REPORT OF THE COMMITTEE ON ZONING & PLANNING

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

ADVANCE COPY

Committee Meeting Held
June 25, 2026

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

Mr. Chair:

Your Committee on Zoning & Planning, which considered Bill 37 (2025), CD1 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 HALEIWA SPECIAL DISTRICT,"

which passed Second Reading and was the subject of a public hearing held at the Council meeting on July 9, 2025, reports as follows:

The purpose of Bill 37 (2025), CD1 is to amend a portion of the State Land Use District Boundary Map (Haleiwa 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. (the "Applicant"), 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.

ADOPTED ON _____

COMMITTEE REPORT NO. 187(26)

This State Land Use District boundary amendment ("SLUDBA") would allow for a rezone of the Hale'iwa Property for more intensive use. 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 allow the Applicant to pursue the proposed development of dwelling units, commercial space, and a wastewater management system.

SLUDBAs do not approve any projects that are not already entitled for development. A common SLUDBA is to reclassify an area from the State Land Use Agricultural District to the State Land Use Urban District, to allow for more intense development of the site, but this would require a rezone of the site from an agricultural zoning district to a more intensive zoning district.

When a zone change application is submitted to the Department of Planning and Permitting ("DPP"), specific details regarding the proposed project are disclosed, and the zone change ordinance is accompanied by a unilateral agreement that includes conditions of approval intended to mitigate adverse impacts of that specific project.

At the zone change approval stage, there will also be more opportunity for community engagement on the specific project that is being proposed, including neighborhood board presentations and community outreach prior to the submittal of the zone change application; processing by the DPP that includes sending requests for comment to public agencies, community organizations, adjoining property owners, and other interested parties; processing by the Planning Commission that includes a public hearing; and three readings before the Council that includes a public hearing on second reading.

The vision of the 2011 North Shore Sustainable Communities Plan ("North Shore SCP") is to "maintain the rural character, agricultural lands, open space, natural environment, recreational resources, and scenic beauty of Oahu's northern coast, in contrast to more urbanized areas of O'ahu such as the Primary Urban Center, East Honolulu, Central O'ahu, and 'Ewa. In line with the General Plan's policies to preserve the open space and country atmosphere of the rural areas, the North Shore Sustainable Communities Plan limits growth to "infill" areas within or adjacent to built-up areas to accommodate existing and future housing and employment needs, and strives to maintain the region's population at 1.7 percent of the island-wide population for the year 2025." The North Shore SCP identifies the Petition Area as entirely within the Community Growth Boundary, designates the Petition Area as Country Town, and identifies the Petition Area for infill development.

The Hale'iwa Property is located within the Hale'iwa Special District, which is intended to maintain the largely rural character of the area. Any project proposed for development on the Hale'iwa Property must obtain a Special District Major Permit, which is processed by the DPP, and involves review for compliance with the Hale'iwa Special District design guidelines and requirements.

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 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 notes that Bill 37 (2025) was discussed and public testimony was received at four prior Committee meetings – at the regular meeting held on May 29, 2025, at a special meeting held the evening of June 17, 2025, at a regular meeting held on June 26, 2025, and at a regular meeting held on July 28, 2025.

Your Committee finds that at a public hearing on this Bill held by the City Council on July 9, 2025, public testimony was received in support of, in opposition to, and comments were provided on the proposed SLUDBA.

In Committee Report No. 243 (2025), which the Council adopted at its meetings on July 9, 2025, your Committee set forth background information relating to this Bill.

At the Council's meeting held on August 6, 2025, Committee Report No. 258 (2025) and Bill 37 (2025), CD1, were recommitted back to the Committee on Zoning and Planning.

At your Committee's meeting on June 25, 2026, in the Committee Chair's opening statement, she updated the Committee on efforts to explore whether the City or the Kamehameha Schools were interested in purchasing the Hale'iwa Property. By Departmental Communication 112 (2026), the Department of Housing and Land Management ("DHLM") stated that the City Administration does not intend to pursue acquisition or direct development of the Hale'iwa Property. The DHLM concurs with the DPP that appropriately planned housing development on the site – including affordable housing -- -would align with adopted policies and the City's broader housing objectives, including those set forth in the 2025-2028 Strategic Housing Plan. While the City does not seek to acquire or directly develop the Hale'iwa Property, the DHLM strongly supports the Council's consideration of residential development at the site, subject to compliance with applicable laws and regulatory requirements. The Kamehameha Schools also was not interested in purchasing the Hale'iwa Property.

The Applicant's Agent provided a presentation on the proposed SLUDBA, and responded to questions from Councilmembers.

The Chief Planner of the DPP's Planning Division testified in support of the CD1 version of the Bill, and stated that information on the background and process for SLUDBAs and zone changes provided by the Committee Chair was informative and helpful. The DPP Chief Planner and two DPP Staff Planners responded to questions from Councilmembers.

A DPP Staff Planner provided a status update on the Hale'iwa Property as one of the potential sites for the Hale'iwa mobility hub, as part of the Urban Mobility Hub Planning Study led by the O'ahu Metropolitan Planning Organization, the City, and SSFM International, and confirmed that a mobility hub on the Hale'iwa Property would also require a SLUDBA from the State Land Use Agricultural District to the State Land Use Urban District.

A DPP Staff Planner provided a status update on the updated 2025 draft North Shore Sustainable Communities Plan, and confirmed that the draft plan does not change the existing community growth boundary, which has been in place since the first sustainable communities plan for the North Shore. The DPP Staff Planner indicated that there are areas within the North Shore SCP community growth boundary that warrant more agricultural protection than the Petition Area.

A DPP Staff Planner indicated that regardless of whether the proposed project is built, there will still be traffic congestion in the area, and to entirely alleviate traffic in Hale'iwa would take massive amounts of money to construct more roads and build capacity, but part of the solution is to encourage multimodal transportation systems. The DPP Staff Planner stated that during emergency evacuations, all parts of the Island are affected by traffic congestion.

In response to a question from the Committee Chair, the Applicant's representative stated that the Applicant is not interested in selling the Hale'iwa Property for agricultural use under the City's Clean Water and Natural Lands Fund program.

The Hawai'i Regional Council of Carpenters and eight individuals testified in support of the Bill. The North Shore Neighborhood Board No. 27 and eight individuals testified in opposition to the Bill. Three individuals offered comments on the Bill.

Your Committee received written testimony in support of the Bill from Hawaii Regional Council of Carpenters and eight individuals. The North Shore Neighborhood Board No. 27, Malama Loko Ea Foundation, Sunset Beach Community Association, Big Wave Shrimp Inc., Sierra Club O'ahu Group, Kōkua Hawai'i Foundation, and 179 individuals submitted testimony in opposition to the Bill.

Under § 23-1.6, Revised Ordinances of Honolulu 2021 ("ROH"), all petitions for State Land Use District boundary amendments must be reviewed from the perspective of:

A. Contribution to the general welfare and prosperity of the people of the county;

B. Whether a public issue, need, or problem presently exists to serve as a basis for the proposed State Land Use District boundary amendment; and

C. Consistency with the Hawai'i State plan and the county general plan.

Your Committee finds, pursuant to ROH § 23-1.6, 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.

REPORT OF THE COMMITTEE ON ZONING & PLANNING

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

ADVANCE COPY

Your Committee on Zoning & Planning is in accord with the intent and purpose of Bill 37(2025), CD1 and recommends that it pass Third Reading. (Ayes: Kia'āina, Okimoto, Waters – 3; Noes: Cordero, Tupola – 2.)

Respectfully submitted,

Committee Chair