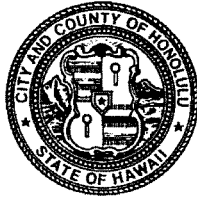


DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

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February 21, 2018

LATE

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Ways and Means
Hawaii State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Dela Cruz and Committee Members:

Subject: Senate Bill No. 2525, SD 1
Relating to the Hawaii Community
Development Authority

The Department of Planning and Permitting (DPP) **offers comments** on Senate Bill No. 2525, SD 1, which repeals in its entirety Chapter 206E, Part II, HRS, related to the Kakaako Community Development District. It also establishes the East Kapolei Community Development District under the jurisdiction of the Hawaii Community Development Authority (HCDA).

The DPP supports the return of Kakaako to local planning and zoning control, as well as infrastructure upgrades. However, there may be a flaw in the Bill in that it repeals the Kakaako Community Development District (Section 6) before a "transitional master plan" is prepared and adopted (Section 7). We appreciate that the Bill includes collaboration with other agencies in preparing the plan. We also suggest consideration that the City and County of Honolulu should also approve the plan, as it may include obligations on the part of the City.

With respect to creating a new East Kapolei Community Development District, we have concerns. There are three major landowners in the area: the Department of Hawaiian Home Lands (DHHL), Horton-Schuler, and University of Hawaii West Oahu (UHWO). The Department of Land and Natural Resources (DLNR) owns relatively smaller pieces of land, although significantly located near highways and the rail station. With the exception of DLNR, the other landowners already have adopted master plans for their lands, or are in the process of updating them. Moreover, DHHL would be exempt from the planning and zoning requirements that might be established under the community development district.

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Much has been done in terms of land use planning and infrastructure master planning in East Kapolei. Essential regional infrastructure improvements have been identified in respective project master plans. The City is updating its Ewa Highway Impact Fee program, which will add roads in East Kapolei. It has also completed the East Kapolei Neighborhood TOD Plan, which already serves as an umbrella document for the major developments around the East Kapolei and Hoopili (now known as the Honouliuli) rail stations. Both UHWO and Hoopili have approved urban design plans that foster "complete communities" that take advantage of the rail stations. Therefore, to establish a new regime under HCDA would seem to be redundant, and pose a significant delay to development.

Perhaps consideration should be given to appointing HCDA as the infrastructure coordinating body on behalf of the State agencies, outside of Chapter 206E, HRS. Its role would be to create a unified strategy for the funding and scheduling of infrastructure necessary to support the development of the other State agencies.

Accordingly, we look forward to more discussions on Senate Bill No. 2525, SD 1.

Thank you for the opportunity to testify.

Very truly yours,



Kathy K. Sokugawa
Acting Director