



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII 96813-3077

COMMITTEE ON ZONING AND PLANNING

Voting Members:

Ikaika Anderson, Chair
Trevor Ozawa, Vice Chair
Carol Fukunaga
Ann H. Kobayashi
Joey Manahan

MINUTES

REGULAR MEETING
THURSDAY, APRIL 30, 2015

COUNCIL COMMITTEE MEETING ROOM
2ND FLOOR, HONOLULU HALE
HONOLULU, HAWAII 96813

Note: A copy of the video of the full proceedings of this meeting may be requested by calling the City Clerk's Office at 768-5822.

CALL TO ORDER

The regular meeting of the Committee on Zoning and Planning was called to order by Committee Chair Ikaika Anderson at 9:09 a.m. Voting Members Fukunaga, Kobayashi, Manahan and Ozawa were present at the meeting. Non-voting members, Council Chair Martin, Councilmember Elefante, Councilmember Menor and Councilmember Pine also attended the meeting.

STAFF PRESENT

Gail Myers, Senior Aide to Committee Chair Anderson
Lori Hiraoka, Attorney, Office of Council Services
Dean Minakami, Analyst, Office of Council Services
Don Kitaoka, Deputy Corporation Counsel, Department of the Corporation Counsel,
assigned to the Committee
Gail Murayama, Council Committee Aide, Office of the City Clerk

ORDER OF BUSINESS

APPROVAL OF MINUTES

The minutes of the Committee on Zoning and Planning meeting of April 2, 2015 were approved as circulated.

AYES: FUKUNAGA, KOBAYASHI, MANAHAN, ANDERSON – 4.
NOES: None.
EXCUSED: OZAWA – 1.

FOR ACTION

1. BILL 7 (2015) – COMMITTEE REPORT 154

AIEA ZONE CHANGE. Rezoning land situated at Aiea, Oahu, Hawaii from AG-1 Restricted Agricultural district to the R-5 Residential district. TMK: 9-8-060:009. (Applicant: Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter Day Saints) (Current deadline for Council action: 8/9/15)

PROPOSED UNILATERAL AGREEMENT – The Proposed U/A (draft dated 4/24/15) to be attached as “Exhibit B” to the Bill after execution and recordation.

Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)
Robert Mills, PBR Hawaii (Agent)

Mr. Mills presented an overview of the proposed zone change that would allow the Church of Jesus Christ of Latter Day Saints to construct a new meetinghouse and associated parking. He noted that church membership continues to grow and additional space is needed to accommodate the growth.

Director Atta testified in support of the proposed zone change. The Director stated that the DPP considers the change to be in-fill zoning that would conform the parcel to existing uses.

The following individual testified in support of the Bill:

Valle Watanabe (M-1332)

Councilmember Elefante voiced his support for the Bill and urged the Committee to support the measure.

Bill 7 (2015) reported out for passage on second reading and scheduling of a public hearing.

AYES: FUKUNAGA, KOBAYASHI, MANAHAN, OZAWA, ANDERSON – 5.
NOES: None.

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Related communications:

- D-66 Planning Commission, transmitting draft bill.
- M-1329 Michael Domingo (support)
- M-1330 Robert Mills, PBR Hawaii (support)
- M-1331 Bishop Sean Mullaney, Newton 1st Ward, The Church of Jesus Christ of Latter-day Saints (support)
- M-1332 Valle F. Watanabe (support)

2. RESOLUTION 15-89 – COMMITTEE REPORT 158

'OHANA HALE AFFORDABLE AND MARKET RATE CONDOMINIUM PROJECT. Authorizing exemptions from certain requirements relating to the 'Ohana Hale affordable and market rate condominium project in McCully, Oahu, Hawaii, Tax Map Key: (1) 2-3-028: 004. (Current deadline for Council action: 5/9/15)

The following amendment was posted on the agenda:

PROPOSED CD1 TO RESOLUTION 15-89 (Submitted by Councilmember Anderson) – The CD1 (OCS2015-0346/4/23/2015 3:32 PM) amends the Resolution as follows:

- A. In the BE IT RESOLVED clause, deletes paragraph 4, which reads:

Deferral from ROH Section 14-6.1 and 14-6.4, to allow a deferral of payment of water system connection fees charged by Board of Water Supply, estimated at \$350,000. Fees will be paid when Developer obtains a construction loan.

Renumbers the remaining paragraphs.
- B. In the paragraph covering deferral from ROH Section 14-3.2, to allow a deferral of payment of sewer lateral connection and installation charges, provides an estimate of \$30,000 for the total fees.
- C. In the paragraph covering deferral from ROH Section 14-10.3, to allow a deferral of payment of wastewater system facilities charges, provides an estimate of \$710,000 for the total fees.
- D. In the paragraph covering deferral from Sections 1-102, 2-202(2), and 2-202(3) of the Board of Water Supply Rules and Regulations, to allow

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deferral of payment of water system facility and installation of water service fees, provides an estimate of \$317,000 for the total fees.

- E. In the paragraph covering exemption from LUO Sec. 21-3.120-2(b) and Table 21-3.4, to allow the P1 parking levels and residential units of the Project to encroach into the required 10-foot rear yard setback and 10-foot side yard setback, provides that the encroachment is approximately 10 feet along the rear and 10 feet along the side of the property.
- F. Makes miscellaneous technical and non-substantive amendments.

Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)
Arthur Challacombe, Deputy Director, DPP
Paul Kikuchi, Chief Financial Officer, Honolulu Board of Water Supply
(BWS)
Tim Houghton, Deputy Director, Department of Environmental Services
(ENV)
Franco Mola, President, MJF Development Corporation
Dennis Silva, Hawaii Planning LLC, Developer Representative

There was no public testimony.

Mr. Silva presented a brief overview of the proposed project.

Discussion between Committee members and MJF Development Corporation's representatives provided the following information:

- The developer is seeking a 39.5-foot height variance to allow for additional units.
- The project's affordable units are priced at 100% – 120% of the area median income (AMI). The developer feels that the affordable units are priced to fill a need in the existing community.
- The area neighborhood board voted to support the project only if no zoning variances are allowed.

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- Park dedication requirements are being partially met by a community meeting room and a landscaped deck.
- Maintenance fees would be kept low by eliminating high-cost amenities.

Committee members and Mr. Mola discussed, in depth, the possibility of providing some of the project's units at prices below 80% and below 100% of AMI. Mr. Mola agreed that the developer would be able to offer affordable units at 80% to 100% of AMI if marketing periods that would allow the prices to rise incrementally were also allowed.

Committee Member Kobayashi voiced her concern regarding the lack of low income units within the project.

Committee Member Fukunaga noted that, with all of the giveaways that the developer is receiving, the project should be developed to meet the needs of the community.

Committee Chair Anderson stated that the fee exemptions, coupled with the height and density variances, amount to concessions worth more than \$4 million. He noted that he would like to see the developer give back some of that by providing housing for the community's most vulnerable population.

RECESS / RECONVENE

Committee Chair Anderson called for a short recess at 9:49 a.m. to consult with the Committee's staff and reconvened the meeting at 10:05 a.m.

Committee Chair Anderson proposed amending the Resolution to require that twenty percent of the project's total units be offered to households earning a maximum of 80% of AMI; an additional twenty percent of the units be offered to households earning no more than 100% of AMI; and an additional twenty percent of units be offered to households earning no more than 120% of AMI. He further proposed that the Resolution be amended to add a marketing period of ninety days for the units offered at 80% of AMI.

Chief Financial Officer Kikuchi requested an additional amendment to require that the fees be paid when the developer acquires a construction loan.

Deputy Director Houghton testified that the ENV did not have any significant concerns regarding the deferral of wastewater and sewer fees.

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Deputy Director Challacombe concurred with the Committee's recommended amendments.

Committee Chair Anderson requested that the DPP provide the Council with a rough estimate of the dollar amount associated with the increased height and density allowance.

Committee Chair Anderson recommended that the Resolution be amended to include the changes noted in the posted CD1, add the amendments for the affordable housing requirement, and incorporate the changes requested by the BWS.

Resolution 15-89 amended to CD1 and reported out for adoption.

AYES: FUKUNAGA, KOBAYASHI*, MANAHAN, OZAWA*,
ANDERSON – 5.
NOES: None.

*Committee Members Kobayashi and Ozawa voted aye with reservations.

CD1 to Resolution 15-89 (Submitted by Councilmember Anderson) – The CD1 (OCS2015-0397/5/1/2015 3:45 PM) makes the following changes:

- A. Amends the second and third WHEREAS clauses in order to specify that twenty percent (20%) of the project's total units shall be offered to households earning a maximum of eighty percent (80%) of the Area Median Income (AMI); an additional twenty percent (20%) of the project's total units shall be offered to households earning a maximum of one hundred percent (100%) of AMI; and an additional twenty percent (20%) of the project's total units shall be offered to households earning a maximum of one hundred twenty percent (120%) of AMI.
- B. Adds the fourth WHEREAS clause to provide that if qualified buyers for the units offered to households earning up to eighty percent (80%) of AMI are not found after a 90-day marketing period, the units may be offered to households earning a maximum of one hundred percent (100%) of AMI.
- C. In the BE IT RESOLVED clause, deletes item 4 which reads:

"Deferral from ROH Section 14-6.1 and 14-6.4, to allow a deferral of payment of water system connection fees charged by Board of Water

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Supply, estimated at \$350,000. Fees will be paid when Developer obtains a construction loan.

Renumbers the remaining paragraphs.

- D. In the BE IT RESOLVED clause item covering deferral from ROH Section 14-10.3, to allow a deferral of payment of wastewater system facilities charges, provides an estimate of \$710,000 for the total fees.
- E. In the BE IT RESOLVED clause item covering deferral from Sections 1-102, 2-202(2), and 2-202(3) of the Board of Water Supply Rules and Regulations, to allow deferral of payment of water system facility and installation of water service fees, deletes the amount of the estimated fees and amends the date that fees are deferred to from the date upon which a certificate of occupancy is issued for the project, to the date upon which the Developer obtains a construction loan.
- F. In the BE IT RESOLVED clause item covering exemption from LUO Section 21-3.120-2(b) and Table 21-3.4, to allow the P1 parking levels and residential units of the Project to encroach into the required 10-foot rear yard setback and 10-foot side yard setback, provides that the encroachment is approximately 10 feet along the rear and 10 feet along the side of the property.
- G. Adds the second BE IT FURTHER RESOLVED clause to state that Council approval of the project is contingent upon the requirement that twenty percent (20%) of the project's total units shall be offered to households earning a maximum of 80 percent (80%) of the Area Median Income (AMI); an additional twenty percent (20%) of the project's total units shall be offered to households earning a maximum of one hundred percent (100%) of AMI and an additional twenty percent (20%) of the project's total units shall be offered to households earning a maximum of 120 percent (120%) of AMI; provided that the 36 units to be offered to households earning a maximum of 80 percent (80%) of AMI may be offered to households earning a maximum of one hundred percent (100%) of AMI if qualified buyers are not found after a 90 day marketing period.
- H. Makes miscellaneous technical and nonsubstantive amendments.

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Related communications:

- CC-174 Councilmember Ann Kobayashi, updating letter of March 20, 2015 relating to the 'Ohana Hale Condominium project.
- D-268 Board of Water Supply, requesting additional amendments.
- M-679 Craig K. Hirai, executive Director, Department of Business, Economic Development & Tourism, Hawaii Housing Finance and Development Corporation, requesting approval for exemption pursuant to Section 201H-38, Hawaii Revised Statutes, for the proposed 'Ohana Hale Condominium Development located in McCully, Oahu, Hawaii.
- M-1333 Land Use Research Foundation of Hawaii (support)
- M-1334 MJF Development Corporation, submitting additional information relating to the 'Ohana Hale Condominium project.

3. RESOLUTION 15-30 – COMMITTEE REPORT 157

PROPOSING AN LUO AMENDMENT RELATING TO WIND MACHINES. Amending the City's Land Use Ordinance to increase the setback required for utility-scale wind machines to minimize their impact on residences, schools, and healthcare centers.

Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)

There was no public testimony.

Director Atta testified that the DPP would review the proposal to increase the setback for utility-scale wind machines.

Resolution 15-30 reported out for adoption.

AYES: FUKUNAGA, KOBAYASHI, MANAHAN, OZAWA, ANDERSON – 5.
NOES: None.

Related communications:

- CC-61 Acting City Clerk, notifying the DPP of the introduction of the Council proposal.
- D-94 Department of Planning and Permitting, confirming receipt of Resolution 15-30.

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M-1335	Stacy M. Ako (comments)
M-1336	Blue Planet Foundation (oppose)
M-1337	Simplicio Cabon (comments)
M-1338	Murray Clay, Managing Partner, Ulupono Initiative (oppose)
M-1339	Joe Kalili (comments)
M-1340	Dino Vendiola (comments)

4. BILL 6 (2015), CD1, FD1 – COMMITTEE REPORT 153

PUBLIC SIDEWALKS. Amending the law relating to sitting or lying on public sidewalks in areas zoned for commercial and business activities.

Administration/Others

Roy Amemiya, Managing Director
Donna Leong, Corporation Counsel, Department of the Corporation
Counsel (COR)

Managing Director Amemiya testified that the Administration supports the intent of the Bill but noted that the Corporation Counsel, in a verbal opinion to him, indicated that there were legal challenges to the Bill.

Committee Member Kobayashi noted that when the first sit-lie bill encompassing areas of Waikiki became an ordinance, problems with homeless encampments on sidewalks arose in surrounding areas. She noted that Bill 6 was introduced to address specific areas outside of Waikiki.

Committee Member Manahan stated that the areas added to the original Bill address other business districts that have been severely impacted by impassable sidewalks.

Committee Member Fukunaga stated that the ultimate goal is to get people off of the sidewalks and into appropriate housing; however, the Bill would address problems facing businesses now.

Discussion between Committee members, the Managing Director provided the following information:

- The Administration is currently working on several projects to address the housing needs of the homeless population. The Administration requires that the funding requested in the upcoming budget be provided to move those projects forward.

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- Over three dozen families have been placed in Housing First accommodations over the past few months, and eighty housing vouchers have been given to homeless veterans.
- The City Administration is also currently working to find temporary accommodations for homeless individuals and families waiting to be placed in Housing First lodging.

Committee Member Ozawa expressed concern about the Managing Director's statement and questioned whether it breached the confidentiality of the attorney-client relationship. In response, Corporation Counsel Leong detailed the protocols of confidentiality that COR maintains with its clients.

The Corporation Counsel then acknowledged that Bill 6 has certain legal challenges and that COR would like to work with the Council to amend the current version of the Bill to comport with the stated purpose of the Bill.

The following individuals testified:

1. Erika Lacro, Chancellor, Honolulu Community College (support)
2. Judy Lind, Executive Director, Kukui Children's Center (support) (M-1344)
3. Don Crescimanno (comments)
4. Roland Lui (support)

Committee Member Kobayashi voiced her disappointment that the Administration made the provision of housing projects contingent on the Council's approval of its full funding request.

Committee Chair Anderson recommended that the Bill be reported out for passage on third reading.

Committee Member Manahan reiterated the need to address the blocked sidewalks in areas outside of Waikiki. He noted that the Council's intention is not to criminalize homelessness, but to, in fact, help those individuals get out of an unhealthy situation.

Committee Chair Anderson requested that the Corporation Counsel work with councilmembers to address its concerns and fine-tune the Bill.

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The Committee Chair concurred with Committee Member Manahan that the Council's intention is to help the less fortunate. He noted, however, that the Council must also insure that public space remain open and accessible for all residents.

Bill 6 (2015), CD1, FD1 reported out for passage on third reading.

AYES: FUKUNAGA, KOBAYASHI, MANAHAN, OZAWA, ANDERSON – 5.
NOES: None.

Related communications:

M-1341 Liana L. Benn, Manager, Royal Kitchen (support)
M-1342 Wesley Fong, President, Chinatown community Center Association (support)
M-1343 Lisa Garcia (oppose)
M-1344 Judy Lind, Executive Director, Kukui Children's Foundation (support)
M-1345 Howard Lum, President, Lum Sai Ho Tong (support)
M-1346 Richard T. Miyao, Executive Director, Izumo Taishakyo Mission of Hawaii (support)
M-1347 Jeff Mull, Founder, Onward Creative (support)
M-1348 David Mulinix (oppose)
M-1349 Missy Owens, Owens & Company (support)
M-1350 Sherry Pollack (oppose)
M-1351 Roland, Leong Doo Benevolent Society (support)
M-1352 Tracey S. Wiltgen, Executive Director, The Mediation Center of the Pacific, Inc. (support)

Committee Chair Anderson took Items 5 and 6 – Bills 20 (2015) and 21 (2015) – up together.

5. BILL 20 (2015) – COMMITTEE REPORT 155

LUO AMENDMENT RELATING TO ACCESSORY DWELLING UNITS. Amending the Land Use Ordinance (LUO) to establish accessory dwelling units as a permitted use in all residential zoning districts, to encourage and accommodate the construction of accessory dwelling units, increase the number of affordable rental units and alleviate the housing shortage in the City, and to establish land use standards for those accessory dwelling units. (Current deadline for Council action: 6/3/15)

6. BILL 21 (2015) – COMMITTEE REPORT 156

ACCESSORY DWELLING UNITS. Amending the provisions of the Land use Ordinance, Revised Ordinances of Honolulu 1990, Chapter 21, relating to Ohana dwellings to encourage the creation of affordable housing and to accommodate a variety of housing arrangements.

The following amendment was posted on the agenda:

PROPOSED CD1 TO BILL 21 (2015) (Submitted by Councilmember Anderson) – The CD1 (OCS2015-0298/4/10/2015 9:41 AM) makes the following amendments:

- A. Deletes the definition of "ohana dwelling unit" from LUO Article 10 ("Definitions").
- B. Amends the following ROH sections to replace references to "ohana dwellings" with "accessory dwelling units":
 - Section 21-8.20A ("Housing — Multiple dwelling units on a single country or residential district zoning lot").
 - Section 21-8.20-1 ("Procedures for approval of ohana dwellings").
 - Section 21-8.30 ("Farm dwellings — Agricultural site development plan").
 - Section 21-2.110-3 ("Designation of ohana-eligible areas").
 - Section 21-2.140-1 ("Specific circumstances").
 - Section 21-4.110 ("Nonconformities").
 - Section 22-7.5 ("Land area required for parks and playgrounds").
 - Section 8-10.22 ("Exemption — Historic residential real property dedicated for preservation").
- C. Makes miscellaneous technical and non-substantive amendments.

Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)
Arthur Challacombe, Deputy Director, DPP

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Director Atta testified that the DPP reviewed both bills and recommends that Bill 20 be moved forward for the following reasons:

- Bill 20 keeps ohana dwelling unit provisions intact in the Land Use Ordinance, while Bill 21 eliminates ohana dwelling units. Eliminating ohana provisions would make existing ohana dwellings non-conforming uses. Additionally, the DPP still recognizes the value of ohana units for extended families.
- The Council-initiated bill includes country and agricultural zoned lots as eligible parcels. Because the DPP has very strict rules regarding residential housing in agricultural districts, the Department feels that accessory dwelling units (ADUs) should first be placed in residential zoned areas. He noted that country and agricultural zoned lots could be included if, and when, enforcement of residential ADUs prove successful.
- The Council-initiated bill does not include a limitation on the size of the dwelling unit. Because one of the purposes of ADUs is to encourage affordable housing, the DPP feels that keeping ADUs small would also keep rental prices affordable. Keeping units small would also allow smaller residential lots to have ADUs.

Councilmember Menor noted that the purpose of the original resolution proposing the creation of ADUs was to give the Administration a vehicle to analyze the benefits and detriments of ADUs. The Councilmember commended the DPP on its review.

In response to Councilmember Menor's question regarding the allowance of parking exemptions for ADUs within a half-mile distance from bus stops, Director Atta stated that the Department would be willing to study the issue.

In response to Councilmember Menor's inquiry regarding giving amnesty to structures that were built illegally, the Director noted that the DPP would prefer to review illegal structures on a case-by-case basis instead of providing general amnesty to all illegally-built units.

In response to Councilmember Menor's question regarding enforcement, Deputy Director Challacombe stated that the Department is certain that it could currently enforce ADU provisions. He noted that a larger, more in-depth conversation would be needed for potential transient vacation units and bed and breakfast enforcement.

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The following individuals testified:

1. Bob Nakata, Faith Action for Community Equity (FACE) (support) (M-1362)
2. Tom Dinell (support Bill 20) (M-1353)
3. Betty Lou Larson, Partners in Care (support) (M-1358)
4. Jenny Lee, Hawaii Appleseed Center for Law and Economic Justice (support) (M-1357)
5. Katherine Graham (support)
6. Renee Ing (support Bill 20)
7. Don Crescimanno (comments)
8. Stuart Simmons (support Bill 20)

Committee Chair Anderson recommended that both bills be moved forward at this time. He further recommended that Bill 21 be amended to the posted CD1 if the introducer of the Bill had no objections.

Councilmember Menor responded that he had no objections to amending Bill 21 to the CD1 version; however, he noted his support for the Administration-offered bill.

Bill 20 (2015) reported out for passage on second reading and scheduling of a public hearing.

AYES: FUKUNAGA, KOBAYASHI, MANAHAN, OZAWA, ANDERSON – 5.
NOES: None.

Bill 21 (2015) amended to CD1 (OCS2015-0298/4/10/2015 9:41 AM) and reported out for passage on second reading and scheduling of a public hearing.

AYES: FUKUNAGA, KOBAYASHI, MANAHAN, OZAWA, ANDERSON – 5.
NOES: None.

Related communications:

- D-129 Planning Commission, transmitting the report of the Director of the Department of Planning and Permitting (DPP), the Council-initiated bill and the original copy of DPP's version of the draft bill.
- D-179 Department of Planning and Permitting, submitting proposed amendments to Bill 20 (2015).
- M-1353 Tom Dinell (support Bill 20 [2015])
- M-1354 David Gierlach, St. Elizabeth's Episcopal Church (support)

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- M-1355 Jeff Gilbreath, Executive Director, Hawaiian Community Assets (support)
- M-1356 Karen Ginoza, FACE (support)
- M-1357 Hawaii Appleseed Center for Law and Economic Justice (support)
- M-1358 Betty Lou Larson, Partners in Care (support)
- M-1359 Kehaulani Lum, Living Life Source Foundation (support)
- M-1360 Gladys Marrone, Chief Executive Officer, Building Industry Association of Hawaii (support)
- M-1361 Matt Moore (support)
- M-1362 Bob Nakata, FACE (support)
- M-1363 Jeanne Y. Ohta, Aina Haina Community Association (oppose Bill 21[2015])
- M-1364 Rebecca Young (support)

RECESS / RECONVENE

Committee Chair Anderson called for a short recess at 12:02 p.m. and reconvened the meeting at 12:16 p.m.

7. BILL 3 (2015) – COMMITTEE REPORT 165

HONOLULI ZONE CHANGE. Rezoning land situated at Ewa, Oahu, Hawaii from AG-1 Restricted Agricultural District to the R-3.5 Residential District, A-2 Medium-Density Apartment District (with 40- and 65-foot height limits), AMX-2 Medium-Density Mixed Use Apartment District (with 40- and 65-foot height limits), B-1 Neighborhood Business District, B-2 Community Business District (with a 60-foot height limit), BMX-3 Community Business Mixed Use District (with a 90-foot height limit), IMX-1 Industrial-Commercial Mixed Use District (with a 60-foot height limit, and P-2 General Preservation District. TMK: 9-1-017:004 (por.), 059 (por.), and 072 (por.); 9-1-018:001 (por.) and 004 (por.) (Applicant: D.R. Horton-Schuler Homes, LLC) (Current deadline for Council action: 6/28/15)

PROPOSED UNILATERAL AGREEMENT – The proposed U/A (draft dated 2/25/15) to be attached as “Exhibit B” to the Bill after execution and recordation.

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Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)
Arthur Challacombe, Deputy Director, DPP
Kathy Sokugawa, Chief Planner, DPP
Bob Bruhl, President, D.R. Horton-Schuler Homes, LLC (D.R. Horton)
Cameron Nekota, Vice President, D.R. Horton
Keith Kurahashi, Kusao and Kurahashi

Committee Member Fukunaga (hand-carried memorandum) and Councilmembers Menor (CC-119 and CC-157) and Elefante (CC-147) provided a summary of their proposed changes to the unilateral agreement as detailed in their respective communications.

Committee Chair Anderson provided a summary of his proposed changes to the unilateral agreement as detailed in Communication CC-158.

The following individuals testified:

1. Mitchell Tynanes (support)
2. Willis Moore (support)
3. Pele Lui-Yuen (support)
4. Keith Timson (support)
5. Yvonne Samia, The Kroc Center Hawaii (support)
6. Tyler Dos Santos-Tam, Hawaii Construction Alliance (support)
7. Dr. Kioni Dudley, Friends of Makakilo (comments)
8. Shem Lawler, Blue Planet Foundation (comments)
9. Phyllis Kacher (support)
10. Alicia Maluafiti (support)
11. Kika Bukoski, Hawaii Building Trades Council (support)
12. Pamela Burns, Hawaiian Humane Society (support)
13. Toni Figueroa (support)
14. Michele Matsuo (oppose)
15. Rodney Boucher (support)
16. Harmony Bentosino, Friends of Makakilo (oppose)
17. Pamela Boyer, Oahu Farmers Union United (oppose)
18. Sherry Pollack (oppose)
19. Jason Kimokeo (oppose)
20. Cinnie Frith (oppose)
21. Anthony Aalto (oppose)
22. Elaine Kam (oppose)
23. Renee Ing (comments)
24. Kathie Lautenslager (support)

RECESS / RECONVENE

At 1:30 p.m., Committee Chair Anderson closed public testimony and recessed the meeting to allow the Committee on Transportation and the Committee on Business, Economic Development and Tourism to meet. The Committee Chair reconvened the meeting at 3:20 p.m. for Committee discussion and deliberation.

Discussion between the Committee, representatives of D.R Horton and the DPP provided the following information:

- The Mayor's Housing Strategy would require affordable units to be priced at 120% of the area median income (AMI) instead of 140% of AMI as currently required in the LUO.
- The Housing Strategy would include a requirement for rental housing.
- The Housing Strategy would also require that affordable units remain affordable for a longer period of time. The affordability requirement would apply to both for-sale and rental units.
- Housing agreements require that affordable units must be brought on line at the same time as market units.
- The acreage conveyed to the Hawaiian Humane Society (HHS) is not contingent on the zone change. Although, the zone change would place the HHS on business-zoned land, the HHS would still be able to operate should the zone change not go through and the parcel remain agriculturally-zoned.
- The Waianae Coast Comprehensive Health Center would not be able to operate should the zone change not take place.
- D.R. Horton would partner with a private entity to fulfill any affordable rental requirement.
- D.R. Horton agrees with the provision to require that a certain percentage of the affordable housing be rental units.
- D.R. Horton would comply with current law requiring an affordability period of ten years.

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- D.R. Horton feels that affordability periods are appropriate when public financing is used.
- D.R. Horton is agreeable to incremental marketing periods throughout the below 80% of AMI to 140% of AMI range.
- The DPP would prefer to have longer affordability periods; however, given the requirements of current law, the Department is agreeable with the terms set forth in the Unilateral Agreement.

Although not a member of the Committee, Councilmember Elefante noted that he filed a Disclosure of Interest Statement for Bill 3 (CC-71). He further noted that he would be filing additional disclosures prior to final reading.

Committee Chair Anderson (CC-80), and Committee Members Fukunaga (CC-94, CC-103), Kobayashi (CC-87), Manahan (CC-99) and Ozawa (CC-86) also stated that they had filed Disclosure of Interest Statements for Bill 3.

Councilmember Menor stated that, while he recognized the benefits of the Ho'opili project, he remained concerned with issues of affordable housing and traffic congestion.

Councilmember Elefante shared Councilmember Menor's concerns.

Committee Member Manahan stated that he would support moving the measure forward. He urged the Administration to quickly move forward with provisions for transit-oriented development and allowable densities.

Committee Member Kobayashi stated that while she remains concerned with the loss of prime agricultural lands for housing developments, she supports the creation of more affordable housing.

Committee Member Ozawa stated that he appreciated everyone's efforts to provide more affordable housing, and noted that the transit-oriented development aspect will be a key element in the success of the project.

Committee Chair Anderson reiterated his position that the project follows the provisions of Oahu's General Plan for planned growth in the area.

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The Committee Chair recommended that the unilateral agreement be amended to incorporate the changes recommended by himself (CC-158) and Committee Member Fukunaga (hand-carried memorandum), and that Bill 3 be reported out for passage on third reading.

Bill 3 (2015) reported out for passage on third reading subject to the execution and recordation of the unilateral agreement.

AYES: FUKUNAGA, KOBAYASHI*, MANAHAN, OZAWA, ANDERSON – 5.
NOES: None.

*Committee Member Kobayashi voted aye with reservations.

Related communications:

- CC-119 Councilmember Ron Menor, submitting proposed amendments to the Unilateral Agreement for Bill 3 (2015).
- CC-147 Councilmember Brandon Elefante, submitting proposed amendments to the Unilateral Agreement for Bill 3 (2015).
- CC-156 Councilmember Kymberly Marcos Pine, submitting proposed amendments to the Unilateral Agreement for Bill 3 (2015).
- CC-157 Councilmember Ron Menor, submitting additional proposed amendments to the Unilateral Agreement for Bill 3 (2015).
- CC-158 Councilmember Ikaika Anderson, submitting proposed amendments to the Unilateral Agreement for Bill 3 (2015).
- CC-185 Councilmember Carol Fukunaga, submitting proposed amendments to the Unilateral Agreement for Bill 3 (2015).
- M-1365 Patricia Beekman (oppose)
- M-1366 Tom Berg (oppose)
- M-1367 Patricia Blair (oppose)
- M-1368 Blue Planet Foundation (comments)
- M-1369 John Bond, President, Kanehili Cultural Hui (comments)
- M-1370 Rodney Boucher (support)
- M-1371 Kamana'opono Crabbe, Chief Executive Officer, Office of Hawaii Affairs (comments)
- M-1372 Joshua DeMello (comments)
- M-1373 Dr. Kioni Dudley, President, Friends of Makakilo (comments)
- M-1374 General Contractors Association of Hawaii (support)
- M-1375 Mike Golojuch (support)
- M-1376 Michael J. Golojuch, Jr. (support)
- M-1377 Anthony R. Guerrero, Board Chair, Waianae Coast Comprehensive Health Center (support)

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- M-1378 Hawaii Building and Construction Trades Council, AFL-CIO (support)
- M-1379 Tyler Dos Santos-Tam, Hawaii Construction Alliance (support)
- M-1380 Kyra Hayashi (support)
- M-1381 Todd Hayashi (support)
- M-1382 Sydney Higa (support)
- M-1383 Natalie Iwasa (oppose)
- M-1384 Phyllis Kacher (support)
- M-1385 Jason Kimokeo (oppose)
- M-1386 Land Use Research Foundation of Hawaii (support)
- M-1387 Sarah Leone (oppose)
- M-1388 Representative Matthew S. LoPresti (comments)
- M-1389 Jean Maier (comments)
- M-1390 Alicia Maluafiti (support)
- M-1391 Gladys Marrone, Building Industry Association Hawaii (support)
- M-1392 Jeffrey Masatsugu, Floor Layers Market Recovery Fund (support)
- M-1393 Jeffrey Masatsugu, Glaziers Stabilization Fund (support)
- M-1394 Jeffrey Masatsugu, Hawaii Tapers Market Recovery Fund (support)
- M-1395 Jeffrey Masatsugu, Painter Labor Management Cooperation Trust Fund (support)
- M-1396 Michele Matsuo and Ke'alahikeaokalani Mossman (oppose)
- M-1397 Willis H. A. Moore (support)
- M-1398 Nolan Moriwaki, Masons Union Local #1 IUBAC (support)
- M-1399 David Mulinix (oppose)
- M-1400 Sherry Pollack (oppose)
- M-1401 Yvonne Samia, The Salvation Army/Ray & Joan Kroc Corps Community Center (support)
- M-1402 Georgette Stevens, West Oahu Economic Development Association (support)
- M-1403 Jonathan Straley (comments)
- M-1404 Ricky Tamashiro, Masons Union Local #1 IUBAC (support)
- M-1405 Kevin Tangonan (support)
- M-1406 Keith Timson (support)
- M-1407 Mitchell Tynanes (support)
- M-1408 Unite Here Local 5 (comments)
- M-1409 Chuck Wheatley (support)
- M-1410 Brooke Wilson, The Pacific Resource Partnership (support)
- P-5 Anthony Aalto (oppose)

INFORMATIONAL BRIEFING

11. UPDATE BY THE DIRECTOR OF THE DEPARTMENT OF PLANNING AND PERMITTING REGARDING THE STATUS OF ALL PENDING LAND USE ORDINANCE (LUO) AMENDMENTS AND DEVELOPMENT PLAN AND SUSTAINABLE COMMUNITIES PLAN REVISION BILLS.

Administration/Others

George Atta, Director, Department of Planning and Permitting

There was no public testimony.

Director Atta stated that the second public review draft of the Oahu General Plan would be distributed in the summer. He noted that the DPP's original schedule called for the second public review draft to be distributed in Spring 2015; however, several issues have arisen that require additional clarifying language.

Related communication:

D-269 Department of Planning and Permitting, transmitting DEVELOPMENT PLAN UPDATED SCHEDULE and STATUS OF LUO AMENDMENTS SENT TO DPP VIA CITY COUNCIL RESOLUTIONS.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:03 p.m.

Respectfully submitted,


GLEN TAKAHASHI
Acting City Clerk

gym

DATE APPROVED

May 28, 2015