FOR ACTION

I. **REQUEST**

Consider Authorizing the Executive Director to Schedule Hearings Pursuant to Chapter 91, Hawai'i Revised Statues (HRS), and Chapter 201M, HRS, Regarding Proposed Amendments to the Makai Plan and Rules, Chapter 15-23, Hawaii Administrative Rules, for the Makai Area of the Kaka'ako Community Development District, to Reflect the Section 206E-31.5, HRS, ban on Residential Development; Incorporate the Kaka'ako Makai Conceptual Plan; and Streamline Permitting.

II. **BACKGROUND**

Title 15, Chapter 23, Hawaii Administrative Rules ("HAR"), Relating to the Kaka'ako Makai Community Development District ("Makai Rules") was enacted on November 3, 2005. In 2006, Act 317 banned residential development in the Makai area. The Authority subsequently formed the Kakaako Community Planning Advisory Council and conducted an extensive planning and community outreach effort.

The resulting Kaka'ako Makai Conceptual Master Plan² was adopted by the Authority in 2011 as the guiding document for reviewing and approving any state-owned lands in Kaka'ako Makai ("Conceptual Plan"). The Makai Rules, however, were never conformed to Act 317 or the Kaka'ako Makai Conceptual Master Plan. As such, residential uses are still currently permitted in the Makai Rules.

III. **DISCUSSION**

HCDA staff held a community workshop on Wednesday, August 9th. Community feedback generally included the following points:

- Validity of the 2011 Plan: Concerns that the Conceptual Plan is outdated and not in step with current community needs for housing. Also, distinction between 2005 development plans and OHA's current plan.
- Need for Housing: OHA intends to develop a mixture of affordable and market-unit housing. Intention is to get housing as affordable as it can with as many affordable units as possible.
- Cultural Spaces: Agreement on the need for a Hawaiian cultural center, as was discussed in the Makai Conceptual Master Plan. OHA does intend to include such a cultural center in its development and would be tied into a Native Hawaiian residential community.
- Contaminated Soils: Need to acknowledge the hazards associated with the previous landfill and uses on the site. Conversely, there are precedents throughout the world where landfills and waterfront sites have been redeveloped.
- Scenic Views: Comments on why Kaka'ako Makai needs to have open views towards the ocean, while Kaka'ako Mauka can block views of the mountains.

- Other perspectives that the ocean views are now a scarce resource and need to be protected.
- <u>Climate Change</u>: Comments on the suitability of 4-foot sea level rise zone for affordable housing. Recognition that climate change and sea level rise adaptation affects more than just Kaka'ako Makai.
- Equity: Need to recognize that OHA owns the land and should have the right to determine allowable land uses, not the State of Hawaii. Also questions on the fairness of high rise, luxury towers being allowed in Kaka'ako mauka, while affordable housing is not being allowed in Kaka'ako makai.
- <u>Transparency</u>: The Kaka'ako Makai Conceptual Master plan took years to get approved by the community, while other plans have not been publically vetted in the same manner.
- <u>Funding</u>: The unique relationship of OHA, as a Native Hawaiian Organization, could help to unlock additional resources from the Federal government and other sources in developing Kaka'ako Makai as a cultural center.

The proposed Administrative Draft update of the Makai Plan incorporates the Makai Conceptual Master Plan. Allowable land uses are updated to reflect the Section 206E-31.5, HRS, ban on residential development, and are now called the "Makai Urban Zone" and "Waterfront Community Zone" to reflect the community's desired character for these areas. Allowable building heights and massing, however, remain unchanged. The Makai Plan also eliminates the Ilalo Street extension Ewa of Forrest Avenue, since this roadway is no longer within the HCDA Makai District and has also been eliminated from the State of Hawaii Department of Transportation Harbors Master Plan. The plan is also being updated to include the latest flood hazard maps and sea level rise projections.

The proposed Administrative Draft rules incorporates the ban on residential development and also simplifies the presentation of allowable land uses. This should provide landowners with additional flexibility to propose new activities, and it is also consistent with the Kaka'ako Mauka .

The proposed Administrative Draft rules also introduces new permit types that are consistent with Kaka'ako Mauka, including rules clearance, renovation permit, improvement permit, temporary use permit, and zoning clearance. These new permit types will greatly streamline redevelopment and facilitate investment in existing properties in Kaka'ako Makai. Language is also being added to bring zoning review processes in line with Kaka'ako Mauka, including completeness reviews, approval periods, appeals, and historic preservation reviews.

Parking minimums are eliminated to be in line with the City and County of Honolulu's parking policies. Unlike the planned revision of the Mauka Area rules, however, parking will continue to be excluded from Floor Area Ratio calculations.

Finally, language is also being added to reflect Act 221 (2023), which requires consideration of climate change, sea level rise, and climate-resilient development in the design and siting of buildings.

IV. RECOMMENDATION

Authorize the Executive Director to Schedule Hearings Pursuant to Chapter 91, Hawai'i Revised Statues (HRS), and Chapter 201M, HRS, Regarding Proposed Amendments to the Makai Plan and Rules, Chapter 15-23, Hawaii Administrative Rules, for the Makai Area of the Kaka'ako Community Development District, to Reflect the Section 206E-31.5, HRS, ban on Residential Development, Incorporate the Kaka'ako Makai Conceptual Plan, and Streamline Permitting.

Citations: ¹ Hawaii Community Development Authority. (2005). The *Kaka'ako Community Development District Rules for the Makai Area*. *Title 15, Subtitle 4, Chapter 23, Hawaii Administrative Rules*. https://dbedt.hawaii.gov/hcda/files/2012/11/Chapter-23-Makai-Area-Rules-Eff-2005-11-3.pdf

Attachments: Exhibit A - Administrative Draft Kaka'ako Makai Area Plan

Exhibit B - Administrative Draft Kaka'ako Makai Area Rules

Exhibit C - Summary Matrix of Proposed Amendments to the Makai Area Rules

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² Hawaii Community Development Authority. (2011). *Kakaʻako Makai Conceptual Master Plan Final Report*. Prepared by MVE Pacific, Inc. https://dbedt.hawaii.gov/hcda/files/2015/03/11 0404 KM-FINAL-REPORT.pdf