December 6, 2023

FOR ACTION

I. SUBJECT

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 Kalaeloa Community Development District Master Plan and Rules, Chapter 15-215, Hawai'i Administrative Rules.

II. BACKGROUND

The Hawai'i Community Development Authority ("HCDA" or "Authority") adopted the original Kalaeloa Master Plan ("Plan") in March 2006. The Authority adopted the latest Kalaeloa Community Development District Rules ("Rules"), Chapter 15-215, Hawai'i Administrative Rules ("HAR"), in October 2012. Since 2019, HCDA staff have been working with the consulting firm Torti Gallas+Partners, to analyze and update the Plan and Rules.

In September 2021, the Kalaeloa Authority established a Permitted Interaction Group ("PI Group") to guide the development of the revised Plan and Rules. In April 2023, the PI Group provided feedback on the draft of rule amendments. Their changes are reflected throughout the Administrative Draft Rules, which is attached hereto as Exhibit A.

A virtual community meeting was held on June 13, 2023, to obtain additional public feedback. HCDA staff have been incorporating community and Board comments into the second draft of the Rules. Over 120 comments have been received on the administrative draft rules, primarily from developers and landowners in Kalaeloa. In addition, feedback from Attorney General staff on rulemaking for Kakaʻako Makai is also being incorporated.

III. DISCUSSION

The Rules amendment is an opportunity to encourage appropriate development and enhance the character of Kalaeloa by simplifying permitting processes and increasing regulatory predictability and consistency.

The existing permit structure is primarily geared towards development on small parcels in a dense urban setting. It does not account for the large parcel sizes and broad mix of uses in the District and, currently, even small changes to a property can require lengthy, complex permit reviews that involve expensive public hearings. The proposed Administrative Draft Rules match the size of permit process with the scope of the proposed improvements, so that smaller projects can be done with minimal difficulty.

Major changes from the May 2023 adminstrative draft plan and rules include:

- Establishment of a new special land use district to address comments from the Department of Hawaiian Home Lands (DHHL)
- Designation of an Ewa Battlefield Historic District with special design reviews in order to protect historic resources
- Updates to ensure consistency with HRS §§ 206E-4.1 and 206E-5.6
- Edits to architectural design standards, materials, and other design elements throughout
- Edits to land use transect zones and allowable activities
- Updates to definitions and clarifications

HCDA Staff are continuing to refine the revised Plan and Rules and intend to circulate a revised adminsitrative draft ahead of the planned public hearing in February 2024.

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 Kalaeloa Community Development District Master Plan and Rules, Chapter 15-215, Hawai'i Administrative Rules.

Attachments: Exhibit A – Revised Administrative Draft Kalaeloa CDD Rules

Prepared By: Ryan Tam, AICP, Ph.D., Director of Planning and Development

Reviewed By: Craig K. Nakamoto, Executive Director Gaje 211