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Attorneys for COUNTY OF KAUA'I PLANNING DEPARTMENT RECEIVED

STATE OF HAWAII LAND USE COMMISSION

## BEFORE THE LAND USE COMMISSION

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## OF THE STATE OF HAWAI'I

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In the Matter of the Petition of

COUNTY OF KAUA'I HOUSING AGENCY

To Amend the Agricultural Land Use District Boundaries into the Urban Land Use District for certain lands situated at 'Ele'ele, Kaua'i, Hawai'i; consisting of approximately 75 acres, Tax Map Key No. (4) 2-1-001:054 Docket No. A17-802

COUNTY OF KAUA'I PLANNING DEPARTMENT'S WRITTEN CLOSING ARGUMENT

## COUNTY OF KAUA'I PLANNING DEPARTMENT'S WRITTEN CLOSING ARGUMENT

The County of Kaua'i Planning Department fully supports the Petition for Land Use

District Boundary Amendment. The petitioned area is not within the County's Special

Management Area. This boundary amendment is in conformity with the County General Plan as

its policies support affordable housing developments. Furthermore, the County Planning

Department's draft general plan designates Lima Ola as a residential community.

The County of Kaua'i's Director of Planning, Michael Dahilig indicated that the siting of

Lima Ola is smart growth. The project is closely situated to existing commercial centers,

industrial centers, and a job centers. Testimony from members of the public emphasized that Kaua'i Coffee, the Pacific Missile Range Facility, Port Allen, and seed companies are major employers in this area. Mr. Dahilig also testified that in his opinion as a planner, Lima Ola aligns with the best planning principles as it relates to scope, placement, and design.

There is a great need for affordable housing on Kaua'i and the County is addressing this need through the Lima Ola Project. Mr. Dahilig testified that there is currently a 3000 housing unit deficit on the Island of Kaua'i and that by 2035 there will be a 12,000 unit deficit. Gary Mackler, retired County Housing Development Coordinator, also emphasized the acute rental shortage and the need for housing across all income groups.

The County Planning Department also fully supports the approval of the entire petitioned area. Mr. Mackler emphasized that capital investments are intended to be spread through all phases of the project. Which greatly reduces the per unit development cost. He also stressed that project financing would be hampered if the entire project is not approved. Specifically, the County intends to use state funds from the Hawai'i Housing Finance and Development Corporation for portions of the infrastructure. In exchange for use of these funds the County has agreed to provide portions of the development in later phases as repayment. The Hawai'i Housing Finance and Development Corporation would then develop affordable rental housing on the exchanged property.

The County has invested approximately 5 million dollars of public funds into this project and further public funding will be used for off-site infrastructure. The County is not a profit driven enterprise that can pass development costs or the cost of land use conditions onto the end purchaser. This project and the future living units it will provide are subsidized by taxpayers.

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The County Planning Department would like to join the overwhelming majority of Kaua'i residents that fully support this project and respectfully requests that this Commission approve the petition.

DATED: Līhu'e, Kaua'i, Hawai'i, June 19, 2017.

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