



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII 96813-3077

ERNEST Y. MARTIN
CHAIR & PRESIDING OFFICER
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VICE CHAIR
RON MENOR
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ANN H. KOBAYASHI
JOEY MANAHAN
TREVOR OZAWA
KYMBERLY MARCOS PINE

JOURNAL

REGULAR MEETING
7TH SESSION
WEDNESDAY, MAY 6, 2015

CITY COUNCIL CHAMBER
3RD 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

Pursuant to adjournment, the regular meeting of the City Council was called to order by the Chair and Presiding Officer, Ernest Y. Martin, at 10:36 a.m.

ROLL CALL

Roll call showed the following Councilmembers present:

Councilmembers Anderson, Elefante, Fukunaga, Kobayashi, Manahan, Menor, Ozawa, Pine, Martin - 9.

INTRODUCTION OF GUESTS

There were no guests.

APPROVAL OF MINUTES

Councilmember Anderson moved that the Minutes of the 5th Session (April 1, 2015) be approved, subject to corrections by Councilmembers within 30 days. Seconded by Councilmember Menor.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.
NOES: None.

ORDER OF THE DAY

ADOPTION

PERMITTED INTERACTION GROUP REPORT

COUNCIL COMMUNICATION 118

March 24, 2015 – From Council Chair Ernest Martin, submitting the Permitted Interaction Group Report pursuant to Resolution 15-19, CD1 which established a Permitted Interaction Group of councilmembers to investigate Federal funding for City programs and projects.

Councilmember Anderson moved that Communication CC-118 be adopted as the Findings of the investigative committee. Seconded by Councilmember Menor.

The following individuals testified:

1. Richard De Conti (Oppose)
2. Tom Berg (M-1480) (General comment)
3. John Bond, Kanehili Cultural Hui (M-1487) (General comment)
4. Natalie Iwasa (Oppose)

Councilmember Manahan urged councilmembers to join him in support of CC-118. He stated that the Permitted Action Group was formed to look into the cost overruns of the rail project, alternative means of Federal financing, and replacement of Federal bus monies. He noted that the report accurately reflects what happened at the meeting and clarifies that should the City default on the contract, the City would have to repay all Federal funds expended and pay any contractual obligations and penalties, including those with its contractors.

Communication CC-118 was adopted as the Findings of the investigative committee.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.

NOES: None.

Related communication:

M-1488 Ed Wagner

PUBLIC HEARING
RESOLUTION 15-111

RESOLUTION RELATING TO THE APPOINTMENT OF GALYN Y. WONG TO SERVE ON THE COMMISSION ON CULTURE AND ARTS OF THE CITY AND COUNTY OF HONOLULU.

There was no public testimony.

The Chair referred Resolution 15-111 to the Committee on Parks, Community and Customer Services for further consideration.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.

NOES: None.

PUBLIC HEARING
RESOLUTION 15-112

RESOLUTION RELATING TO THE APPOINTMENT OF TINA Y. T. AU TO SERVE ON THE BOARD OF REVIEW I FOR REAL PROPERTY TAX APPEALS OF THE CITY AND COUNTY OF HONOLULU.

There was no public testimony.

The Chair referred Resolution 15-112 to the Committee on Budget for further consideration.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.

NOES: None.

PUBLIC HEARING
RESOLUTION 15-113

RESOLUTION RELATING TO THE APPOINTMENT OF VINCENT L. BALDEMOR TO SERVE ON THE GRANTS IN AID ADVISORY COMMISSION OF THE CITY AND COUNTY OF HONOLULU.

There was no public testimony.

The Chair referred Resolution 15-113 to the Committee on Budget for further consideration.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.

NOES: None.

PUBLIC HEARING
RESOLUTION 15-114

RESOLUTION RELATING TO THE APPOINTMENT OF NEIL P. PETAGNO TO SERVE ON THE BOARD OF REVIEW I FOR REAL PROPERTY TAX APPEALS OF THE CITY AND COUNTY OF HONOLULU.

There was no public testimony.

The Chair referred Resolution 15-114 to the Committee on Budget for further consideration.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.

NOES: None.

PUBLIC HEARING/SECOND READING
BILL 25, CD1 – COMMITTEE REPORT 139

A BILL FOR AN ORDINANCE RELATING TO THE HONOLULU ZOO.

Councilmember Kobayashi moved that Committee Report 139 be adopted and Bill 25 pass second reading, as amended to CD1. Seconded by Councilmember Manahan.

The following individuals testified on Bill 25, CD1 and Bill 26, CD1:

1. Patrick Henry, Kapiolani Park Preservation Society (M-1439) (Oppose)
2. Carol Hopkins, Kapiolani Park Preservation Society (M-1440) (Oppose)
3. Rose Pou (Oppose)
4. Michelle Matson, O'ahu Island Parks Conservancy (Oppose)
5. Barbra Armentrout (General comment)

Councilmember Ozawa stated that after discussions with Kapiolani Park Preservation Society Board members and Mr. Henry, he discovered that there was a lot of miscommunication. He noted that everyone is on board with the fact that the Zoo is in need of funding, but the issue is prioritizing how to get that funding without littering the Zoo. He stated that there has never been an issue with the six or seven Meadow Gold signs on the existing Lani Moo in the children's zoo area. He noted that Bill 25, CD1 seeks to utilize tasteful advertising or marketing to entice private donors to provide funding for much needed resources at the Zoo and the measure is very reasonable and stays within the confines of the rules. As Chair of Executive Matters and Legal Affairs and by default the Chair of the Kapiolani Park Trustees, he stated that he has been thoroughly briefed by City attorneys on the Kapiolani Park Trust and understands its history and takes it very seriously. He noted that sponsorship of zoo exhibits is intended to ensure funding for the Zoo.

Committee Report 139 was adopted and Bill 25, CD1 passed second reading, as amended.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.
NOES: None.

PUBLIC HEARING/SECOND READING
BILL 26, CD1 – COMMITTEE REPORT 140

A BILL FOR AN ORDINANCE RELATING TO THE HONOLULU ZOO.

Councilmember Kobayashi moved that Committee Report 140 be adopted and Bill 26 pass second reading, as amended to CD1. Seconded by Councilmember Manahan.

(Note: See Bill 25, CD1 for list of testifiers.)

Councilmember Elefante stated he would be voting with reservations on Bill 26, CD1. He expressed his concerns regarding the maximum square footage of the advertising. With regard to the Kapiolani Park Trust, he requested that a meeting be convened to update members on all issues dealing with the history of the Trust.

Committee Report 140 was adopted and Bill 26, CD1 passed second reading, as amended.

AYES: ANDERSON, ELEFANTE*, FUKUNAGA, KOBAYASHI, MANAHAN,
 MENOR, OZAWA, PINE, MARTIN – 9.
NOES: None.

*Councilmember Elefante voted aye with reservations.

Related communication:

M-1450 Pauline Mac Neil

PUBLIC HEARING/SECOND READING
BILL 40 – COMMITTEE REPORT 141

A BILL FOR AN ORDINANCE RELATING TO THE WAIPIO PENINSULA SOCCER PARK FUND.

Councilmember Kobayashi moved that Committee Report 141 be adopted and Bill 40 pass second reading. Seconded by Councilmember Manahan.

The following individuals testified:

1. Scott Keopuhiwa, Hawaii Youth Soccer Association (Support)
2. Shelly Nakasone (Support)

3. Renee Ing (Support)
4. Sean Richardson (Support)
5. Sergio Bolioli (Support)
6. Natalie Iwasa (Oppose)

Councilmember Elefante stated he would be voting with reservations on Bill 40. He thanked all of the testifiers and the dedicated park staff who go over and beyond to care for City facilities, especially the Waipio Peninsula Soccer Park. While he still does not believe a non-self-sustaining fund is appropriate, he noted he does agree that fees collected at the park should be utilized for park improvements.

Committee Report 141 was adopted and Bill 40 passed second reading.

AYES: ANDERSON, ELEFANTE*, FUKUNAGA, KOBAYASHI, MANAHAN,
 MENOR, OZAWA, PINE, MARTIN – 9.
NOES: None.

*Councilmember Elefante voted aye with reservations.

Related communication:

M-1489 Barbara VanDerKamp

PUBLIC HEARING/SECOND READING
BILL 41, CD1 – COMMITTEE REPORT 142

A BILL FOR AN ORDINANCE RELATING TO VALUATION OF SOLAR ENERGY AND SOLAR WATER HEATING IMPROVEMENTS FOR REAL PROPERTY TAX PURPOSES.

Councilmember Kobayashi moved that Committee Report 142 be adopted and Bill 41 pass second reading, as amended to CD1. Seconded by Councilmember Manahan.

There was no public testimony.

Committee Report 142 was adopted and Bill 41, CD1 passed second reading, as amended.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.

NOES: None.

PUBLIC HEARING/SECOND READING
BILL 7 – COMMITTEE REPORT 154

A BILL FOR AN ORDINANCE TO REZONE LAND SITUATED AT AIEA, OAHU, HAWAII.

Councilmember Anderson moved that Committee Report 154 be adopted and Bill 7 pass second reading. Seconded by Councilmember Ozawa.

The following individual testified:

Sean Mullaney (Support)

Councilmember Anderson urged councilmembers to support Bill 7. He noted the zone change would allow the Applicant to expand and extend services provided to the community.

Committee Report 154 was adopted and Bill 7 passed second reading.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
 OZAWA, PINE, MARTIN – 9.

NOES: None.

Related communication:

CC-187 Ikaika Anderson

RECESS/RECONVENE

At 11:19 a.m., the Chair called for a short recess and reconvened the meeting at 11:20 a.m.

PUBLIC HEARING/SECOND READING
BILL 20 – COMMITTEE REPORT 155

A BILL FOR AN ORDINANCE TO AMEND CHAPTER 21, REVISED ORDINANCES OF HONOLULU 1990, AS AMENDED (THE LAND USE ORDINANCE), RELATING TO ACCESSORY DWELLING UNITS.

Councilmember Anderson moved that Committee Report 155 be adopted and Bill 20 pass second reading. Seconded by Councilmember Ozawa.

The following individuals testified on Bill 20 and Bill 21, CD1:

1. Rev. Steven Costa, Episcopal Church West Oahu FACE (Support)
2. Bob Nakata, Faith Action for Community Equity (M-1451) (Prefer Bill 20)
3. Betty Lou Larson, Partners in Care (M-1490) (Support)
4. Scott Morishige, Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled (M-1491) (Support)
5. Karen Ginoza, Faith Action for Community Equity (M-1492) (Support)
6. Catherine Graham, Faith Action for Community Equity (M-1493) (Support)
7. Jenny Lee, Hawaii Appleseed Center (M-1414) (Support)
8. Don Creseimanno (Support)
9. Rick Cassidy (Support)
10. Renee Ing (Support Bill 20)
11. Patrick Connair (Support)
12. Barbra Armentrout (Support)

Councilmember Elefante (CC-179) stated that he filed a Disclosure of Interest Statement with the City Clerk's Office.

Committee Report 155 was adopted and Bill 20 passed second reading.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
OZAWA, PINE, MARTIN – 9.

NOES: None.

Related communications:

CC-187 Ikaika Anderson
M-1431 Kevin R. Carney, EAH Housing
M-1452 Sunae Tom

M-1494 Gladys Marrone, Building Industry Association of Hawaii
M-1495 Tom Dinell

PUBLIC HEARING/SECOND READING
BILL 21, CD1 – COMMITTEE REPORT 156

A BILL FOR AN ORDINANCE RELATING TO ACCESSORY DWELLING UNITS.

Councilmember Anderson moved that Committee Report 156 be adopted and Bill 21 pass second reading, as amended to CD1. Seconded by Councilmember Ozawa.

(Note: See Bill 20 for list of testifiers.)

Councilmember Elefante (CC-180) stated that he filed a Disclosure of Interest Statement with the City Clerk's Office.

Committee Report 156 was adopted and Bill 21, CD1 passed second reading, as amended.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
OZAWA, PINE, MARTIN – 9.

NOES: None.

Related communications:

CC-187 Ikaika Anderson
M-1452 Sunae Tom
M-1494 Gladys Marrone, Building Industry Association of Hawaii

THIRD READING
BILL 84 (2014), CD1 – COMMITTEE REPORT 132

A BILL FOR AN ORDINANCE RELATING TO EXCEPTIONAL TREES.

Councilmember Pine moved that Committee Report 132 be adopted and Bill 84 (2014), CD1 pass third reading. Seconded by Councilmember Menor.

There was no public testimony.

Committee Report 132 was adopted and Bill 84 (2014), CD1 passed third reading.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
OZAWA, PINE, MARTIN – 9.

NOES: None.

THIRD READING

BILL 81 (2014) – COMMITTEE REPORT 116

A BILL FOR AN ORDINANCE RELATING TO SPECIAL IMPROVEMENT DISTRICTS.

Councilmember Anderson moved that Committee Report 116 be adopted and Bill 81 (2014) pass third reading. Seconded by Councilmember Ozawa.

The following individuals testified:

1. Ralph Goto, Hawaiian Lifeguard Association (Support)
2. Rick Egged, Waikiki Improvement Association (M-1496) (Support)
3. Carol Hopkins (General comment)
4. Barbra Armentrout (General comment)
5. Rose Pou (Oppose)
6. Max Sword, Outrigger Hotels Hawaii (Support)
7. Natalie Iwasa (Oppose)

Committee Report 116 was adopted and Bill 81 (2014) passed third reading.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
OZAWA, PINE, MARTIN – 9.

NOES: None.

THIRD READING

BILL 82 (2014), CD2, FD1 – COMMITTEE REPORT 117

A BILL FOR AN ORDINANCE RELATING TO THE ESTABLISHMENT OF THE WAIKIKI BEACH SPECIAL IMPROVEMENT DISTRICT NO. 3.

The following amendment was posted on the agenda:

Bill 82 (2014), CD2, Proposed FD1

Councilmember Anderson moved that Committee Report 117 be adopted and Bill 82 (2014), CD1 pass third reading, as amended to CD2. Seconded by Councilmember Ozawa.

The following individuals testified:

1. Ralph Goto, Hawaiian Lifeguard Association (Support)
2. Rick Egged, Waikiki Improvement Association (M-1496) (Support)

Councilmember Ozawa moved that the Bill be amended to FD1. Seconded by Councilmember Anderson. The Proposed FD1:

- A. Amends section 3 of the Waikiki Beach Special Improvement District Plan ("Plan") to add that Exhibit 2 may be updated to reflect the tax map key numbers assigned to the parcels within the District by the real property tax office of the City.
- B. Amends section 7 of the Plan to add to the definition of Incidental Expenses the expenses incurred by the City for the initial set-up and for other services identified in the Budget.
- C. Amends section 8(b) of the Plan to increase the Total Revenues to \$605,000, to add the City Administrative Expenses of \$30,000, and to increase the Total Expenses to \$605,000.
- D. Amends section 9(b)(iv)(1) of the Plan to substitute the classifications of "residential" and "residential A" for the outdated classifications of "improved residential," "unimproved residential" and "apartment."
- E. Amends section 10 of the Plan to itemize City services, to specify that except for the initial setup expenses, the costs for the services are accounted for in the Budget under City Administrative Expenses, and that future expenses will be estimated at \$30,000 or 5 percent of Total Revenues, whichever is greater.
- F. Amends Exhibit 1, Waikiki Beach Special Improvement District Map, to reflect the change to the district boundaries.

- G. Amends Exhibit 2, Waikiki Beach Special Improvement District Parcels, to remove parcels that will not be assessed the Assessment under the Plan.
- H. Makes other technical and nonsubstantive changes.

The following individuals testified:

- 3. Robert Finley, Waikiki Neighborhood Board (Support)
- 4. Michelle Matson, O'ahu Island Parks Conservancy and Neighborhood Board No. 5 (M-1497) (Urge recommitment of the Bill)
- 5. George West (General comment)
- 6. Carol Hopkins (General comment)
- 7. Barbra Armentrout (M-1498)(General comment)
- 8. Daisy Murai (M-1443) (Support)
- 9. Rose Pou (Oppose)
- 10. Max Sword, Outrigger Hotels Hawaii (Support)
- 11. Natalie Iwasa (Oppose)

Councilmember Ozawa clarified that the Waikiki Beach Special Improvement District does not extend into Kapahulu. He noted that Kapahulu Groin, a concrete structure that extends into the ocean, falls along the Kapahulu Avenue border and should be included in the Improvement District. He stated that everything east of Kapahulu Avenue has been removed. He noted that the existing Waikiki Special Improvement District has been in existence for over 15 years and has created good will and improved Waikiki dramatically. It is a good policy that provides a self-assessed tax on commercial properties and is not a tax on residents. He stated he has gone through every Tax Map Key and removed all of the Federal and State properties. He requested that councilmembers support Bill 82 (2014), CD2, FD1.

Councilmember Anderson echoed the comments made by Councilmember Ozawa and the belief that Bill 82 (2014), CD2, FD1 is good and sound policy. He noted that Bill 81 (2014) and Bill 82 (2014) were introduced at the end of 2014, and as soon as Councilmember Ozawa took office, he immediately got to work and up to speed on both measures. He commended Councilmember Ozawa, the Vice-Chair of the subject committee, who went above and beyond in working with the community and the Administration to address community concerns and bring forward the best legislation possible. He urged councilmembers to support the Bill.

Bill 82 (2014), CD2 was amended to FD1.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
OZAWA, PINE, MARTIN – 9.

NOES: None.

Committee Report 117 was adopted and Bill 82 (2014), CD2, FD1 passed third reading.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
OZAWA, PINE, MARTIN – 9.

NOES: None.

Related communications:

M-1499 Frederick Orr, Sheraton Princess Kaiulani

M-1500 Linda Wong

THIRD READING

BILL 3 – COMMITTEE REPORT 165

A BILL FOR AN ORDINANCE TO REZONE LAND SITUATED AT HONOULIULI, OAHU, HAWAII.

Councilmember Anderson moved that Committee Report 165 be adopted and Bill 3 pass third reading. Seconded by Councilmember Ozawa.

The following individuals testified:

1. Jack De Feo, Media Arts (Oppose)
2. Anthony R. Guerrero, Jr., Waianae Coast Comprehensive Health Center (M-1415) (Support)
3. Georgette Stevens (Support)
4. Al Frenzel (M-1433) (Oppose)
5. Keith Timson (Support)
6. Tesha Malama (Support)

In response to Councilmember Pine, Ms. Malama stated that Ho‘opili will provide much needed housing and employment opportunities for the City of Kapolei.

RECESS/RECONVENE

At 12:32 p.m., the Chair called for a short recess as noted on the agenda. With 5 members present (Excused: Anderson, Fukunaga, Menor, Pine – 4), the Chair reconvened the meeting at 1:30 p.m.

The following individuals testified:

7. Alan Gottlieb (M-1444) (Support)
8. Harmony Bentosino, Save Oahu Farms (M-1445) (Oppose)
9. Rodney Boucher (M-1453) (Support)
10. John S. Carroll (M-1454) (Oppose)
11. John Bond, Kanehili Cultural Hui (M-1501) (Oppose)
12. William Chur (Support)
13. Tom Berg (M-1481) (Oppose)
14. Kevin Rathbun (Support)
15. Richard Zwern, Hawaiian Humane Society (M-1482) (Support)
16. Amy Y. Kimura (M-1502) (Oppose)
17. Pamela Burns, Hawaiian Humane Society (M-1503) (Support)
18. Joli Tokusato, UNITE HERE Local 5 (M-1504) (Oppose)
19. Davis Price, Hawaiian Affairs Caucus of the Democratic Party of Hawaii (M-1505) (Oppose)
20. Tyler Dos Santos-Tam (M-1506) (Support)
21. John Ioane (Oppose)
22. Michelle Tomas (Oppose)
23. Kawika Tomas-Young (Oppose)
24. Brandon Young (Oppose)
25. Ben Manuel (Oppose)
26. Annie Suite (Oppose)
27. Rose Pou (Oppose)
28. Pamela Boyar (Oppose)
29. Patricia Beekman (Oppose)
30. Shannon Alivado, General Contractors Association of Hawaii (M-1507) (Support)
31. Kaipo Gora (Oppose)
32. Mitchell Jones (Oppose)

In response to Councilmember Pine, Mr. Jones stated that he was originally from Florida.

33. David Tanoue (Support)

34. Anthony Aalto, Sierra Club Hawaii (P-8) (Oppose)
35. Natalie Iwasa (Oppose)
36. Michael Uechi (Oppose)
37. Elaine Kam (Oppose)
38. Kuhio Lewis (General comment)
39. Homelani Schaedel (General comment)
40. Nakoia Camvel (Oppose)
41. Douglas Kema (Support)
42. Mitchell Tynanes (M-1474) (Support)
43. Alexis Liftee (Oppose)
44. Alicia Maluafiti (Support)
45. Pele Lui-Yuen (Support)
46. Kathryn Xian (Oppose)
47. Michele Matso (Oppose)
48. Barbra Armentrout (Oppose)
49. Kioni Dudley (Oppose)
50. Kika Bukoski, Hawaii Building and Construction Trades Council, AFL-CIO (M-1508) (Support)

Councilmembers Anderson (CC-80), Ozawa (CC-86), Kobayashi (CC-87), Fukunaga (CC-94, CC-103), Manahan (CC-99), Elefante (CC-71, CC-100, CC-101, CC-181, CC-182, CC-183, CC-184), and Pine (CC-191, CC-192, CC-193, CC-194) stated that they filed Disclosure of Interest Statements with the City Clerk's Office.

In response to councilmembers, Cameron Nekota and Robert Bruhl, President, D. R. Horton – Schuler Homes, LLC, stated that:

- Along with agriculture, traffic has long been one of the major issues under discussion.
- In 2012, a State Land Use Commission (LUC) Decision and Order was recorded against the property and conditions are binding on D. R. Horton. The Applicant will be required to:
 - ❖ Work with the State Department of Transportation (SDOT) to mitigate traffic impacts directly connected to the Ho‘opili project.
 - ❖ Work with the SDOT to provide improvements to accommodate increased traffic between the Kunia Interchange and Waiawa (the H-1/H-2 Merge).

- ❖ Enter into a memorandum of agreement with the SDOT detailing the timing of construction of traffic improvements based on D. R. Horton's Traffic Impact Analysis Report (TIAR).
- ❖ Condition 10.a requires the following transportation improvements:
 - o Contributing to the Ewa Highway Impact Fee Program,
 - o Participating in improvements to Farrington Highway,
 - o Contributing 20 acres of land along Farrington Highway for widening of the highway,
 - o Contributing land to the SDOT for the East-West Connector Road
 - o Contributing lands for the rail transit system,
 - o Contributing land for park and ride areas,
 - o Contributing additional lands for the Kunia Interchange as requested by the SDOT, and
 - o Working with SDOT to create additional capacity on the H-1 Freeway from Kunia to Waiawa.
- ❖ Development thresholds and timelines for traffic improvements have not been specified because there has not been much development around Ho'opili. The TIAR will be updated and will specify the exact timing of improvements.
- After reviewing D. R. Horton's TIAR, the SDOT placed a number of conditions on the Applicant in a July 1, 2014 letter which included:
 - ❖ Upon completion of 3,373 units, the Applicant must do another complete full build-out TIAR to review development in the Kapolei area to determine what traffic improvements are necessary (i.e., accelerating the timeframe or delaying improvements if development in the area has not progressed as fast as anticipated).
 - ❖ D. R. Horton will provide one additional lane in each direction on the H-1 Freeway from the Kunia Interchange to Waiawa Interchange (H-1/H-2 Merge) prior to the completion of 5,000 residential units.
 - ❖ The Applicant will provide lands for the Kunia Interchange.

- ❖ D. R. Horton will provide all recommended roadway and traffic mitigation measures set forth in the TIAR corresponding to development thresholds agreeable to the SDOT at no cost to the State.
- ❖ The Applicant will coordinate with the SDOT to ensure that traffic mitigation measures are implemented.
- ❖ D. R. Horton will periodically update the TIAR.
- ❖ The Applicant will continue to work closely the Department of Planning and Permitting (DPP), the Department of Transportation Services (DTS) and the SDOT on the timing, design, and implementation of any improvements.
- The Applicant is legally bound and obligated to implement each and every traffic improvement required by the SDOT to mitigate direct impacts which result from the Ho‘opili project.
- D. R. Horton is legally bound to follow each and every one of the conditions set forth in the July 1, 2014 SDOT letter and the Memorandum of Agreement.
- There is no specific timeframe for development thresholds by which transportation improvements must be completed. The Applicant has no control over the timing of improvements to Federal, State or County property.
- The TIAR calls for improvements to all of the roadways around Ho‘opili. The timing of the improvements will be driven by development in the surrounding areas.
- Farrington Highway is a regional road running through Ho‘opili, University of Hawaii-West Oahu and other developments. Ewa Highway impact fees will be utilized for Farrington Highway improvements. There are major infrastructure issues (i.e., gas and sewer lines) with Farrington Highway; therefore, improvements will have to be carefully planned and coordinated. Upon completion of preliminary engineering and environmental work by the City Department of Design and Construction, the magnitude and timing of the improvements will be determined.
- D. R. Horton will spend hundreds of millions of dollars on roadway improvements.
- The primary difference between Koa Ridge and Ho‘opili is rail transit. There will be two transit stations within Ho‘opili. D. R. Horton believes transit ridership will be high and has designed the community around biking and walking to make it easier to get to the transit stations and convenient to use rail. A temporary park and ride at

the Ho‘opili station with 900 parking stalls will be provided as a community benefit to all of West Oahu at no cost to the City or HART.

- D. R. Horton's monetary and land contributions to encourage use of rail will exceed Koa Ridge's bus pass subsidy.
- The Applicant opposed Councilmember Elefante's proposal to include a requirement for a park and ride facility as one of the conditions in the Unilateral Agreement (UA) in order to retain flexibility (i.e., once the permanent park and ride site near the UH West Oahu station is constructed, the temporary site may not be necessary).
- D. R. Horton representatives attend monthly area neighborhood board meetings, with the exception of Waianae and Maili, and have provided presentations and monthly updates to the Kapolei, Ewa and Waipahu Neighborhood Boards. The Applicant has been and will continue to update the neighborhood boards on the TIAR and the progress of development in Ho‘opili.
- If the Applicant receives rezoning approval, it will take time to do all the engineering studies and design work before start of construction. The TIAR will be updated when 2,500 units have been constructed.

In response to councilmembers, Director George Atta, Department of Planning and Permitting, stated that:

- It would be redundant to include conditions set forth in the July 1, 2014 SDOT letter in the UA.
- The SDOT, the DTS and the DPP will work with the Applicant on a comprehensive traffic management plan. The plan must be in place before the Applicant goes through the subdivision process and start of construction.
- Should the City place conditions on the Applicant regarding any roadways under the SDOT jurisdiction and the State was not willing to work with the City, the Applicant would not be able to fulfill the condition and the project would not be able to move forward.
- The City controls the subdivision, building permit and certificate of occupancy process and will be able to make requests of the Applicant at each step.

- TIARs are very comprehensive and take into account roadways both within and outside of the project. Existing traffic conditions are currently intolerable and the Applicant will be expected to contribute its fair share to mitigate the increase in traffic that results from the project.
- The City is studying Farrington Highway and has done an Environmental Assessment; however, the Highway falls under both City and State jurisdiction and improvements must be a coordinated effort between the two parties. As such, it would not be prudent to include a specific timeline for the improvements in the UA.
- It was easier to be more specific in the Koa Ridge UA because the City and the Applicant controlled both the land and roadways affected by the project area.

Councilmember Elefante thanked everyone who took the time to come out to testify. After listening to both sides of the issue, he noted that affordable housing and transportation are critical issues. He stated he supports Bill 3 because Ho‘opili will provide housing and connectivity to rail. He noted that his concerns with respect to traffic and transportation were addressed and alleviated by assurances from the Applicant and the DPP Director that conditions set forth by the SDOT will be followed and upheld. He stated that Ho‘opili will be a sustainable mixed-use community and will provide residents the opportunity to live and work within the area.

Requesting that his comments be reflected in the minutes, Councilmember Menor expressed the following reservations with Bill 3:

- The UA could have been more specific in terms of providing approximate timelines or development thresholds by which certain transportation improvements would be implemented and constructed to mitigate traffic congestion.
- It would have been reasonable to have amended the UA to include the conditions set forth in the SDOT July 1, 2014 letter.
- Councilmember Elefante’s proposed amendment regarding the park and ride should have been included in the UA.
- The UA should have explicitly spelled out exactly what the Applicant is responsible for.
- The UA should have required that the Applicant provide subsidized bus passes as an incentive for residents to use the bus as opposed to driving on the roadways.

Councilmember Menor stated that he recognized that the project will produce benefits, especially in terms of employment opportunities and that the UA contained provisions for affordable housing and affordable rental units.

Councilmember Fukunaga spoke in support of Bill 3. She thanked the many testifiers. She stated that looking at the project in the context of the overall long-term, long-range plan of the City of Kapolei, Ho‘opili provides an opportunity for a second urban district that can handle growth and development in a very rationale and acceptable manner. She expressed appreciation for the work done by the Applicant to address the concerns that have been raised. She noted that while she sympathized and supported the need for protecting high-quality agriculture land, the State and the County are providing appropriate agricultural infrastructure in Kunia and Wahiawa, such as housing for agricultural farm workers, appropriate infrastructure to handle processing of agricultural products, eradication facilities, and joint partnerships between the Department of Education, the Department of Agriculture and various City agencies. She stated that the project makes the best use of the City of Kapolei’s long-term planning and will develop job growth for new industries that can help support affordable housing for the next generation of young professionals. She expressed satisfaction with the conditions imposed by the LUC with respect to traffic conditions and sees the opportunity for the Applicant, the City of Kapolei, the SDOT and the DTS to work together to generate jobs, housing, and growth in a very measured and sustainable fashion.

Councilmember Pine spoke in support of Bill 3. She apologized to her many friends opposed to the measure. Having faced the loss a favorite play area as a child, she stated that she understands the feelings of pain expressed by testifiers. She noted that 10 years ago, she opposed Ho‘opili and urged the Applicant to listen to the community, to do more, and they have. She urged anyone moving to the Leeward Coast to live and work in the community, to take advantage of the 55,000 jobs available in District 1. She noted that along with affordable housing, the Applicant will provide employment opportunities, offer residents an aquaponics garden or herbs to grow in their back yard helping to bring the community back to the old days where people grew their own food, provide a site for the Waianae Coast Comprehensive Center and land for the Hawaiian Humane Society. She stated that she pushed hard to purchase the Galbraith lands for small farmers and she demanded that the Applicant donate \$1 million to help purchase the land. Visiting the Galbraith lands with her staff, she discovered one farmer who is excited that he has been able to grow a larger variety of crops.

Requesting that his comments be reflected in the minutes, Councilmember Anderson expressed concerns about traffic. He noted that it is on record that the DPP Director stated that the SDOT has placed stringent requirements for traffic mitigation on the Applicant.

Councilmember Anderson urged councilmembers to join him in support of passing Bill 3 on final reading. He noted that Ho‘opili is consistent with the Oahu General Plan and is also within the Urban Growth Boundary. As a consistent supporter of the Oahu General Plan, he stated that he successfully fought for removal of the Malaekahana development from the Koolauloa Sustainable Communities Plan because it was not part of the Oahu General Plan. He expressed his belief that the Urban Growth Boundary should not be moved to accommodate development where it is not planned, nor should it be erased to reclassify urban areas like Ho‘opili back to rural. He was pleased to report that the UA was amended to state that the project will include affordable rental housing along with affordable housing. He thanked the Applicant for agreeing to provide at least 230 affordable rental units for those making 80 percent below average median income (AMI).

Committee Report 165 was adopted and Bill 3 passed third reading.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI*, MANAHAN,
MENOR*, OZAWA, PINE, MARTIN – 9.

NOES: None.

*Councilmembers Kobayashi and Menor voted aye with reservations.

Related communications:

CC-187	Ikaika Anderson
D-280	Don S. Kitaoka, Department of the Corporation Counsel
M-1416	Jim Cooper
M-1417	Travis Ryan Kalae Renshaw
M-1418	Kaui Pratt
M-1419	Samuel K. Kapoi
M-1420	Ronni Pratt
M-1421	Peggy McArdle
M-1422	Sanoë Marfil
M-1423	D. M. Okuma
M-1425	Grant Ogata
M-1434	Kamana‘opono Crabbe, Office of Hawaiian Affairs
M-1447	Raymond Banda
M-1448	Donovan Morgan
M-1455	Kevin Sio
M-1456	Susan Kosasa
M-1457	Alejandra Cerball
M-1458	Bonnie Oda
M-1459	Steven Prieto

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M-1460	Irene Hiraki
M-1461	Nora Schubert
M-1462	Mary Law
M-1463	Jessica Middleton
M-1464	Karen Luke
M-1465	Aleisha Swartz
M-1466	Kristen Koss
M-1467	Nancy Hedlund
M-1468	Genie Joseph, Dogs Are Healers
M-1469	Christina Kam
M-1470	Jacque Vaughn
M-1471	Marielle Terbio
M-1472	Larry McElheny
M-1473	Garrett Takara
M-1475	Ed Wagner
M-1483	Lisa Fowler
M-1484	Geoff Griggs
M-1485	Brooke Wilson, The Pacific Resource Partnership
M-1509	Jocelyn Bouchard
M-1510	Ashley Uyehara
M-1511	Robert Armstrong
M-1512	Brandt Farias
M-1513	Alika Horner
M-1514	Victoria and Trudy Cannon
M-1515	Gladys Marrone, Building Industry Association of Hawaii
M-1516	Dan Ahuna
M-1517	Mi Kosasa
M-1518	Grace D. Pascual
M-1519	Tina Kimmons
M-1520	Ginny Tiu
M-1521	Kauai Lucas
M-1522	Orin Sherman
M-1523	Kalehua Krug
M-1524	Jan Pappas
M-1525	Eileen Cain
M-1526	Pauline Sato
M-1527	Toni Auld Yardley
M-1528	Andrew Purdy
M-1529	Stacy Ellamar
M-1530	Cinnie Frith
M-1531	Susan Taylor Beury

M-1532 Mitsuko Hayakawa
M-1533 Carolyn Weygan-Hildebrand
M-1534 Michele Matsuo and Ke‘alohikeaokalani Mossman, Timeout Honolulu Rail
M-1535 Kevin Tangonan
M-1536 Mike Golojuch, Sr.
M-1537 DeMont R. D. Conner, Ho‘omana Pono, LLC
M-1538 Sidney Higa
M-1539 Representative Matthew S. LoPresti, Ph.D., House District 41
P-7 Jackson Parker, et al

THIRD READING

BILL 6, CD1, FD1 – COMMITTEE REPORT 153

A BILL FOR AN ORDINANCE RELATING TO PUBLIC SIDEWALKS.

Councilmember Anderson moved that Committee Report 153 be adopted and Bill 6, CD1, FD1 pass third reading. Seconded by Councilmember Ozawa.

The following individuals testified:

1. David Atcheson (Oppose)
2. Rose Pou (Oppose)
3. Scott Morishige, Protecting Hawaii’s Ohana, Children, Under Served, Elderly and Disabled (M-1540) (General comment)

In response to Councilmember Fukunaga, Mr. Morishige stated that once the data has been finalized, he will provide the Council with a copy of the homeless population report.

Councilmember Menor (CC-149) stated that he filed a Disclosure of Interest Statement with the City Clerk's Office.

Councilmember Elefante stated that he will continue to vote no on Bill 6, CD1, FD1. He noted that the measure is a band-aid solution to homelessness and scattering these homeless individuals makes it more difficult for service providers to reach out to them.

Councilmember Pine stated that she will also be voting no on Bill 6, CD1, FD1. She reiterated her belief that the measure just pushes the homeless problem from one district to the next and from business districts to the front door of residents.

In response to Councilmember Menor, Corporation Counsel Donna Leong, Department of the Corporation Counsel (COR), stated that as mentioned in Committee, the COR has provided its concerns regarding the Bill to the Council.

Councilmember Menor noted his strong reservations regarding Bill 6, CD1, FD1. He expressed his concern that the Bill seeks to add areas that are zoned for apartment or residential use which is clearly beyond the scope of the original intent and purpose of Ordinance 14-35 which is that the sit-lie law applies to areas zoned for commercial and business activities. He expressed concerns about the legality of the measure and he urged the City Administration to take a careful look at it before the Bill is signed into law.

Committee Report 153 was adopted and Bill 6, CD1, FD1 passed third reading.

AYES: ANDERSON, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR*, OZAWA,
 MARTIN – 7.
NOES: ELEFANTE, PINE – 2.

*Councilmember Menor voted aye with reservations.

Related communications:

CC-187 Ikaika Anderson
M-1424 Karen Murray
M-1541 Kathryn Xian, Pacific Alliance to Stop Slavery
M-1542 Andrea DeCosta

RECESS/RECONVENE

At 4:33 p.m., the Chair called for a short recess and reconvened the meeting at 4:49 p.m.

FIRST READING

BILL 42

(Budget)

A BILL FOR AN ORDINANCE TO ESTABLISH A FUND TO ADDRESS MITIGATION COSTS RELATING TO THE CONSTRUCTION OF THE TRANSIT PROJECT.

Councilmember Anderson moved that Bill 42 pass first reading. Seconded by Councilmember Menor.

The following individuals testified:

1. Richard De Conti (Oppose)
2. Rose Pou (Support)

Bill 42 passed first reading.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
PINE, MARTIN – 8.

NOES: None.

ABSENT: MANAHAN – 1.

Related communication:

M-1476 Dexter Okada, U. Okada & Co., Ltd.

ADOPTION

RESOLUTION 15-108, CD1 – COMMITTEE REPORT 131

RESOLUTION REQUESTING THE CITY ADMINISTRATION TO SET FORTH AND INFORM THE PUBLIC ON THOSE CONDITIONS UNDER WHICH THE WAIANAE COAST EMERGENCY ACCESS ROAD WILL BE OPENED AND IDENTIFY AND IMPLEMENT IMPROVEMENTS TO MORE EFFICIENTLY OPEN THE ROAD DURING EMERGENCIES.

Councilmember Menor moved that Committee Report 131 and Resolution 15-108, CD1 be adopted. Seconded by Councilmember Elefante.

There was no public testimony.

Councilmember Pine urged councilmembers to support Resolution 15-108, CD1. She thanked Committee Chair Menor for hearing and passing the measure out of Committee. She reminded members that the City has spent millions of dollars to build many roads for traffic relief; however, emergency access roads are rarely used.

Committee Report 131 and Resolution 15-108, CD1 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

Related communications:

M-1486 Al Frenzel
M-1543 Cedric Gates

ADOPTION
RESOLUTION 15-98 – COMMITTEE REPORT 134

RESOLUTION RELATING TO THE ACCEPTANCE OF A GIFT TO THE CITY FROM THE KAUA'I MUSEUM, THE CLUB AT KUKUI'ULA AND THE ROYAL ORDER OF KAMEHAMEHA KAUMUALI'I CHAPTER OF TRAVEL TO LIHUE, KAUAI TO PERFORM AT A CELEBRATION RECREATING THE UNVEILING OF THE PRINCE KUHIO STATUE AT HO'AI KOLOA ON JUNE 20, 2015.

Councilmember Pine moved that Committee Report 134 and Resolution 15-98 be adopted. Seconded by Councilmember Menor.

There was no public testimony.

Committee Report 134 and Resolution 15-98 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION
RESOLUTION 15-77, CD1 – COMMITTEE REPORT 133

RESOLUTION URGING THE CITY ADMINISTRATION TO PROVIDE A HOME FOR THE ROYAL HAWAIIAN BAND.

Councilmember Pine moved that Committee Report 133 and Resolution 15-77, CD1 be adopted. Seconded by Councilmember Menor.

The following individuals testified:

1. Rose Pou (Oppose)
2. Clarke Bright, Royal Hawaiian Band (RHB) (General comment)

In response to Councilmember Anderson, Mr. Bright stated that he supports continued evaluation of all options in order to find the perfect home for the RHB.

Councilmember Kobayashi spoke in support of Resolution 15-77, CD1. She stated that the RHB deserves a permanent home. She noted that Councilmember Manahan's suggestion of Ala Moana Beach Park is perfect because some areas at the Ewa end are not used as ball fields and could accommodate a building to house the Band. She stated that the public could listen to the band practicing and children could talk to band members and touch the instruments.

Councilmember Ozawa echoed the sentiments of Councilmember Kobayashi and joined her in support of Resolution 15-77, CD1. He noted that the RHB is a bona fide part of the Administration and deserves to have office space just like any other department. He expressed appreciation upon hearing that the Bandmaster is open to considering sites other than Kapiolani Park in order to find the perfect location for the RHB.

Chair Martin stated that while he prefers that the RHB be headquartered at historic Honolulu Hale, he would vote in favor of the Resolution since the Bandmaster does not oppose the measure.

Committee Report 133 and Resolution 15-77, CD1 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, PINE, MARTIN – 8.

NOES: None.

ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-107, FD1 – COMMITTEE REPORT 137

RESOLUTION ACCEPTING A GIFT TO THE CITY FROM THE NEWLIFE MEDICAL FOUNDATION.

The following amendment was handcarried to the meeting:

Resolution 15-107, Proposed FD1 (OCS2015-0398/5/1/2015 3:57 PM)

Councilmember Ozawa moved that Committee Report 137 and Resolution 15-107 be adopted. Seconded by Councilmember Fukunaga.

Councilmember Ozawa moved that the Resolution be amended to FD1. Seconded by Councilmember Fukunaga. The Proposed FD1:

- A. Amends the 6th WHEREAS paragraph to state that the Council Chair has selected Councilmember Ikaika Anderson and Councilmember Joey Manahan to conduct the visit.
- B. Makes miscellaneous technical and nonsubstantive amendments.

There was no public testimony.

Resolution 15-107 was amended to FD1 (OCS2015-0398/5/1/2015 3:57 PM).

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, PINE, MARTIN – 8.

NOES: None.

ABSENT: MANAHAN – 1.

Council Rule 19.E relating to 48-hour notice was waived.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, PINE, MARTIN – 8.

NOES: None.

ABSENT: MANAHAN – 1.

Committee Report 137 and Resolution 15-107, FD1 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-91 – COMMITTEE REPORT 135

RESOLUTION RELATING TO APPOINTMENTS AND NOMINATIONS TO THE HAWAII STATE ASSOCIATION OF COUNTIES EXECUTIVE COMMITTEE AND NOMINATIONS TO THE NATIONAL ASSOCIATION OF COUNTIES BOARD OF DIRECTORS AND THE BOARD OF DIRECTORS OF THE WESTERN INTERSTATE REGION.

Councilmember Ozawa moved that Committee Report 135 and Resolution 15-91 be adopted. Seconded by Councilmember Fukunaga.

There was no public testimony.

Committee Report 135 and Resolution 15-91 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-93 – COMMITTEE REPORT 136

RESOLUTION APPROVING THE PROPOSED BUDGET FOR THE HAWAII STATE ASSOCIATION OF COUNTIES FOR THE FISCAL YEAR 2016.

Councilmember Ozawa moved that Committee Report 136 and Resolution 15-93 be adopted. Seconded by Councilmember Fukunaga.

There was no public testimony.

Committee Report 136 and Resolution 15-93 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-110 – COMMITTEE REPORT 138

RESOLUTION AUTHORIZING THE DIRECTOR OF CUSTOMER SERVICES OR THE DIRECTOR'S DESIGNEE, TO EXECUTE AN AGREEMENT WITH 'ŌLELO COMMUNITY TELEVISION.

Councilmember Ozawa moved that Committee Report 138 and Resolution 15-110 be adopted. Seconded by Councilmember Fukunaga.

There was no public testimony.

Committee Report 138 and Resolution 15-110 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-97 – COMMITTEE REPORT 144

RESOLUTION ACCEPTING A GIFT TO THE CITY AND COUNTY OF HONOLULU FROM THE CITY OF SCOTTSDALE CITY AUDITOR'S OFFICE TO PAY FOR THE COST OF ONE PEER REVIEW TEAM MEMBER TO TRAVEL FROM HONOLULU TO CONDUCT A PEER REVIEW.

Councilmember Kobayashi moved that Committee Report 144 and Resolution 15-97 be adopted. Seconded by Councilmember Ozawa.

There was no public testimony.

Committee Report 144 and Resolution 15-97 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

CANCELLED

RESOLUTION 15-95, CD1 – COMMITTEE REPORT 143

RESOLUTION URGING THE HAWAII STATE LEGISLATURE TO REQUIRE THE STATE DEPARTMENT OF TAXATION TO PROVIDE THE COUNTIES WITH TRANSIENT ACCOMMODATIONS TAX RECORDS RELATING TO TRANSIENT VACATION UNITS AND BED AND BREAKFAST HOMES.

Prior to the start of the meeting, Chair Martin announced that Resolution 15-95, CD1 was cancelled and would not be considered.

ADOPTION

RESOLUTION 15-101 – COMMITTEE REPORT 145

RESOLUTION RELATING TO TRANSFER OF FUNDS.

Councilmember Kobayashi moved that Committee Report 145 and Resolution 15-101 be adopted. Seconded by Councilmember Ozawa.

There was no public testimony.

Committee Report 145 and Resolution 15-101 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-103 – COMMITTEE REPORT 146

RESOLUTION RELATING TO TRANSFER OF FUNDS.

Councilmember Kobayashi moved that Committee Report 146 and Resolution 15-103 be adopted. Seconded by Councilmember Ozawa.

There was no public testimony.

Committee Report 146 and Resolution 15-103 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-115, CD1 – COMMITTEE REPORT 147

RESOLUTION APPROVING THE CITY AND COUNTY OF HONOLULU'S TWENTY-FIRST (21ST) YEAR ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIPS, EMERGENCY SOLUTIONS GRANTS AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM FUNDS, AND AUTHORIZING ITS SUBMITTAL TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).

The following amendment was posted on the agenda:

Resolution 15-115, CD1, Proposed FD1

(Note: The above amendment was not considered.)

Councilmember Kobayashi moved that Committee Report 147 and Resolution 15-115, CD1 be adopted. Seconded by Councilmember Ozawa.

There was no public testimony.

Councilmember Elefante (CC-170, CC-175, CC-176, CC-177, CC-178) stated that he filed a Disclosure of Interest Statements with the City Clerk's Office.

In response to councilmembers, Director Nelson Koyanagi, Department of Budget and Fiscal Services, and Director Gary Nakata and Keith Ishida, Department of Community Services (DCS), stated that:

- The Request for Proposals (RFP) listed all of the monies not going through the Selection Committee. The majority of the amounts that did not go through the Committee were monies that were withheld from projects that had been selected in prior years. The Consolidated Plan allows the City to take monies away from projects that are not ready to proceed. Last year, the City did take monies away from a number of sub-recipients. In the upcoming Action Plan, some of those grantees will receive the money because their projects are ready to go. A large part of the amounts that were taken from the Fiscal Year (FY) 2016 grants were monies given back to sub-recipients who received monies last year, but had the funds taken away.
- Page 9 of the Consolidated Plan states that the City solicits projects for funding through an RFP process and may reserve portions of funding for City-sponsored initiatives and for delayed projects carried forward from a prior year's Action Plans.
- When monies were taken back from projects that were not ready to proceed, a commitment was made that once the project was ready, the City would review the project again and give the money back. Several of those delayed projects are ready to receive funding and consequently were automatically reselected instead of going through the process again.
- During the process, monies were set aside for two City projects—Housing First and the DCS Work Readiness Program—which address homelessness, the top priority of the 5-year Consolidated Plan. The City will solicit a RFP and \$1.2 million will be awarded to a non-profit for Housing First wraparound services. The Work Readiness program was started in FY 2010 and has always been funded with CDBG and HOME monies.
- Two sources of funds—CDBG and HOME monies—go to the Selection Committee. Of the \$800,000 CDBG monies, \$320,000 was set aside for the DCS, with the balance to be given back to prior projects ready to proceed.

- Although the Selection Committee process is a good one, the Administration will look for ways to improve the process.
- Each agency listed in the Action Plan must be a CDBG eligible sub-recipient which means it must be a not-for-profit corporation organized in Hawaii to undertake the project for which it will receive funding. All projects are reviewed by HUD.
- If a prior Hawaii Community Development Board project passed muster, a change in the organization should not have an impact on whether or not they were an eligible sub-recipient.
- During the review process, if an agency is rendered ineligible to receive CDBG funds, the agency is notified it cannot receive CDBG funds and the City will award the funds to the next eligible alternate project listed in the Action Plan.
- The \$1.6 million grant for a 52-unit rental housing project will be awarded to the Hawaii Community Development Board. Funding for this tax credit project will be awarded through a sponsorship agreement or a capital contribution agreement to a third party developer. The Board has not been awarded the tax credits yet; therefore, the City does not know (a) whether the project will actually go forward and (b) who the tax credit partner will be.
- A number of things occurred to delay processing of the Action Plan. HUD designated the City as a high-risk grantee and consequently has put the City through increased scrutiny. Initially, the BFS and the DCS Directors met with the local HUD office once every two weeks to review procedures, policies, and contracts. Eventually, they met with HUD officials once a month. Every single sub-recipient contract must be reviewed and approved by HUD which required extra work. Work on the Consolidation Plan took a lot of time.

RECESS/RECONVENE

At 5:22 p.m., the Chair called for a short recess and reconvened the meeting at 5:23 p.m.

Councilmember Ozawa echoed the concerns of Councilmember Kobayashi upon learning that there is \$3 million in funding and not \$850,000. He recommended that the Administration never make that kind of mistake again.

Chair Martin thanked Councilmember Kobayashi for advocating that the Council move Resolution 15-115, CD1 along. He stated that he would be voting no on the Resolution, not because of the projects in the Action Plan, but because of the process that was followed. Having worked for the DCS, he noted that the CDBG program has traditionally been a Grants-in-Aid program which goes through a process. He stated that the Director admitted that some of the projects set aside in prior years went through the process and were selected by the Selection Committee; however, for some reason this year the Committee was bypassed and non-profits were not allowed to compete equally with those projects. He noted that it belittles the process when the Selection Committee is not informed of the set asides. He expressed the belief that councilmembers designated appropriations in the budget in order to fund non-profits that should be supported by the City.

Committee Report 147 and Resolution 15-115, CD1 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA*, KOBAYASHI*, MENOR, PINE – 6.
NOES: OZAWA, MARTIN – 2.
ABSENT: MANAHAN – 1.

*Councilmembers Fukunaga and Kobayashi voted aye with reservations.

Related communications:

D-281 Nelson H. Koyanagi, Jr., Department of Budget and Fiscal Services
D-282 Nelson H. Koyanagi, Jr., Department of Budget and Fiscal Services and
 Gary K. Nakata, Department of Community Services
M-1546 Kamaki Kanahale, Nanakuli Hawaiian Homestead Community Association
M-1547 Patti Barbee, Hawaiian Community Development Board
M-1548 Annie Au Hoon
M-1548 Kali Watson, Statewide Economic/Housing Development SCHHA

ADOPTION

RESOLUTION 15-92 – COMMITTEE REPORT 148

RESOLUTION AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF FACILITY MAINTENANCE OR THE DIRECTOR'S DESIGNEE TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF HAWAII DEPARTMENT OF HEALTH FOR THE RETROFIT OF OLDER CITY DIESEL FUELED TRUCKS WITH DIESEL PARTICULATE FILTERS TO REDUCE EXHAUST POLLUTANTS FROM DIESEL FUELED VEHICLES.

Councilmember Fukunaga moved that Committee Report 148 and Resolution 15-92 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Committee Report 148 and Resolution 15-92 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

At this juncture, with no objections from the 8 members present (Excused: Manahan – 1), the Chair considered Resolution 15-81 from page 21 of the agenda and Resolution 15-89, CD1 from page 18 of the agenda in order to accommodate waiting public testifiers.

ADOPTION

RESOLUTION 15-81 – COMMITTEE REPORT 164

RESOLUTION AMENDING RESOLUTION 14-92, CD1, RELATING TO THE EXPANSION OF THE MILILANI HIGH TECHNOLOGY PARK/WAHIAWA ENTERPRISE ZONE NO. 2.

Councilmember Elefante moved that Committee Report 164 and Resolution 15-81 be adopted. Seconded by Councilmember Pine.

The following individual testified:

Po-Yung Lai, Office of Economic Development (Support)

Committee Report 164 and Resolution 15-81 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
PINE, MARTIN – 8.
NOES: None.
ABSENT: MANAHAN – 1.

ADOPTION

RESOLUTION 15-89, CD1 – COMMITTEE REPORT 158

RESOLUTION AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO THE OHANA HALE AFFORDABLE AND MARKET RATE CONDOMINIUM PROJECT AT HONOLULU, OAHU, HAWAII, TAX MAP KEY 1 2-3-028: 004.

Councilmember Anderson moved that Committee Report 158 and Resolution 15-89, CD1 be adopted. Seconded by Councilmember Ozawa.

The following individuals testified:

1. Franco Mola (Available to answer questions)

In response to councilmembers, Mr. Mola stated that:

- The Developer is committed to keep 20 percent of the project at 80 percent of AMI.
- The goal is to keep the maintenance fee below 50 cents a square foot which will range from \$180 to \$350.
- There will be 3,800 square feet of recreation deck on the first residential floor. The deck will have roof gardens—4x4 foot planting areas for people who want to garden.
- There will be a ground floor community room. The Developer would like to make the room available as a safe gathering place for building occupants and the surrounding community.
- There will be three car share spaces in the parking structure and 10 percent of the parking in the building will have electric car outlets.
- There will be a solar panel on the roof to power the water heaters.
- The Developer is committed to following the marketing plan outlined in the Resolution; however, the State and the City will determine the specifics of the actual sale.

- After the 80 percent below AMI units are marketed, units that have not been sold can then be sold at market.
- Originally the project was to be sold to people at 100 percent to 140 percent AMI. The City requires 80 percent AMI; therefore, the application was submitted to the State Hawaii Housing Finance and Development Corporation (HHFDC) for processing.

2. Ron Lockwood, Neighborhood Board 8 (Oppose)

In response to councilmembers, Director George Atta and Deputy Director Art Challacombe, Department of Planning and Permitting (DPP), stated that:

- The DPP has not taken a position on the project.
- The DPP sent Mr. Mola a letter to go through the HHFDC because the City standard for processing requires a 120 percent target population and the HHFDC has more liberal qualifications.
- The concept of the project is good in that it targets the middle of the housing market. However, all of the exemptions being requested makes it a marginal project. The DPP is lukewarm about the project because of the number of fees being waived and the increase in heights and densities.
- Requesting additional height and density is common; however, requesting three times the density is unusual. A higher density allows a developer to build more.
- Based on the increased density and the Developer's statement in Committee that they were looking at a 10 percent profit margin, the DPP calculated an increased value of \$5 million to \$6 million.
- Failure by the Council to act on the Resolution by the May 9 deadline would be equivalent to a deferral. Council deferral would basically be automatic approval and the Developer would receive everything requested in the Resolution. In order to have a say in the matter, the Council must either pass the Resolution as amended or with additional amendments.

In response to Councilmember Kobayashi, Mr. Mola stated that:

- Eliminating the height variance would eliminate three floors of units or three floors of parking which would make rental housing more feasible.
- Building affordable housing is not easy because it is hard for people to qualify. People at that income level do not have enough disposal funds for a down payment.
- The Developer considered building rental housing; however decided that Moiliili would be a good for sale affordable housing opportunity.
- The area needs redevelopment—projects that will increase land values and improve safety in the community.
- Units will range from \$250,000 to \$500,000.

Councilmember Kobayashi noted that the Office of Council Services has advised that there are limitations to what amendments can be made to Resolution 15-89, CD1—the measure would either have to include the exemptions or remove all exemptions. She stated that the only way to solve the homeless problem is to provide more housing. She expressed the hope that the Developer keeps the project affordable, keeps the maintenance fees low and provides amenities for the surrounding community, especially if he intends to develop additional buildings in the urban area.

Committee Report 158 and Resolution 15-89, CD1 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 MARTIN – 7.

NOES: None.

ABSENT: MANAHAN, PINE – 2.

Related communications:

CC-187	Ikaika Anderson
M-1429	Justin Powers
M-1430	Cindy Mahoney
M-1432	Shelley Simpson
M-1449	Michelle Takiguchi

M-1544 Dennis Silva
M-1545 Megan Torres

The Chair returned to page 17 of the agenda.

ADOPTION

RESOLUTION 15-99 – COMMITTEE REPORT 149

RESOLUTION AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF ENVIRONMENTAL SERVICES, CITY AND COUNTY OF HONOLULU, OR THE DIRECTOR'S DESIGNEE, TO ENTER INTO AN INTER-GOVERNMENTAL AGREEMENT WITH THE UNITED STATES GEOLOGICAL SURVEY (USGS) TO CONTINUE STORM WATER MONITORING FOR SURFACE-WATER AND SUSPENDED SEDIMENT DATA FOR THE ALA WAI WATERSHED AND OTHER TOTAL MAXIMUM DAILY LOAD (TMDL) IMPAIRED WATERSHEDS.

Councilmember Fukunaga moved that Committee Report 149 and Resolution 15-99 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Committee Report 149 and Resolution 15-99 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, MARTIN – 7.
NOES: None.
ABSENT: MANAHAN, PINE – 2.

ADOPTION

RESOLUTION 15-102 – COMMITTEE REPORT 150

RESOLUTION AUTHORIZING THE MAYOR OF THE CITY AND COUNTY OF HONOLULU TO REQUEST THE GOVERNOR OF THE STATE OF HAWAII TO RELEASE FUNDS APPROPRIATED BY THE STATE LEGISLATURE FOR THE ERADICATION OF MANGROVE AT HAMAKUA MARSH AND KAELEPULU AND KAWAINUI STREAMS.

Councilmember Fukunaga moved that Committee Report 150 and Resolution 15-102 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Councilmember Anderson urged the Administration to move as quickly as possible to request the release of the State funds appropriated for the eradication of mangrove at Hamakua Marsh and Kaelepulu and Kawainui Streams.

Committee Report 150 and Resolution 15-102 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, MARTIN – 7.

NOES: None.

ABSENT: MANAHAN, PINE – 2.

DEFERRED

RESOLUTION 15-30 – COMMITTEE REPORT 157

RESOLUTION PROPOSING AN AMENDMENT TO CHAPTER 21, REVISED ORDINANCES OF HONOLULU 1990 THE LAND USE ORDINANCE, AS AMENDED, RELATING TO WIND MACHINES.

Councilmember Anderson moved that Committee Report 157 and Resolution 15-30 be deferred to a meeting date to be determined by the Council Chair. Seconded by Councilmember Ozawa.

There was no public testimony.

Committee Report 157 and Resolution 15-30 were deferred to a meeting date to be determined by the Council Chair.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, MARTIN – 7.

NOES: None.

ABSENT: MANAHAN, PINE – 2.

Related communication:

CC-187 Ikaika Anderson

ADOPTION

RESOLUTION 15-89, CD1 – COMMITTEE REPORT 158

RESOLUTION AUTHORIZING EXEMPTIONS FROM CERTAIN REQUIREMENTS RELATING TO THE OHANA HALE AFFORDABLE AND MARKET RATE CONDOMINIUM PROJECT AT HONOLULU, OAHU, HAWAII, TAX MAP KEY 1 2-3-028: 004.

(Note: Committee Report 158 and Resolution 15-89, CD1 were considered earlier in the meeting. See page 38.)

ADOPTION

RESOLUTION 15-90 – COMMITTEE REPORT 159

RESOLUTION REQUESTING THE CITY AUDITOR TO CONDUCT A PERFORMANCE AUDIT OF THE HONOLULU RAIL TRANSIT PROJECT.

Councilmember Kobayashi moved that Committee Report 159 and Resolution 15-90 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Committee Report 159 and Resolution 15-90 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, MARTIN – 7.

NOES: None.

ABSENT: MANAHAN, PINE – 2.

Related communication:

CC-188 Joey Manahan

ADOPTION

RESOLUTION 15-104 – COMMITTEE REPORT 160

RESOLUTION AUTHORIZING THE DIRECTOR OF TRANSPORTATION SERVICES OR THE DIRECTOR'S DESIGNEE TO APPLY FOR, AND ACCEPT AND EXPEND, FEDERAL HIGHWAY ADMINISTRATION FUNDS AUTHORIZED BY 23 CFR PART 630 AND OTHER FEDERAL STATUTES ADMINISTERED BY THE FEDERAL HIGHWAY ADMINISTRATION FOR TRAFFIC SIGNALS AT VARIOUS LOCATIONS, PHASE 15.

Councilmember Kobayashi moved that Committee Report 160 and Resolution 15-104 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Committee Report 160 and Resolution 15-104 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, MARTIN – 7.

NOES: None.

ABSENT: MANAHAN, PINE – 2.

Related communication:

CC-188 Joey Manahan

ADOPTION

RESOLUTION 15-105 – COMMITTEE REPORT 161

RESOLUTION AUTHORIZING THE DIRECTOR OF TRANSPORTATION SERVICES OR THE DIRECTOR'S DESIGNEE TO APPLY FOR, AND ACCEPT AND EXPEND, FEDERAL HIGHWAY ADMINISTRATION FUNDS AUTHORIZED BY 23 CFR PART 630 AND OTHER FEDERAL STATUTES ADMINISTERED BY THE FEDERAL HIGHWAY ADMINISTRATION FOR TRAFFIC IMPROVEMENTS AT VARIOUS LOCATIONS (VILLAGE PARK/KUPUNA LOOP).

Councilmember Kobayashi moved that Committee Report 161 and Resolution 15-105 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Committee Report 161 and Resolution 15-105 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 MARTIN – 7.
NOES: None.
ABSENT: MANAHAN, PINE – 2.

Related communication:

CC-188 Joey Manahan

ADOPTION
RESOLUTION 15-106 – COMMITTEE REPORT 162

RESOLUTION AUTHORIZING THE DIRECTOR OF TRANSPORTATION SERVICES OR THE DIRECTOR'S DESIGNEE TO APPLY FOR, AND ACCEPT AND EXPEND, FEDERAL HIGHWAY ADMINISTRATION FUNDS AUTHORIZED BY 23 CFR PART 630 AND OTHER FEDERAL STATUTES ADMINISTERED BY THE FEDERAL HIGHWAY ADMINISTRATION FOR TRAFFIC SIGNALS AT VARIOUS LOCATIONS, PHASE 18.

Councilmember Kobayashi moved that Committee Report 162 and Resolution 15-106 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Committee Report 162 and Resolution 15-106 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA,
 MARTIN – 7.
NOES: None.
ABSENT: MANAHAN, PINE – 2.

Related communication:

CC-188 Joey Manahan

ADOPTION

RESOLUTION 15-78, CD1 – COMMITTEE REPORT 163

RESOLUTION URGING THE GOVERNOR AND THE HAWAII STATE LEGISLATURE TO SUPPORT THE RELOCATION OF THE OAHU COMMUNITY CORRECTIONAL CENTER AND REQUESTING THE ESTABLISHMENT OF AN OCCC SITE REDEVELOPMENT TASK FORCE.

Councilmember Elefante moved that Committee Report 163 and Resolution 15-78, CD1 be adopted. Seconded by Councilmember Anderson.

There was no public testimony.

Committee Report 163 and Resolution 15-78, CD1 were adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, MARTIN – 7.

NOES: None.

ABSENT: MANAHAN, PINE – 2.

Related communication:

CC-186 Brandon J.C. Elefante

ADOPTION

RESOLUTION 15-81 – COMMITTEE REPORT 164

RESOLUTION AMENDING RESOLUTION 14-92, CD1, RELATING TO THE EXPANSION OF THE MILILANI HIGH TECHNOLOGY PARK/WAHIAWA ENTERPRISE ZONE NO. 2.

(Note: Committee Report 164 and Resolution 15-81 were considered earlier in the meeting. See page 37.)

BALANCE OF COMMITTEE REPORTS

PWISCR-151 Deed conveying roadway Lots 648 to 651, inclusive; Grant of Sewer Easement 100; Grant of Drain Easement 101; and Grant of Access Easement 183 (Maili Kai/Sea Country Area 6 Subdivision). (D-190)

PWISCR-152 Deed conveying roadway Lot 17724; Grant of Drain Easement 6765; Grant of Street Light Easement 6769 (Mililani Technology Park Phase I-E Subdivision). (D-193)

Councilmember Anderson moved that the Balance of Committee Reports, as listed above, be adopted. Seconded by Councilmember Menor.

There was no public testimony.

The Balance of Committee Reports was adopted.

AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MENOR, OZAWA, MARTIN – 7.

NOES: None.

ABSENT: MANAHAN, PINE – 2.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

COMMITTEE OF THE WHOLE/EXECUTIVE SESSION

There was no Executive Session.

ANNOUNCEMENTS

There were no announcements.

ADJOURNMENT

At 6:13 p.m., Councilmember Anderson moved that the Council stand adjourned until Wednesday, June 3, 2015, at 10 a.m. Seconded by Councilmember Menor and there being no objections from the 7 members present (Excused: Manahan, Pine – 2), it was so ordered by the Chair.

Respectfully submitted,



GLENN TAKAHASHI
Acting City Clerk

vc

DATE APPROVED:

June 3, 2015