anticipated schedule. Major concerns presented included protection of iwi kupuna, preservation of the "exceptional" banyan tree, and impacted existing tenants. In addition to the concerns above, he inquired about the integration of entertainment in the Project and commented on the cultural significance of the site and importance of the Project to the community. Senator Galuteria was generally supportive of the Project.

16.4 Representative Tom Brower

A presentation of the Project was made to Representative Tom Brower on October 5, 2011. A general overview of the project was given including background on the Project team, history of efforts to date, proposed concept design and anticipated schedule. Major concerns presented included protection of iwi kupuna, preservation of the "exceptional" banyan tree, and impacted existing tenants. In addition to the concerns above, he inquired about various design aspects of the Project and commented on neighborhood concerns including late night activity and excessive noise. Representative Brower was generally supportive of the Project.

16.5 DBEDT

A presentation of the Project was made to Richard Lim and Mike McCartney of the State of Hawaii, Department of Business, Economic Development and Tourism on October 6, 2011. A general overview of the Project was given including background on the Project team, history of efforts to date, proposed concept design and anticipated schedule. Major concerns presented included protection of iwi kupuna, preservation of the "exceptional" banyan tree, and impacted existing tenants. In addition to the concerns above, they inquired about the potential for broadband access at the Project and commented on the importance of the Project to the community. Mr. Lim and Mr. McCartney were generally supportive of the Project.

17. CONSULTED PARTIES - EISPN

The following agencies, organizations and public utilities received copies (cd's or hard copies) of this EISPN (comments received and the Applicant's responses are provided in Appendix 14):

Federal

Corps of Engineer (U.S. Army Engineer District)
U.S. Department of Interior, Fish & Wildlife Services

State of Hawaii

Department of Accounting & General Services
Department of Business, Economic Development & Tourism
  Energy, Resources & Technology Division
  Office of Planning
Department of Education
Department of Hawaiian Home Lands
Department of Health - Environmental Planning Office
Department of Land & Natural Resources
  State Historic Preservation Division
Office of Environmental Quality Control
Department of Transportation
Office of Hawaiian Affairs
UHM Water Resources Research Center
UHM Environmental Center
Senator (Brickwood Galuteria)
Representative (Tom Brower)
Office of the Governor

City and County of Honolulu

Board of Water Supply
Department of Design & Construction
Department of Environmental Services
Department of Facility Maintenance
Department of Parks and Recreation
Department of Planning & Permitting
  Zoning Plans Review Branch
  Civil Engineering Branch
  Subdivision Branch
  Traffic Review Branch
  Wastewater Branch
  Land Use Permits Division

Planning Division
Department of Transportation Services
Honolulu Fire Department
Honolulu Police Department
Office of Economic Development - Waikiki
Ala Moana Satellite City Hall
Waikiki Neighborhood Board
Office of the Mayor
Members of the City Council

Organizations

Hawaiian Electric Company
Historic Hawaii Foundation
Honolulu Star Advertiser
The Outdoor Circle
Waikiki Improvement Association
Kawaiahao Church

Libraries

Hawaii State Library (Waikiki/Kapahulu Branch)
Main State Library
Municipal Reference & Records Center

Landowners

Kyo-ya Hotels & Resorts LP
Outrigger Hotels Hawaii
B P Bishop Trust Estate
AOAO of Hale Walina
Waikiki Marketplace Investment
Honolulu Limited
2282 and 2280 Kuhio Avenue Development LLC
Minnie Kosasa
Hawaiian Prince Apts Ltd.
CR Wave LLC
Waikiki Business Plaza Inc.
WTC Owner LLC
Seaside Estates LP
RP/OE Waikiki Beachcomber LLC
Azabu USA Corp

18. PARTIES TO BE CONSULTED

The following agencies, organizations and public utilities will be provided copies (cd's or hard copies) of this Draft EIS (their timely comments will be included and responded to in the Final EIS):

Federal

Corps of Engineer (U.S. Army Engineer District)
U.S. Department of Interior, Fish & Wildlife Services

State of Hawaii

Department of Accounting & General Services
Department of Business, Economic Development & Tourism
- Energy, Resources & Technology Division
- Office of Planning

Department of Education
Department of Hawaiian Home Lands
Department of Health - Environmental Planning Office
Department of Land & Natural Resources
- State Historic Preservation Division

Office of Environmental Quality Control
Department of Transportation
Office of Hawaiian Affairs
UHM Water Resources Research Center
UHM Environmental Center
Senator (Brickwood Galuteria)
Representative (Tom Brower)
Office of the Governor

City and County of Honolulu

Board of Water Supply
Department of Design & Construction
Department of Environmental Services
Department of Facility Maintenance
Department of Planning & Permitting
- Zoning Plans Review Branch
- Civil Engineering Branch
- Subdivision Branch
- Traffic Review Branch
- Wastewater Branch
- Land Use Permits Division
- Planning Division

Department of Transportation Services
Honolulu Fire Department
Honolulu Police Department
Office of Economic Development - Waikiki
Ala Moana Satellite City Hall
Waikiki Neighborhood Board
Office of the Mayor
Members of the City Council

(Please note that the Department of Parks and Recreation received the EISPN but at their request have been removed as a party to be consulted on this Draft EIS)

Organizations

Hawaiian Electric Company
Historic Hawaii Foundation
Honolulu Star Advertiser
The Outdoor Circle
Waikiki Improvement Association
Kawaiahao Church

Libraries

Hawaii State Library (Waikiki/Kapahulu Branch)
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Kyo-ya Hotels & Resorts LP
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B P Bishop Trust Estate
AOAO of Hale Walina
Waikiki Marketplace Investment
Honolulu Limited
2282 and 2280 Kuhio Avenue Development LLC
Minnie Kosasa
Hawaiian Prince Apts Ltd.
CR Wave LLC
Waikiki Business Plaza Inc.
WTC Owner LLC
Seaside Estates LP
RP/OE Waikiki Beachcomber LLC
Azabu USA Corp

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