



**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

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## **MINUTES**

REGULAR MEETING  
THURSDAY, JANUARY 14, 2016

COUNCIL COMMITTEE MEETING ROOM  
2<sup>ND</sup> 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 9:10 a.m. Voting Members Fukunaga, Manahan and Ozawa were present at the meeting. Voting Member Kobayashi was excused from the meeting. Councilmember Elefante 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 special meeting of November 16, 2015 and regular meeting of November 19, 2015 were approved as circulated.

AYES: FUKUNAGA, MANAHAN, ANDERSON – 3.  
NOES: None.  
EXCUSED: KOBAYASHI, OZAWA – 2.

FOR EXTENSION OF TIME ONLY

Committee Chair Anderson took Items 1 and 2 up together.

1. BILL 22 (2015) – COMMITTEE REPORT 20

LUO AMENDMENT RELATING TO REGULATION OF CERTAIN VISITOR ACCOMMODATIONS. Amending the Land Use Ordinance (LUO) to 1) Require advertisements for vacation rentals (transient vacation units and bed and breakfasts) to include certain information that would facilitate the City's efforts to enhance the regulations of vacation rental operations and improve enforcement measures targeting illegal vacation rentals in residential and other districts; 2) Allow exceptions to the conditions of approval for the renewal of the Nonconforming Use Certificates (NUC) where good cause is established; 3) Revise the renewal procedures to allow processing of the renewal application and issuance of the renewal certificate at any time after the renewal notice is issued; 4) Revise the NUC renewal cycle from a two-year cycle to a one-year cycle to minimize the impact of the DPP not being notified of a change of ownership; and 5) Require the NUC applicant to identify an on-island agent if the certificate holder (applicant) does not reside on Oahu. (Current deadline for Council action: 1/29/16)

2. BILL 79 (2015) – COMMITTEE REPORT 21

LUO AMENDMENT RELATING TO THE LAND USE ORDINANCE. Making miscellaneous amendments to the Land Use Ordinance. (Current deadline for Council action: 2/15/16)

Administration/Others

George Atta, Director, Department of Planning and Permitting

Director Atta testified in support of the extensions of time for both Bills.

In response to Committee Chair Anderson's question regarding the Department's enforcement budget, Director Atta stated that the increased funding has been used to hire five additional temporary contract hires. The Director noted that the Department will be proposing to make the positions permanent in the upcoming budget cycle.

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The following individuals testified in support of the extension of time for Bill 22:

1. Joli Tokusato, Unite Here Local 5 Hawaii (M-93)
2. Larry Bartley
3. Stuart Simmons

Committee Chair Anderson recommended that both bills be granted a 120-day extension of time.

Bill 22 (2015) granted a 120-day extension of time. (See Communication D-13)

AYES: FUKUNAGA, MANAHAN, ANDERSON – 3.  
NOES: None.  
EXCUSED: KOBAYASHI, OZAWA – 2.

Bill 79 (2015) granted a 120-day extension of time. (See Communication D-15)

AYES: FUKUNAGA, MANAHAN, ANDERSON – 3.  
NOES: None.  
EXCUSED: KOBAYASHI, OZAWA – 2.

Related communications:

- |      |   |
|------|---|
| D-13 | Department of Planning and Permitting, requesting a 120-day extension of time for Bill 22 (2015). |
| D-15 | Department of Planning and Permitting, requesting a 120-day extension of time for Bill 79 (2015). |
| M-92 | Jodi Lam (support extension for Bill 22 [2015])   |
| M-93 | Unite Here Local 5 Hawaii (support extension for Bill 22 [2015])                                  |

FOR ACTION

3. RESOLUTION 16-6 – COMMITTEE REPORT 22

AMENDING RESOLUTION 15-277, CD1, KAPIOLANI RESIDENCE AFFORDABLE AND MARKET RATE CONDOMINIUM PROJECT. Amending Resolution 15-277, CD1, by amending unit affordability thresholds and affordable unit types, and making other miscellaneous changes for the Kapiolani Residence affordable and market rate condominium project.

Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)  
Lowell Chun, Pacific Catalyst LLC (Agent)

There was no public testimony.

The Committee Chair clarified that, although the Resolution proposes to alter the distribution of unit types and income levels, the total number of affordable units being proposed would not change.

Mr. Chun provided a brief summary of the changes being proposed as detailed in Communication M-12.

Director Atta testified that the Department understands that the changes are required to make the project economically feasible. He stated that, although the DPP is not entirely happy with the proposed changes, the Department does not oppose the Resolution.

Resolution 16-6 reported out for adoption.

AYES: FUKUNAGA, MANAHAN, ANDERSON – 3.  
NOES: None.  
EXCUSED: KOBAYASHI, OZAWA – 2.

Related communications:

M-6 Craig K. Hirai, Executive Director, Department of Business, Economic Development & Tourism, Hawaii Housing Finance and Development Corporation, requesting approval of amendments to Resolution 15-277, CD1.  
M-12 Lowell Chun, on behalf of SamKoo Pacific, LLC (support)  
M-94 Lynne Matusow (oppose)

4. RESOLUTION 16-11 – COMMITTEE REPORT 23

KAPOLEI MIXED-USE AFFORDABLE AND MARKET RATE HOUSING PROJECT. Authorizing exemptions from certain requirements relating to the Kapolei Mixed-Use Development project located at 1020 Wakea Street, City of Kapolei, Oahu, Hawaii, Tax Map Key (1) 9-1-088:021. (Current deadline for Council action: 1/29/16)

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The following amendment was posted on the agenda:

PROPOSED CD1 TO RESOLUTION 16-11 (Submitted by Councilmember Anderson) – The CD1 (OCS2016-0013/1/7/2016 3:12 PM) makes the following amendments:

- A. Removes the 10<sup>th</sup> WHEREAS clause, relating to consistency with the City's housing and community development goals.
- B. In the BE IT RESOLVED clause, deletes item 4, which reads:  
  
Deferral from FOH Sections 14-6.1 and 14-6.4, to allow a deferral of Board of Water Supply sewer service charges for Phases 1 and 2 of the Project, until a certificate of occupancy is issued for each phase.
- C. Fills in the estimated grading and grubbing permit fees for Phases 1 and 2 of the Project at \$1,045 and \$900, respectively.
- D. Makes miscellaneous technical and nonsubstantive amendments.

Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)  
Kathy Sokugawa, Chief Planner, Planning Division, DPP  
Robin Yahiku, Board of Water Supply  
Franco Mola, Chief Executive Officer, Coastal Rim Properties

Mr. Mola provided a brief overview of the project:

- The project consists of a 153-unit senior tower to be rented to seniors making 30% to 60% of the Area Median Income (AMI).
- Sixty percent of a second condominium tower will be sold to those individuals making 80%, 100% and 120% of AMI.
- Approximately 17,000 square feet of retail is proposed around the parking structure.
- The senior rental portion of the project has received both HHFDC tax credits and Rental Housing Trust Fund monies.

Director Atta testified that DPP had no objections to the Resolution.

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In response to Committee Chair Anderson's question regarding comments made by the James Campbell Company, Chief Planner Sokugawa stated that the Resolution includes exemptions from the Urban Design Plan requirements included in the original Unilateral Agreement. She noted, however, that the comments from Campbell recognizes that Urban Design Plan requirements are mirrored in a private restrictive covenant imposed by the landowner, and adopting the Resolution would not relieve the project from those requirements.

Mr. Mola stated that Campbell has indicated its willingness to exempt the project from the restrictive covenants if the Council approves the subject Resolution.

In response to the Committee Chair's question regarding the requirements of the Urban Design Plan, Chief Planner Sokugawa stated that, while the Department might like to see a more activated street with more retail and businesses, the City cannot mandate that the developer include a certain type of tenant.

Mr. Yahiku stated that the Board of Water Supply stood on its written testimony.

Committee Chair Anderson recommended that the Resolution be amended to the posted CD1.

Resolution 16-11 amended to CD1.

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

The Committee Chair then recommended that Resolution 16-11, CD1 be reported out for adoption.

Committee Member Ozawa voiced his concern that the Applicant did not discuss the project individually with Councilmembers. He underscored the short timeline associated with 201H projects and stressed that applicants should attempt to meet with Councilmembers prior to the Resolution's hearing.

Committee Member Ozawa stated that he had previously requested that Mr. Mola meet with Councilmembers when his projects came before the Council, and because Mr. Mola had made no attempt to meet with him, he would be objecting to the Resolution.

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Resolution 16-11, CD1 (OCS2016-0013/1/7/2016 3:12 PM) reported out for adoption.

AYES: FUKUNAGA, MANAHAN, ANDERSON – 3.  
NOES: OZAWA – 1.  
EXCUSED: KOBAYASHI – 1.

Related communications:

- M-3847/15 Craig K. Hirai, Executive Director, Department of Business, Economic Development & Tourism, Hawaii Housing Finance and Development Corporation, requesting approval of exemptions pursuant to Section 201H-38, Hawaii Revised Statutes, for the proposed Kapolei Mixed-Use Development.  
D-19 Board of Water Supply (comments)

#### INFORMATIONAL BRIEFING

#### 5. BRIEFING BY THE DEPARTMENT OF PLANNING AND PERMITTING ON PROPOSED TOD ZONING REGULATIONS.

##### Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)  
Kathy Sokugawa, Chief Planner, Planning Division, DPP  
Timothy Streitz, Planner, TOD Division, DPP  
Renee Espiau, Planner, TOD Division, DPP  
Elizabeth Krueger, Planner, Land Use Permits Division, DPP

Mr. Streitz and Ms. Krueger provided an overview of the Transit-Oriented Development (TOD) processes and regulations as detailed in Communications D-17 and D-48:

- There are eight neighborhood TOD plans that cover nineteen of the twenty-one stations along the rail corridor. The remaining two stations are under State jurisdiction in Kakaako.
- Currently, the Waipahu Neighborhood TOD Plan and the Aiea Neighborhood TOD Plan have been approved by the City Council. Proposed plans for Kalihi and Downtown have been transmitted to Council, while draft plans for East Kapolei and Ala Moana have been completed. Plans for Halawa and Airport are under development.

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- The current focus is on Waipahu, with proposed zone changes and special district regulations already submitted to Council.
- The boundaries of the proposed special district takes into account the distance from individual stations along the transit route.
- Station area principles include maintaining the local character, enhancing a green network, creating safe pedestrian environment, providing mixed-income housing, providing an intermodal transportation network, and creating a mixed-use, village-like setting in the core area.
- Height limits should be higher near stations and taper down further from the stations.
- The zone change and special district regulation proposals have included multiple opportunities for public participation.
- Not all areas from the TOD plan are being rezoned.
- Most of the proposals for the Waipahu area include going from single-use districts to mixed-use districts, and allowing bonus heights within those districts.
- The Special District regulations provides rules for landowners wishing to develop or redevelop property.
- Requirements include such things as:
  - Active, transparent ground floors
  - Transparent store fronts
  - Buildings should be close to the sidewalk and street corners
  - Entrances facing the street
  - Parking lots behind buildings
  - New parking structures must have active, commercial uses on the ground floor
  - On-site parking for bicycles
  - Greater allowances for nonconformities

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Discussion between Committee members and representatives of the DPP provided the following additional information:

- The primary long-term benefit to businesses along the rail route is the greater flexibility allowed by the change from single-use to mixed-use.
- Infrastructure requirements are handled on a case-by-case basis as development occurs. While there does not appear to be a sewer capacity problem in the Waipahu area, the Department of Environmental Services (ENV) is currently studying wastewater infrastructure and capacity in response to the Administration's TOD subcommittee meetings. In response to the Waipahu zone change proposal, the ENV has updated its flow models and is reviewing what changes are needed.
- The TOD subcommittee would play a large role in prioritizing development within TOD zones. The DPP has hired a consultant to study the timing, cost, financial implications, and development standards of TOD development.
- The City is aware of major State-owned lands within TOD zones and is in constant contact with State counterparts.
- The City is in contact with major landowners in the various TOD zones and is working with them to get a better idea about future development plans.

Committee Chair Anderson requested that the DPP provide information regarding lands owned by the City and State within the transit corridor to the Committee.

The following individual provided comments:

James Manaku

Related communications:

- D-17 Department of Planning and Permitting, submitting Transit-Oriented Development (TOD) Special District Proposed Zoning Regulations.
- D-48 Department of Planning and Permitting, transmitting the PowerPoint presentation on Transit-Oriented Development. (submitted after the meeting)

6. THE DEPARTMENT OF PLANNING AND PERMITTING BUILDING PERMIT PROCESSES, INCLUDING ONLINE PERMITTING AND ACCESSORY DWELLING UNIT PROCESSING.

Administration/Others

George Atta, Director, Department of Planning and Permitting (DPP)  
Arthur Challacombe, Deputy Director, DPP  
Tim Hiu, Building Safety Chief, DPP  
Wallace Carvalho, Program Administrator, Customer Services Office, DPP  
Moses "Moke" Tupua, Assistant Building Inspector, Permit Issuance Branch, DPP

Representatives of the DPP provided the following overview of the Department's permitting process:

- The Department has made great strides in the time needed to process applications.
- The Department has hired two additional residential plan reviewers and an additional commercial reviewer.
- Applicants are currently able to walk-through an application, submit an application and schedule an appointment, or submit an application through the e-plan system.
- Initial applications are reviewed then routed to various agencies and branches.
- If changes are needed, the plans are returned to the applicant for revisions.
- Once all agency comments are addressed, the plans are approved, and the Department issues the permit.
- The DPP issued over 20,000 permits during calendar year 2015.
- Issuance of a residential permit currently takes approximately three and a half months. A commercial permit takes approximately six to eight months.
- There are currently seven residential permit reviewers, each with approximately 100 to 250 plans to review.

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- On the commercial side, there are currently five building code examiners, three electrical engineers and three plumbing engineers, many with less than 10 years' experience.

The following individuals testified:

Radford Nakamura, Alternate Energy, Project Developer, and Randall Asato, P.E., Project Engineer on behalf of Hawaiian Mission Academy (comments)

Mr. Nakamura testified that Hawaiian Mission Academy is currently in the process of developing a solar photovoltaic system and upgrading infrastructure for the installation of air conditioning in classrooms.

Mr. Nakamura noted that the school's original application was submitted in November 2014 and has been through six reviews thus far. He noted that, while the DPP's review has taken well over a year, the project received Hawaiian Electric Company approval by January 2015.

Mr. Asato voiced his growing frustration with DPP's review system, noting that, after addressing comments made by the Department and resubmitting the application, the Department continually finds additional problems that need to be addressed.

Director Atta testified that neither he nor Deputy Director Challacombe had been aware of the ongoing problems relating to the subject project. He noted that the project has since been placed on a permit status review by the Director's office.

In response to Committee Chair Anderson's question regarding the review process, Director Atta stated that, while each individual permit is slightly different, the general process calls for plan checkers to check the application for completion and thereafter route the plans to the necessary agencies or branches for comments. When agency comments are received, the plans are returned to the applicant. If all comments from the first review are addressed, the permit are issued. If some comments are not addressed, or if additional questions arise, the plans are returned to the applicant.

Director Atta acknowledged that new questions are often found in subsequent reviews.

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Division Chief Hiu stated that the Academy's permit review problems are not acceptable and should have been brought to the attention of himself or the Director's office.

Committee Chair Anderson noted that, while the testimony identified one specific incidence, the Council has been alerted to many other instances where permits have been delayed beyond acceptable time frames. He questioned whether the delays were due to budgetary issues.

Deputy Director Challacombe stated that, while the Department could always use more resources, in many cases, the Department is often used as a drafting agency, with applicants expecting the Department to tell them how to make their plans correct and complete. He acknowledged, however, that the DPP also needs to improve its permit review process.

RECESS / RECONVENE

Committee Chair Anderson called for a brief recess at 11:33 a.m. The meeting was reconvened at 11:40 a.m. and Committee discussion resumed.

In response to Committee Chair Anderson's question regarding third-party reviews, Deputy Director Challacombe stated that third-party reviews are currently allowed for both residential and commercial developments. He noted that third-party reviewers are certified by the Department and act as de-facto permit reviewers.

Deputy Director Challacombe further noted that the DPP is currently testing a process that would essentially reduce the number of reviews required.

In response to Councilmember Elefante's question regarding the Department's permit review goals, Director Challacombe stated that the DPP, in 2015, reduced the review time by 10%, as promised when permit fees were increased. The Department will continue to try and reduce review time by 10% per year.

Committee Chair Anderson stated that the Committee would like to receive future updates from the Department.

7. 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.

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Administration/Others

George Atta, Director, Department of Planning and Permitting

There was no public testimony.

Director Atta provided the Committee with the Department's update. The Director noted that the only change to the timetable was a slight delay in the submission of the Koolaupoko Sustainable Communities Plan.

Related communication:

D-18 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 12:11 p.m.

Respectfully submitted,

  
GLEN I. TAKAHASHI  
City Clerk

gym

DATE APPROVED

February 11, 2016