

Meeting of the Planning Commission
Minutes
October 22, 2008

The Planning Commission held a meeting on Wednesday, October 22, 2008, at 1:32 p.m. at the City Council Committee Meeting Room, Second Floor, 530 South King Street, Honolulu, Hawaii. Vice Chair James Pacopac presided.

PRESENT: James Pacopac, Vice Chair
Beadie K. Dawson
Vicki Gaynor
Andrew M. Jamila, Jr.
Rodney Kim

ABSENT: Karin Holma, Chair
John S. Kaopua III
Kerry Komatsubara

COMMISSION STAFF: Patty Kalapa, Secretary-Reporter

CORPORATION COUNSEL: Winston Wong

DPP REPRESENTATIVES: James Peirson, Branch Chief
Raymond Sakai, Staff Planner

MINUTES: The minutes of August 20, 2008 were approved as circulated, on motion by Ms. Dawson, seconded by Mr. Jamila and carried unanimously.

UNFINISHED BUSINESS: ELECTION OF OFFICERS

MOTION: It was moved to defer the Election of Officers to the next meeting, on motion by Mr. Jamila, seconded by Ms. Dawson and carried unanimously.

PUBLIC HEARING
NORTH SHORE—ZONE
CHANGE REQUEST
2008/Z-4(RS)
PUPUKEA RIDGE
PRESERVATION

A public hearing was held to consider a zone change request from P-2 General Preservation to the AG-2 General Agricultural district for horse grazing.

Publication was made in the Honolulu Star Bulletin on October 10, 2008.

Mr. Raymond Sakai made the staff presentation recommending approval of the zone change.

QUESTIONS FROM THE COMMISSION

DAWSON: What is the egress and ingress into that area?

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CITY CLERK
HONOLULU, HAWAII

SAKAI: After it's subdivided...They've already spoken to our Subdivision Branch and our Traffic Review Branch. There is a proposed subdivision map in our Director's report. Access will be at the end of Maulukua Road, and they'll put a turn around, a cul-de-sac, at the end to give access to this 5.219 zoned area.

DAWSON: And the community is fine with that egress in that area?

SAKAI: Right. That was all part of the application that we sent out. Now days to save the applicant expense, we send out a lot of CD's. We have hard copies available and in this case, because the City does not have a satellite city hall close by (the closest was Wahiawa), I called up the State libraries at Kahuku and Haleiwa and asked them, "If we sent over two hard copies could you make that available?" And we put that in the notice to the community.

DAWSON: Apparently, the plan is to subdivide into two acre lots approximately.

SAKAI: No. It's going to be close to the 5.219. They're deviating a little bit. If you look at the subdivision map proposed, this part here to allow for the turn around, it's going to come up a little bit. I don't know the exact acreage, but it's going to be close to 5.219.

DAWSON: Is it one lot?

SAKAI: Two lots. The rezoning area will be one lot. This boundary right up here will be slightly tweaked north, but everything else is more or less intact. And you've still got AG-2, the current AG-2, which is 9.925. Their plan is to subdivide into two Ags. And that's the condition and the Decision and Order from the LUC back in 2006 when they went before the State Land Use Commission. One of the conditions was they would rezone this P-2 area into AG-2 and they would not subdivide more than two tag lots. I did not put that in my presentation, but that's in the Director's report.

Let me turn this around. I've got a blow up of the zone change area. As you were asking, if you can picture this line going up a little more up in here and then this will be extended with the cul-de-sac to allow access to this property.

DAWSON: Is the subdivision of the area outside of that contingent upon this zoning change?

SAKAI: It's part of their package. In return for ACF donating the 79 acres to the State, they wanted to rezone this to make it match the existing AG-2 zoning. As I said before, immediate plans do not call for anything beyond grazing horses, but in the future if anybody would like to develop that, then it would be not more than two farm dwellings.

DAWSON: How does the department deal with these gentlemen farm things? You said truck farming, but we've seen a lot of areas that are supposed to be truck farming when they really are high end luxury homes. How does the department...do they have any say in that or do they just let it happen? I know that the communities don't seem to like it too much.

SAKAI: That's a question that at my level, I wouldn't be able to answer. It's more like a policy type. But as far as this situation over here, the way it came out with the DNO and with the zoning, not more than two farm dwellings on this lot and not more than two over here so a maximum of four. That's also governed by the DOH regulation. The septic

tank can only serve not more than two. That's how it started with the State Land Use. In answer to your question about gentlemen estates, etc...

DAWSON: Is there a requirement for accounting in terms of what the truck farm is earning per year or if they have one or two mango trees, is that...

SAKAI: To my knowledge, I'm not aware of any requirement where you need to turn in receipts to show that you're a "farmer." These lots up here are country, and if you drive through, you can see all kinds of combination of Ag versus nice estate houses. When I drove by, somebody has a sheep farm up there. I guess that person's legitimate. But somebody else over here had a nice big mansion. I really can't answer your question. All we do on our side is we look at each case and in this situation, we felt that from P-2 to AG-2 is appropriate for the parcel.

DAWSON: I think I would be a little happier if the department looked at these changes in the context of the larger surrounding as opposed to just looking at one small piece and not looking at what's happening in the entire area.

SAKAI: We have taken that into consideration because I don't know if you're familiar with...If you've been to Waimea Valley, you know it's a couple of hundred feet to the valley floor. You've got Waimea Valley on this side. This 15.144 acres is surrounded by country on these two sides. And then you've got the P-1 on this side that the State will probably never develop. It really is an AG-2 oasis surrounded by country. They agreed again with the Land Use Commission for AG-2. That's why the rezoning is for AG-2.

Public testimony:

1. BLAKE McELHENY, North Shore Neighborhood Board and Pupukea resident, testified in support of the zone change. (written testimony attached)

Good afternoon Chair, commissioners. My name is Blake McElheny. I'm a Pupukea resident raised in Pupukea. I'm here wearing a couple of hats, but I should probably go with the first one. I'm authorized by the Chairperson Mike Lyons, North Shore Neighborhood Board, to reiterate that the North Shore Neighborhood Board has had continued and strong support for this initiative. We're so grateful for the efforts of Dave Drews and the Charitable Foundation for this outstanding project. It's so rare to see a landowner work in conjunction with the community and donate land for the benefit of the public. I'm really hopeful that it's a growing trend where landowners can see the benefits of doing these types of conservation work.

As a resident, I'm also aware that the Sunset Beach Community Association has stated their support. As a resident myself, I'm in strong support of this effort and I'm also part of an organization called the North Shore Community Land Trust which has submitted a letter of support. We're just really grateful. We're also grateful to the City and County of Honolulu for assisting the landowner in this instance because we think this is a valuable project and we hope to see more of these types of efforts in our region which we feel is a great region not only for Oahu residents, but also for people who may want to get a taste of what country is. This is a project that helps move that forward.

QUESTIONS FROM THE COMMISSION

JAMILA: I agree totally, but I'd just like to know what is the land value of the 79 acres that they're donating? Did anybody do a study on that?

McELHENY: I would have to defer to them.

JAMILA: I just wanted to know the value of that land.

McELHENY: I know that even though it's Preservation, in my mind there's probably a relatively high dollar value just in the notion of the scenic value. It's located next to Waimea Valley and some of the world's most famous surf breaks. But I think in this instance we know, too, that there is the value outside of the dollar that I think a lot of people associate with this region. I'm not sure if they have that information, but I can say that from the community's perspective, it's an extremely valuable piece of land. We're all kind of blown away that someone is helping donate that as an expansion of the Puu O Mahuka Heiau area, so it's great.

JAMILA: I'm blown away too. That's why I just wanted to know the cost so I can really say, "Wow, that is one charitable foundation." That's all.

DAWSON: Are there any archaeological sites in this area? I should say has a study been done?

McELHENY: I'll defer to them. I believe I've seen a study that was conducted.

PACOPAC: Thank you. Can we have the applicant come forward.

SUWA: Good afternoon Vice Chairman Pacopac and members of the Commission. My name is Alan Suwa. I'm a planning consultant with Wilson Okamoto Corporation. We're assisting the landowner/applicant, Mr. Dave Druz, the founder and President of A Charitable Foundation (ACF). We're here to respond to any questions that you may have today on the project.

PACOPAC: I think Beadie had a question on a study. Is there a study on the historic or archaeology?

DAWSON: Has there been any archaeological study in the area?

SUWA: Yes. Early on in the project, we had to do an environmental assessment. We went through that process; we got a finding of no significant impact. We did a cultural index study attached to that and that document was used during the proceedings of the State Land Use Commission.

DAWSON: Was there a licensed archeologist that did the study?

SUWA: Yes.

KENNEDY: I'm Joe Kennedy, Archeology Consultants of the Pacific. I went out there three times.

JAMILA: Would you happen to know the land value that I asked about earlier? I just want to ask that because I'm looking towards any tax relief or tax breaks as they project with the project that should be deserved or offered back to them as a plan recipient or in working with the community. That's what I was looking at.

DRUZ: I'm Dave Druz; I represent the charity. We're a 501-C-3 private foundation, so we don't get any tax breaks. We're in the business to do things that are beneficial to the public interest. This just happens to be a project we got involved in. We had no idea it would be so hard or we probably wouldn't have started. We don't get a tax break from it. It's just something we do.

As to the value of the land, I really don't know. I'm sure it's worth a lot of money. You know who it's really worth money to is a developer who has the ability to get it rezoned and put a lot of houses on it. It's worth a lot of money to someone with those kind of strings that they can pull, huge amounts. But as it stands now, when we donate it to the State, we will put restrictions on the deed so that the State can't turn it around and sell it or they can't divide it up. It will always be for the community.

JAMILA: I guess what we're looking at in our minds under the gated community in this area...Please let us thank you for stepping up to the plate and offering this back to the State of Hawaii for everyone. Thank you.

DRUZ: You're welcome. I hope you guys support it and it goes through.

DAWSON: Who is the founder of ACF?

DRUZ: Here's how it started just so you know. I'm a resident of the North Shore and Pupukea. I moved to the North Shore in 1984, and I moved to Pupukea in 1987 so I've been there awhile. My company is involved in managing investments for people, my own company. In 1997 we had a really good year, made a lot of money, and we had the option of either taking big salaries or doing something good with that money. We decided instead of taking big salaries, we should set up a little private foundation. That's how ACF started. Since then, each year we donate more to it. Most all of the contributions come from me or my company. It's not a huge charity, but we've donated now over 2.4 million dollars for good works, including this ongoing project. We had a windfall year, and we decided to start up a little charity. That's basically the deal.

JAMILA: Dave, do you have any property in Waimanalo that you'd like to donate for apartments for Waimanalo residents by any chance?

DRUZ: This is the only property that Charitable Foundation owns.

JAMILA: Dave, congratulations! I thought I'd put in a little rub for us. Thank you very, very much for your donation. I'm sure the State of Hawaii will benefit from every one of your donations.

Written testimony received:

1. ANDREA WOODS, Sunset Beach Community Association, submitted testimony in support of the zone change. (testimony attached)

2. MIKE LYONS, Chair of the North Shore Neighborhood Board, submitted testimony in support of the zone change. (testimony attached)
3. LEA HONG, The Trust for Public Land, submitted testimony in support of the zone change. (testimony attached)
4. DOUG COLE, Haleiwa resident, submitted testimony in support of the zone change. (testimony attached)

It was moved to close the public hearing on motion by Mr. Jamila, seconded by Ms. Dawson and carried unanimously.

MOTION: It was moved to approve the zone change request in agreement with the Director of Planning and Permitting, on motion by Ms. Dawson, seconded by Mr. Jamila and carried.

AYES: PACOPAC, DAWSON, GAYNOR, JAMILA, KIM
 NOES: NONE
 ABSENT: HOLMA, KAOPUA, KOMATSUBARA

PUBLIC HEARING

REQUEST TO AMEND CHAPTER 21, REVISED ORDINANCES OF HONOLULU 1990 (THE LAND USE ORDINANCE), RELATING TO PHOTOVOLTAIC SYSTEMS (RESOLUTION NO. 06-141)

Publication was made in the Honolulu Star Bulletin on October 10, 2008.

Mr. James Peirson made the staff presentation recommending denial of the LUO amendment.

QUESTIONS FROM THE COMMISSION

DAWSON: This proposal that comes from the Council seems to be diametrically opposed to everything that the State, the County and the whole community is trying to do and that is looking for alternative sources of energy. It seems like the opposite since it will restrict it to one type of zoning as opposed to allowing other zones to enjoy this. I'm very surprised that the Council didn't provide any rationale for this.

PEIRSON: At the risk of pissing off the Council members when they read the transcript, this has become common for LUO amendments. I can't explain why that was. In the distant past, there was enough comfort level for discussion, I think, prior to these things coming up that usually Council staff and the department staff would have a chance to discuss things ahead of time. I don't know why that doesn't exist these days, but I think that results sometimes in this happening. I'm speculating because it's never been explained to us or information provided to us.

I suspect somebody interested in developing a solar farm, not understanding the zoning, might have...You know, I'm really speculating here. In the utility installation definition, it says "power generating plants are always a type B utility." They might have thought well we're going to generate power with this, so we're going to fall into that and therefore, we're going to have to do a Conditional Use Permit. I don't want to do a Conditional Use Permit for whatever reason. And they contacted someone on the Council

and asked for something like this and said, "We're just going to go in this kind of zoning district. Why shouldn't we be able to..." I think the intent was to streamline, not to cause problems, but the execution of this policy and the way they propose it was very flawed. That happened because they didn't talk to the folks who understand it. Hopefully, that won't happen so much in the future. Again, I wish they felt comfortable talking to us ahead of time so that we could avoid this kind of thing.

I'm reading between the lines, but if we assume that reasonable people were behind this for reasonable reasons, I think that's fair to speculate that way. I think they were thinking we would fall under this category like a power generating plant, but you have to pay attention to that phrase "power generating plant." That's the smoke stack type of HECO power generation we find in... That's always a Type B because that kind always has potential for adverse impact – shift work, smoke stack, that kind of thing. Whereas, this is a passive power generation type of technology. We would want to encourage it, so we actually are encouraging them to make it as easy as possible. We would just have some kind of questions about, "What are the conditions related to the site? Who else is around there? Are you going to have any impact? Are you going to do shift work? Is there going to be glare shining on nearby housing?" If we have those kind of concerns, we'll apply the Conditional Use Permit so that we can address them and mitigate them. It's a relatively short process. Because it's passive and we want to encourage it, they can go straight to building permit and by all means we would do that.

JAMILA: Two things you said already. They didn't come to the department to give any direct...

PEIRSON: It was at the Zoning Committee, but normally what happens is we see it days before it's on the agenda. We don't have time to evaluate it; no explanation comes with it. And the Director, being the polite man that he is, usually says, "We'll be happy to look at it." That's all the discussion that we've had.

JAMILA: The department's role is to reject the...

PEIRSON: No. Our role is to...

JAMILA: I mean not your role, but your decision. I didn't hear that.

PEIRSON: We're recommending denial.

DAWSON: I think the department has a very sound rationale for denial.

There was no public testimony.

Written testimony received:

1. SCOTT SEU, Hawaiian Electric Company, Inc., submitted testimony in opposition to the proposed LUO amendment. (testimony attached)

It was moved to close the public hearing, on motion by Ms. Dawson, seconded by Mr. Kim and carried unanimously.

MOTION: It was moved to deny the request in agreement with the Director of Planning and Permitting, on motion by Mr. Kim, seconded by Mr. Jamila.

DISCUSSION

KIM: I would strongly recommend that the Council be so notified. It seems like this should be discussed with the various departments. It will save you guys some time; it will save us some time. Clearly, there's a misunderstanding. I'm sure the intent was correct, but a misunderstanding of what they thought. It wastes a lot of time.

PEIRSON: I don't want them to get angry at me for bringing this up.

PACOPAC: There's no one here from Council to speak up on it, so it's really not a big deal. Call for the vote. All those in favor?

AYES: PACOPAC, DAWSON, GAYNOR, JAMILA, KIM
NOES: NONES
ABSENT: HOLMA, KAOPUA, KOMATSUBARA

PACOPAC: Motion carried. The second one is denied.

OTHER BUSINESS

GAYNOR: The Department gave us the notice for the beginning of the public hearing process for the Revisions to the Ewa Development Plan. I see that we're scheduled to act on it in January, and I was wondering if there was any intention to do a briefing for us before that.

CHINN: I'll ask her. On this Saturday at 8:00 a.m., they are having a meeting on this out in Ewa.

GAYNOR: I think it would be nice if we had a briefing. It was mentioned several years ago that we were going to be briefed on the changes.

DAWSON: Elizabeth, there obviously isn't time for a briefing before this, but maybe the department would consider a briefing after this.

GAYNOR: We're going to be asked to act on it in January.

DAWSON: Not necessarily a briefing, but some kind of a workshop where we can have some interchange on it.

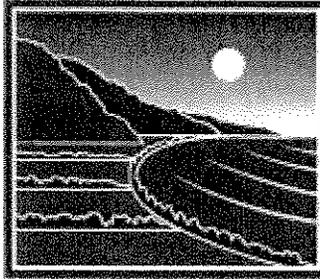
ADJOURNMENT

The meeting was adjourned at 2:14 p.m.

Respectfully submitted,



Patty Kalapa
Secretary-Reporter



NORTH SHORE
COMMUNITY
LAND TRUST

October 15, 2008

To: Ms. Karin Holma, Chair and
Planning Commission Members
c/o Patty Kalapa
650 South King Street
7th Floor
Honolulu, HI 96813

RE: Project File Number 2008/Z-4 (RS)

Dear Ms. Holma,

The North Shore Community Land Trust (NSCLT) continues to support A Charitable Foundation (AFC)'s effort to donate 79 acres of land in Pupukea to State Parks and to rezone 5.219 acres from P-2 to Ag -2 and reiterates our earlier support.

NSCLT respectfully requests the Planning Commission, the City Council, and the Department of Planning and Permitting to give favorable consideration to AFC's rezoning applications and to subsequently create the 79 acre parcel to be given to State Parks.

Sincerely,

A handwritten signature in cursive script that reads "Blake McElheny".

Blake McElheny
North Shore Community Land Trust

cc:

Honorable Mayor Mufi Hannemann
City Council Members:
Barbara Marshall, Chairwoman, Donovan Dela Cruz, Rod Tam, Todd Apo,
Charles Djou, Ann Kobayashi, Romy Cachola, Gary Okino, Nestor Garcia
David Druz, A Charitable Foundation

Sunset Beach Community Association
P.O. Box 471
Haleiwa HI 96712
10/17/08

Ms. Karin Holma, Chair and
Planning Commission Members
c/o Patty Kalapa
650 South King Street
7th Floor
Honolulu, HI 96813

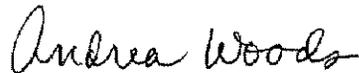
VIA FACSIMILE – 768-6743

Dear Ms. Holma and Planning Commission Members,

This letter is regarding the zone change request 2008/Z-4 (RS) Pupukea Ridge Preservation Project proposing to rezone 5.219 acres from P-2 General Preservation to AG-2 General Agriculture.

A copy of our letter of support for this project is attached which we previously submitted in response to DPP's "Request for Comments."

Sincerely,



Andrea Woods
Corresponding Secretary
Sunset Beach Community Association

Attachment: Letter of support

cc Alan Suwa

*Sunset Community Association
P.O. Box 471
Haleiwa HI 96712*

July 20, 2008

To: Henry Eng, FAICP, Director
Department of Planning and Permitting
City and County of Honolulu
650 South King Street, 7th Floor
Honolulu, Hawaii 96813

RE: Project File Number 2008/Z-4

Dear Mr. Eng,

The Sunset Beach Community Association (SBCA) continues to support A Charitable Foundation (AFC)'s effort to donate 79 acres of land in Pupukea to State Parks and to rezone 5.219 acres from P-2 to Ag -2. The SBCA strongly encourages the Department of Planning and Permitting to approve AFC's rezoning applications and to subsequently create the 79 acre parcel to be given to State Parks.

Sincerely,



Andrea Woods
Corresponding Secretary
Sunset Beach Community Association

cc Honorable Mayor Mufi Hannemann
City Council Members:
Barbara Marshall, Chairwoman, Donovan Dela Cruz, Rod Tam, Todd Apo,
Charles Djou, Ann Kobayashi, Romy Cachola, Gary Okino, Nestor Garcia
North Shore Neighborhood Board
David Druz, A Charitable Foundation Group

North Shore Neighborhood Board
P.O. Box 577 Haleiwa, HI. 96712
Oct. 21, 2008

Ms. Karin Holma, Chair and
Planning Commission Members
c/o Patty Kalapa
650 South King Street
7th Floor
Honolulu, HI 96813

VIA FACSIMILE -- 768-6743

Dear Ms. Holma and Planning Commission Members,

This letter is regarding testimony for the zone change request 2008/Z-4 (RS) Pupukea Ridge Preservation Project proposing to rezone 5.219 acres from P-2 General Preservation to AG-2 General Agriculture.

A copy of our letter of support for this project is attached which we previously submitted in response to DPP's "Request for Comments."

Sincerely,

Attachment: Letter of support



NORTH SHORE NEIGHBORHOOD BOARD NO. 27

P.O. BOX 577 HALEIWA, HAWAII, 96712
PHONE (808) 527-5749 FAX (808) 527-5760
INTERNET: <http://www.honolulu.gov>

August 1, 2008

To: Henry Eng, FAICP, Director
Department of Planning and Permitting
City and County of Honolulu
650 South King Street, 7th Floor
Honolulu, Hawaii 96813

RE: NSNB On-going Support for Project File Number 2008/Z-4

Dear Mr. Eng,

At our board meeting in July 2008, the North Shore Neighborhood Board received an update on A Charitable Foundation (AFC)'s effort to donate 79 acres of land in Pupukeya to State Parks and to rezone 5.219 acres from P-2 to Ag -2. Board members were grateful for the update and expressed their appreciation for this outstanding effort as well as their continued support for the prior resolution the NSNB passed in support of the project. We also note that the SBCA has updated their support of the project as well.

Based on our prior support for this project the NSNB has strongly encouraged the Department of Planning and Permitting to approve AFC's rezoning applications and to subsequently create the 79 acre parcel to be given to State Parks. We have attached the minutes from the meeting where the NSNB expressed its unanimous support for this project as well as the resolution that passed. There has been no change in this position since this resolution in support of the project passed unanimously.

Sincerely,

Mike Lyons, Chair
North Shore Neighborhood Board

cc Honorable Mayor Mufi Hannemann
City Council Members:
Barbara Marshall, Chairwoman, Donovan Dela Cruz, Rod Tam, Todd Apo,
Charles Djou, Ann Kobayashi, Romy Cachola, Gary Okino, Nestor Garcia
Sunset Beach Community Association (SBCA)
David Druz, A Charitable Foundation Group

THE
TRUST
for
PUBLIC
LAND

October 20, 2008

VIA FACSIMILE : 768-6743

Ms. Karin Holma, Chair and
Planning Commission Members
c/o Patty Kalapa
650 South King Street
7th Floor

Honolulu, HI 96813



Hawai'i Office
212 Merchant St.
Suite 320
Honolulu, HI
96813
T: 808-524-8560
F: 808-524-8565
www.rpl.org

Re: Project File Number 2008/Z-4

Dear Ms. Holma and Planning Commission Members:

The Trust for Public Land (TPL) is a national, non-profit, land conservation organization that works with government agencies, private landowners, and local communities to conserve land for people to enjoy as parks, gardens, and other natural places, ensuring livable communities for generations to come. TPL has completed 17 projects protecting more than 36,000 acres in the State of Hawai'i including the recently protected 1,129 acres at Pūpūkea-Paumalū.

TPL also supports activities that further our community conservation goals. A Charitable Foundation's (AFC) efforts to donate 79 acres of land in Pūpūkea to our State Park's system is a worthy effort that furthers those goals.

In light of the community support of these efforts, TPL respectfully requests that the planning commission give favorable consideration to AFC's rezoning applications in order to facilitate the generous donation to our State Parks system.

Sincerely,

Lea Hong
Hawaiian Islands Program Director

Doug Cole
59-199 D Ke Nui Rd
Haleiwa, HI 96712
October 20, 2008

Ms. Karin Holma, Chair and
Planning Commission Members
c/o Patty Kalapa
650 South King Street
7th Floor
Honolulu, HI 96813

VIA Facsimile -- 768-6743
CC-Alan Suwa -- 946-2253

Dear Ms. Holma and Planning Commission Members,

This letter is regarding testimony for the zone change request 2008/Z-4 (RS) Pupukea Ridge Preservation Project proposing to rezone 5.219 acres from P-2 General Preservation to AG-2 General Agriculture.

I support A Charitable Foundation (AFC)'s efforts to donate approximately 79 acres in Pupukea to State Parks. I strongly encourage the Planning Commission to approve AFC's rezoning application and to subsequently create the 79 acre parcel to be given to State Parks. AFC's efforts to rezone its two parcels in Pupukea, if successful, will result in more land designated as P-2 and less land designated as AG-2. This is a very generous objective and I urge the Planning Commission to grant the necessary approvals to make AFC's goal a reality.

Sincerely,



Doug Cole

**Written Testimony before
The Planning Commission**

October 22, 2008

City Council Committee Meeting Room, 2nd floor, 530 S. King Street

**By Scott Seu
Manager, Energy Projects
Hawaiian Electric Company, Inc.**

Chair Karin Holma, and Members of the Commission:

My name is Scott Seu and I respectfully submit this written testimony on behalf of the Hawaiian Electric Company.

Hawaiian Electric Company, Inc. (HECO) strongly urges the commission to **disapprove** Resolution No. 06-141, and the proposed Bill for an Ordinance, relating to photovoltaic systems.

As written, Resolution No. 06-141 and the proposed bill are more restrictive on use of photovoltaics (PV) than current zoning standards. The bill allows for use of PV in **ONLY** the zoning districts of Agricultural and Country. The proposed Master Use Table indicates PV is not a permitted use in all of the other zoning districts.

PV is becoming more popular. In the recently signed Hawaii Clean Energy Initiative Agreement, HECO is committing to develop a utility PV program to facilitate installation of PV at customer sites. HECO, in partnership with Hoku Scientific, is installing a PV system at our Ward Avenue facility to gain experience with the technology and better advise customers on its use. Our Sun Power for Schools program, now in its tenth year, installs PV systems as an educational tool on Hawaii public schools. As of June 30, 2008, 27 schools equivalent to 35 kW have received a solar system on a school building structure. A program called net energy metering

allows homes and business that produce more renewable electricity than they use to export surplus power to the grid for retail credit to offset their bills. Most net metering customers have PV arrays but it is also available for small-scale wind, hydro and biomass systems. Net energy metering is intended to encourage use of renewable energy by residences and small businesses. The passage of the proposed bill would prevent many, if not all, of these efforts.

Thank you for the opportunity to submit this written testimony.