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## Developer plans office and medical office buildings in Kapolei in West Oahu

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Honolulu-based Avalon Development Co. plans to develop office and medical office buildings in Kapolei in West Oahu near the Social Security Administration building, the head of the firm told PBN this week.

While there have been medical office buildings built in the last several years, including Hale Pawa on Beretania Street in Honolulu, the development of an all-new, purely office building has become very rare.

Some experts have told PBN that building a new office building just doesn't pencil out from a financial perspective.

But Christine Camp, president and CEO of Avalon Development, who is bullish on the Kapolei market, told PBN that there is enough demand to bring such a rare product to the market.

Developing office space to boost the number of professional jobs in Kapolei has been a priority for Camp. To that end, she has been critical in the past of the state for not relocating government offices to Kapolei. Hawaii is looking to spend \$90 million acquiring the 25-story Alii Place office building in Downtown Honolulu. This would help alleviate a shortage of office space for state agencies, but would do nothing to support growth in West Oahu. Such moves are important because of the professional jobs they bring to the area to complement the mainly service sector jobs available in the retail stores and restaurants that serve area residents.

"We hear about shortages of office spaces from the state [Department of Accounting and General Services] and that there is a consolidated need for over 400,000 square feet of office space," Camp previously told PBN. "The state owns land that is underutilized within the city [of Kapolei] that is environmentally clean, with all the infrastructure in place."

She also noted that moving the offices to West Oahu would provide significant relief with reverse traffic during peak traffic hours.

Camp said that Avalon's new Kapolei office building, estimated to be anywhere from 70,000-square-feet to 100,000-square-feet, will follow the development of its medical office building.



TINA YUEN PBN  
Christine Camp of Avalon Group

She noted that the 22,000-square-foot medical office building, which is already 60 percent leased, is in the design phase and could start construction in the first quarter of next year.

Both the office and medical office buildings are part of the three-acre Kapolei Pacific Center near the Kapolei Regional Park, which already includes the developer's \$8 million Social Security Administration building and 13,600-square-foot Cole Acadmey, a learning center for young children.

Avalon Development also has significant industrial real estate holdings in Kapolei, including the 123-acre Kapolei Business Park and the 54-acre Kapolei Business Park Phase 2.

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