REPORT OF THE COMMITTEE ON ZONING & PLANNING

Voting Members:
Esther Kia'āina, Chair; Tommy Waters, Vice-Chair;
Radiant Cordero, Val A. Okimoto, Andria Tupola

Committee Meeting Held
June 26, 2025

Honorable Tommy Waters
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Zoning & Planning, to which was referred Bill 37 (2025) entitled:

"A BILL FOR AN ORDINANCE AMENDING PORTIONS OF THE STATE LAND USE DISTRICT BOUNDARY MAP (HALE'IWA QUADRANGLE) FROM AGRICULTURAL DISTRICT TO THE URBAN DISTRICT FOR CERTAIN LANDS SITUATED IN THE HALE'IWA SPECIAL DISTRICT,"

introduced on April 3, 2025, and which passed First Reading at the Council meeting on April 16, 2025, reports as follows:

The purpose of Bill 37 (2025) is to amend a portion of the State Land Use District Boundary Map (Hale'iwa Quadrangle), by reclassifying an approximately 7.292-acre portion (the "Petition Area") of an approximately 7.525-acre zoning lot owned by Basin Project Inc., located within the Hale'iwa Special District and identified as Tax Map Key 6-2-005:002 (the "Hale'iwa Property"), from the State Land Use Agricultural District to the State Land Use Urban District, at the request of Hale'iwa Backyards LLC (the "Applicant"). The remaining 0.233 portion of the Hale'iwa Property is already classified as within the State Land Use Urban District, and consists of a portion of Opaeula Road.

This State Land Use District boundary amendment would allow for a rezone of the Hale'iwa Property from the AG-1 Restricted Agricultural District to the B-1 Neighborhood Business District and A-1 Low-Density Apartment District. Opaeula Road is currently zoned P-2 General Preservation District, and while excluded from the Petition Area, it will be included in the zone change application. This rezoning of the Hale'iwa Property would

ADOPTED ON JUL 9 2025

COMMITTEE REPORT NO. 243

allow the Applicant to pursue the proposed development of approximately 150 to 156 low-rise apartment dwelling units, approximately 30,000 square feet of commercial space, parking, and a wastewater management system.

By way of background, in 1991, a large property was subdivided to facilitate the development of the Joseph P. Leong Highway, and severed the Hale'iwa Property from other agricultural-zoned properties in the State Land Use Agricultural District. The Hale'iwa Property was used as a staging area for the construction of the highway, has not been in productive agricultural use since that time, and has been disconnected from the irrigation systems of the properties on the other side of the highway that are used for agricultural purposes. The Petition Area is currently vacant, and includes undeveloped open space, agricultural roads, and a stockpiling site for sand. The Petition Area does not involve important agricultural lands.

Consistent with the standards and criteria for the approval of a petition for a State Land Use District boundary amendment under § 23-1.6, Revised Ordinances of Honolulu 2021 ("ROH"), your Committee notes that the boundary amendment for the Petition Area:

1. Will contribute to the general welfare and prosperity of O'ahu residents by allowing for the development of much needed low- to moderate-income housing in the Hale'iwa Special District, particularly for O'ahu residents who work in the nearby retail and commercial areas of Hale'iwa;

2. Will help address the City's housing crisis by allowing for the development of decent, reasonably-priced housing with access to schools, services, amenities, and job opportunities; and

3. Is consistent with the Hawai'i State Plan, O'ahu General Plan, North Shore Sustainable Communities Plan, and the purpose and intent of the State Land Use Urban District.

Your Committee finds that the Planning Commission, after a public hearing held on January 22, 2025, at which one person testified and four written testimonies were received, voted to accept the recommendation and conditions of the Department of Planning and Permitting ("DPP") in the attachment to Departmental Communication 242 (2025), with certain amendments relating to wastewater reuse measures and community engagement.

Your Committee finds that § 205-3.1, Hawaii Revised Statutes ("HRS"), allows the county land use decision-making authority to determine district boundary amendments involving land areas of 15 acres or less, so long as the land is not located in the State Land Use Conservation District, and is not designated as important agricultural lands. HRS § 205-3.1 further provides that the State Land Use Commission processes boundary amendments involving land areas greater than 15 acres, land areas in the State Land Use Conservation District, and land areas delineated as important agricultural lands.

Your Committee notes that Bill 37 (2025) was discussed and public testimony was received at two prior Committee meetings – at the regular meeting held the morning of May 29, 2025, and at a special meeting held the evening of June 17, 2025.

At your Committee's meeting on June 26, 2025, the Applicant's Agent provided a brief presentation of the reclassification of the Petition Area and the proposed development of the Hale'iwa Property.

The Chief of the DPP's Community Planning Branch testified in support of the State Land Use District boundary amendment, noting that it adheres to currently adopted State and City plans.

Hawaii Regional Council of Carpenters testified in support of the Bill. Kōkua Hawaii Foundation and five individuals testified in opposition to the Bill.

Your Committee received written testimony in support of the Bill from Operating Engineers Local Union 3, Hawaii Regional Council of Carpenters, and five individuals. Written testimony in opposition to the Bill was received from North Shore Neighborhood Board No. 27 and 317 individuals. Five individuals submitted comments on the Bill.

Your Committee has prepared a CD1 version of the Bill that makes the following amendments:

A. Separates SECTION 1 of the bill into two separate bill SECTIONS, with SECTION 1 of the bill covering the bill purpose and Council findings, and SECTION 2 of the bill setting forth the amendment to the State Land Use District Boundary Map (Hale'iwa Quadrangle). Renumbers subsequent bill SECTIONS.

B. In SECTION 1 of the bill:

1. Clarifies the purpose of the bill (but does NOT change the original purpose and intent of the bill).

2. Adds Council findings relating to the standards and criteria for the approval of a petition for a State Land Use District boundary amendment ("SLUDBA") under ROH § 23-1.6.

C. In new SECTION 2 of the bill, clarifies that the State Land Use District Boundary Map (Hale'iwa Quadrangle) is amended by reclassifying 7.292 acres of land located within the Hale'iwa Special District and identified as a portion of Tax Map Key 6-2-005:002 (the "Petition Area"), from the State Land Use Agricultural District to the State Land Use Urban District. Adds that the reclassification is subject to the conditions in SECTION 3 of the ordinance.

D. In renumbered SECTION 3 of the bill:

1. Amends Condition A to require Basin Project, Inc. to satisfy the requirements in HRS § 205-3.5(a)(1).

2. Amends Condition B to require Basin Project, Inc. to satisfy the requirements in HRS § 205-3.5(a)(2).

3. Removes Condition C (relating to affordable housing), Condition E (relating to access), Condition F (relating to wastewater), and Condition G (relating to endangered species). These conditions are not considerations for SLUDBAs under State or City law, and are more appropriately considered and addressed at a later date under other required approvals and permits, such as a zone change approval, when more project details are available.

4. Re-letters Condition D as Condition C (relating to an update to the traffic impact analysis report) and clarifies that the initial Traffic Impact Analysis Report was dated May 21, 2015, and prepared by SSFM International.

5. Removes Condition H (relating to annual reports) because the first two conditions are continuing conditions, and the third condition must be satisfied before a zone change application is submitted.

E. Makes miscellaneous technical and nonsubstantive amendments.

Your Committee finds that the proposal contained in the Bill appears to be consistent with the O'ahu General Plan and applicable Development Plan of the City.

Your Committee plans to consider this matter further following the receipt of public testimony at the public hearing on July 9, 2025, to be held as required by law.

REPORT OF THE COMMITTEE ON ZONING & PLANNING

Voting Members:
Esther Kia'āina, Chair; Tommy Waters, Vice-Chair;
Radiant Cordero, Val A. Okimoto, Andria Tupola

Your Committee on Zoning & Planning is in accord with the intent and purpose of Bill 37 (2025), as amended herein (the votes for amendment being: Ayes: Cordero, Kia'āina, Okimoto, Tupola, Waters – 5; Noes: None), and recommends that it pass Second Reading, be scheduled for public hearing, and be referred back to Committee in the form attached hereto as Bill 37 (2025), CD1. (Ayes: Cordero, Kia'āina, Tupola, Waters – 4; Aye with reservations: Okimoto – 1; Noes: None.)

Respectfully submitted,

Esther Kia'aina
Committee Chair

HONOLULU CITY COUNCIL
Ke Kanihela o ke Kalana o Honolulu
CITY AND COUNTY OF HONOLULU

ADOPTED ON JUL 9 2025

COMMITTEE REPORT NO. 243

HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **37 (2025), CD1**

A BILL FOR AN ORDINANCE

TO AMEND PORTIONS (7.292 ACRES) OF THE STATE LAND USE DISTRICT BOUNDARY MAP (HALE'IWA QUADRANGLE) FROM THE AGRICULTURAL DISTRICT TO THE URBAN DISTRICT FOR CERTAIN LANDS SITUATED IN THE HALE'IWA SPECIAL DISTRICT, HALE'IWA, OAHU, HAWAI'I.

BE IT ORDAINED by the People of the City and County of Honolulu.

SECTION 1. Purpose and findings. The purpose of this ordinance is to re-classify 7.292 acres of land in Hale'iwa, O'ahu, from the State Land Use Agricultural District to the State Land Use Urban District.

The City Council finds that consistent with the standards and criteria for the approval of a petition for a State Land Use District boundary amendment ("SLUDBA") under Section 23-1.6, Revised Ordinances of Honolulu 2021, the SLUDBA for the 7.292 acres of land described above:

1. Will contribute to the general welfare and prosperity of O'ahu residents by allowing for the development of much needed low- to moderate-income housing in the Hale'iwa Special District, particularly for O'ahu residents who work in the nearby retail and commercial areas of Hale'iwa;

2. Will help address the City's housing crisis by allowing for the development of decent, reasonably-priced housing with access to schools, services, amenities, and job opportunities; and

3. Is consistent with the Hawai'i State Plan, O'ahu General Plan, North Shore Sustainable Communities Plan, and the purpose and intent of the State Land Use Urban District.

SECTION 2. The State Land Use District Boundary Map (Hale'iwa Quadrangle) is hereby amended by reclassifying 7.292 acres of land located within the Hale'iwa Special District and identified as a portion of Tax Map Key 6-2-005:002 (the "Petition Area"), from the State Land Use Agricultural District to the State Land Use Urban District, as depicted in Exhibit A, attached hereto and incorporated by reference herein. This reclassification is subject to the conditions in SECTION 3 of this ordinance.

A BILL FOR AN ORDINANCE

SECTION 3. The reclassification of lands in SECTION 2 of this ordinance is subject to the following conditions:

A. Basin Project, Inc. (or any successor owner, tenant, or interested party) is prohibited from taking any action involving the use of the Petition Area that may, alone or in connection with other actions, interfere with or restrain farming operations on adjacent or contiguous lands in the State Land Use Agricultural District; provided the farming operations are conducted in a manner consistent with generally accepted agricultural and management practices. For the purposes of this SECTION, "farming operation" means the same as defined in Section 165-2, Hawaii Revised Statutes ("HRS").

B. Prior to the sale of any land or interest in land within the Petition Area, Basin Project, Inc. (or any successor owner, tenant, or interested party) shall provide a written disclosure to any prospective purchaser or lessee stating that farming operations and practices on adjacent land within the State Land Use Agricultural District are protected under the Hawaii Right to Farm Act, HRS Chapter 165. This statement must also be included in any disclosures required for the sale, transfer, or lease of real property or any interest in real property.

C. Hale'iwa Backyards LLC shall submit to the Department of Planning and Permitting ("DPP") and the State of Hawai'i Department of Transportation ("HDOT") an update to the initial Traffic Impact Analysis Report ("TIAR") dated May 21, 2015, and prepared by SSFM International. The updated TIAR must include a pedestrian and vehicular circulation plan and information on pedestrian access to the Petition Area from Kamehameha Highway. The DPP and HDOT must accept the updated TIAR prior to Hale'iwa Backyards LLC's submittal of a zone change application.

A BILL FOR AN ORDINANCE

SECTION 4. This ordinance takes effect upon its approval.

INTRODUCED BY:

Tommy Waters (br)

DATE OF INTRODUCTION:

April 3, 2025
Honolulu, Hawai'i

Councilmembers

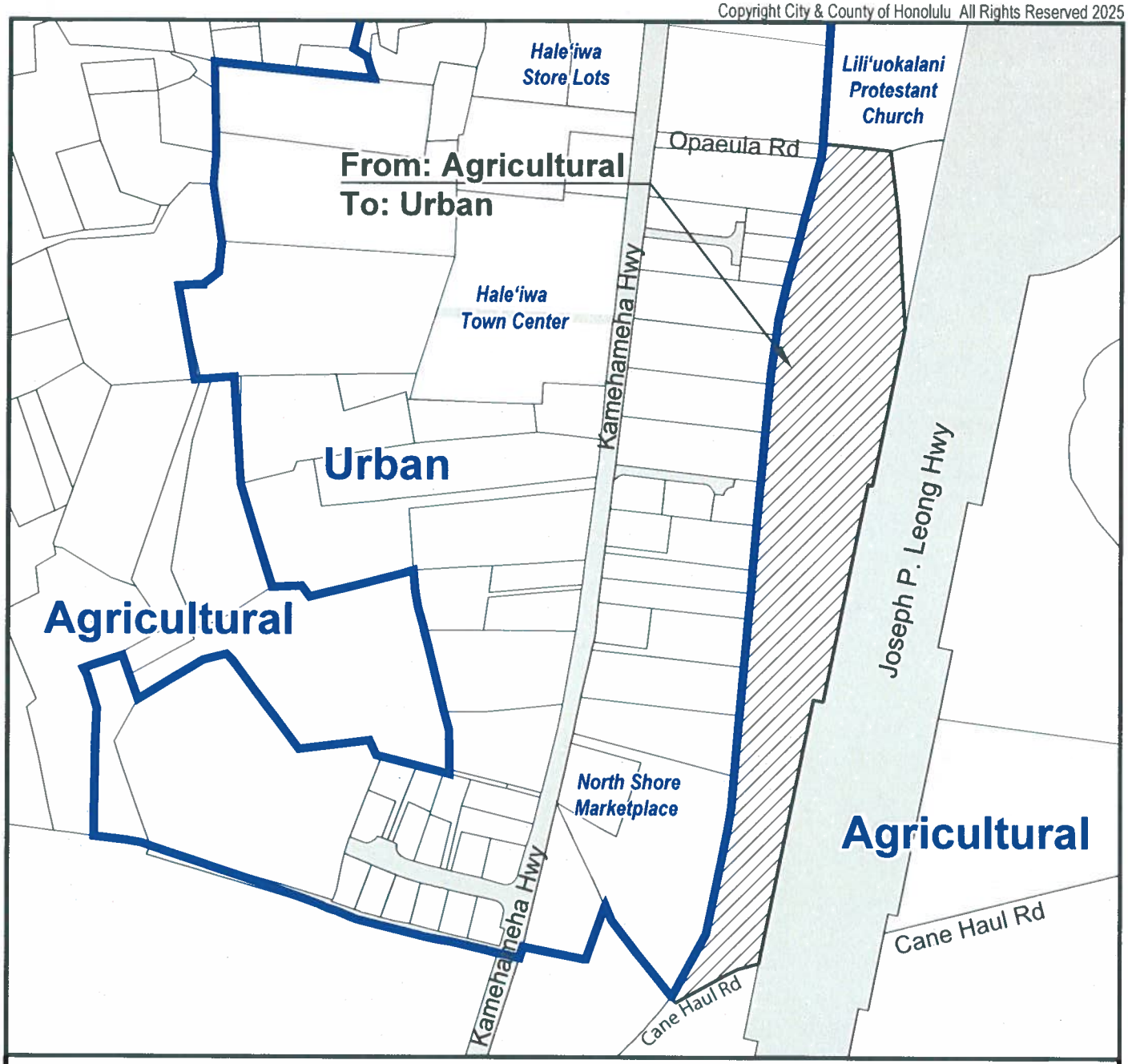
APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____day of _____, 20 ____.

RICK BLANGIARDI, Mayor
City and County of Honolulu

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AMENDMENT TO

STATE LAND USE DISTRICT MAP

Haleiwa

N

0 150 300

Scale in Feet

APPLICANT: HALE'IWA BACKYARDS LLC

TAX MAP KEY: 6-2-005: POR. 002

FOLDER NO.: 2024/GEN-11

LAND AREA: APPROXIMATELY 7.292 ACRES

PREPARED BY: DEPARTMENT OF PLANNING & PERMITTING
CITY AND COUNTY OF HONOLULU

PUBLIC HEARING PLANNING COMMISSION CITY COUNCIL

ORD. NO.

EFF. DATE:

EXHIBIT A

BILL

Report Title:
State Land Use Boundary Amendment; Hale'iwa Quadrangle; Hale'iwa Special District; Haleiwa Quadrangle; Haleiwa Special District

Description:
Reclassifies certain lands in Hale'iwa, Oahu from the State Land Use Agricultural District to the State Land Use Urban District, subject to certain conditions.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.