



NEWS RELEASE
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**KYO-YA ACCEPTED AS INTERVENING PARTY IN APPEAL OF PARTIAL ZONING
VARIANCE FOR DIAMOND HEAD TOWER REDEVELOPMENT**

HONOLULU - Kyo-ya Hotels and Resorts has been accepted by the Honolulu Zoning Board of Appeals as an intervening party in the appeal of the partial zoning variance for its planned redevelopment of the Moana Hotel's Diamond Head Tower. The 20,000 Friends of Labor, a group representing local construction unions, was also accepted as an intervening party.

Today's actions pave the way for Kyo-ya and its supporters to fight the appeal by a small group that opposes the project and bring Waikiki's newest hotel closer to becoming reality.

"We are pleased that the board approved Kyo-ya intervention in this appeal as well as the intervention request made by the 20,000 Friends of Labor," said Barry Sullivan, the attorney representing Kyo-ya in this case. "We have been and remain confident that the planning director's decision will be sustained. It was a reasonable and well-supported decision and certainly was not arbitrary as has been contended."

The redevelopment of the Princess Kaiulani Hotel and the replacement of the 1950's era Diamond Head Tower of the Moana Hotel has been in design and development for more than five years. After two years of public meetings and hearings on the proposed redevelopment plans, during which public testimony was overwhelmingly in support of the project, the City Council and the Planning Director last year granted Kyo-ya permission to proceed.

“This project is a crucial and vital investment by Kyo-ya to keep Waikiki’s position as a leading visitor destination in a highly competitive global tourism market,” said Greg Dickhens, president of Kyo-ya Hotels and Resorts. “If we do not invest, visitors, and most importantly higher-spending visitors, will not come. The impact of that will not only be felt by the urban corridor in Waikiki but by people statewide who rely directly or indirectly on the Waikiki tourist economy.”

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