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June 26, 2017

TESTIMONY OF JOANN A. YUKIMURA
COUNCILMEMBER, KAUAI COUNTY COUNCIL
Land Use Commission Docket A17-802
County of Kaua'i Housing Agency
Lima Ola-201H

Chair Aczon and Members of the Land Use Commission:

Thank you for the opportunity to submit written testimony as an individual Councilmember on the Kaua'i County Council.

My name is JoAnn A. Yukimura and I am presently a County Councilmember and former mayor. For over 40 years, I have been involved with land use and affordable housing on Kaua'i. I entered politics in the late 70's as a young woman passionate about keeping Kaua'i Kaua'i even as we grow and change. Been at it ever since!

That slogan, "Keep Kaua'i Kaua'i," is not just my personal mission. It is also the county's goal as reflected in both the present and upcoming general plans: to preserve Kaua'i's rural character, sense of place and *aloha* even as we grow and change. It's challenging work, but to the extent that our visitor industry is thriving and our community is known as a wonderful place to live, we are succeeding.

There are signs, however, that we have not done all our work well. The growing traffic congestion that is affecting both our lifestyle and economy, the dire lack of affordable housing, the growing divide between rich and poor, the need for a stronger, more resilient economic base are some of the challenges. Solving complex, seemingly intractable problems requires thoughtful and far-sighted land use planning and decision-making. That's why you are here today. That's why I am before you today.

In analyzing whether there should be a reclassification of district boundaries to allow the Lima Ola development, **the issue is not whether affordable housing should be built.** I think we can all agree that affordable housing--lots of it--needs to be built on Kaua'i as fast as possible.

However, we must not move so fast that we skip good planning – which is the danger inherent in the Hawai'i Revised Statutes (HRS) 201H process. Hopefully, we have learned by now that poorly planned projects hurt everyone – the families that move into the affordable housing, the larger neighborhood and area, and future generations that have to pay the bill to solve the problems created by poor planning. Poorly planned projects also waste precious taxpayer monies that could have gone instead to build more affordable housing.

The issues with respect to Lima Ola are:

1. Whether the location of Lima Ola is a suitable site that can be developed cost effectively;
2. Whether it will meet the needs of the families who buy or rent the homes – for example, we want to avoid providing an affordable home that comes with high transportation costs, inconvenience and stress;
3. Whether, when developed, the project will have few negative impacts on the larger 'Ele'ele-Hanapēpē community;
4. Whether other county goals, such as the goal of good mobility on our roads, will be enhanced rather than sacrificed in the rush to provide affordable housing.

Answering these questions requires making comparisons. If Lima Ola were the only site available for affordable housing, the answers to all of the above questions would be “yes!” In fact, there are other sites, and if the answers about the others sites are better than the answers about Lima Ola – for example, in terms of development costs, there is a more cost-effective site that would better meet the needs of families, not take away agricultural land under cultivation, contribute positively to the larger community and not cause major traffic and other complications--the County should be building there to conserve limited resources.

It is very revealing that the County of Kaua'i (“County”), in preparing an environmental impact review chose the “no build” alternative to fulfill the HRS Chapter 343 requirement that alternatives be reviewed and considered. To me the County set up a “straw man” to avoid the real issues because there are many alternative sites for affordable housing on Kaua'i, and Lima Ola if it is worthy of approval should be able to withstand the comparison.

After studying the issues extensively, my short answers to the four questions above are as follows: Lima Ola is not a suitable site to develop cost effectively when considering the total development of 550 units on 75 acres of agricultural land. Comparatively speaking, it is not the best site to meet the needs of the families we want to help. There will be many negative impacts to the larger community that could be avoided if the development at Lima Ola were limited to the first phase and the balance of the units were distributed to other sites on the West Side. Lima Ola contradicts many of our other county goals such as preventing or reducing congestion,

becoming more sustainable, protecting agricultural land and farming operations, and diversifying our economy.

The data and justification for my above conclusion are as follows; they are tied to the Land Use Commission's decision-making criteria in HRS Section 205-17(5).

Lima Ola is Inconsistent with Kaua'i's General Plan and Kaua'i's General Plan Update

HRS Section 205-17(5) says the Land Use Commission ("LUC" or "Commission") shall consider the proposed reclassification as related to the county general plan and all community, development or community development plans as they relate to the subject land.

The existing General Plan (2000), while 17 years old, is technically the official guide for Kaua'i until the Updated General Plan is officially adopted. Lima Ola in its entirety of 550 homes on 75 acres of prime agricultural land is inconsistent with the existing General Plan (2000). Interestingly, it is also inconsistent with the policies of the very recently developed Updated General Plan which was recently approved by the Kaua'i Planning Commission and will soon be pending before the Kaua'i County Council.

Inconsistency with the Kaua'i General Plan

Chapter 5 of the Kaua'i General Plan is entitled "Preserving Kaua'i's Rural Character." Under Section 5.1.1, which contains "basic land use policies for preserving Kaua'i's rural character," subsection (a) states:

Enhance Urban Centers and Towns and maintain their identity by defining the Town Center and the edges of each Town. Concentrate shopping and other commercial uses in Town Centers. Encourage residential development within Urban and Town Centers and in Residential Communities contiguous to them.

In the West Side Planning District Land Use Map of the Kaua'i General Plan, the Town Center is defined as the Old Hanapēpē Town and surrounding areas. The area around Port Allen and the 'Ele'ele Shopping Center is shown as an Urban Center. Lima Ola, then is not consistent with the above existing General Plan since it cannot be shown to be within, or contiguous to, a Town or Urban Center designated in the Kaua'i General Plan.

Subsection (b) of Section 5.1.1 says:

"Promote compact urban settlements in order to limit public service costs and to preserve open space."

Lima Ola is not a compact urban settlement (see below on page 5) and the public service costs, beginning with public infrastructure costs, will be inordinately large – certainly more expensive than many other potential affordable housing sites on Kaua‘i. While there is sufficient water for the first increment of Lima Ola, subsequent increments will require the construction of a \$7 million water tank, whereas there are sites in Waimea (around the Tech Center) and along Hanapēpē Heights where water, sewer, and some school infrastructure is readily available. Imagine how many more homes could be built with \$7 million if you didn’t have to spend it on a water tank.

One of the reasons there is insufficient water in ‘Ele‘ele is that Lima Ola’s lands are not in the Water Department’s Water Plan 2020, because residential development of those lands is not included in the existing General Plan. This shows the extra cost of deviating from plans.

Under Section 5.1.2 of the existing General Plan, policies are provided to guide growth and development while preserving rural character.”

Subsection 5.1.2(a) says, “*Allow incremental growth of Towns, contiguous to existing development. . . Support infill development.*” As explained in different parts of this testimony, Lima Ola is neither incremental (see below) nor infill (see page 3).

Subsection 5.1.2(c) says, “*Support growth of residential and business uses in master-planned developments in the Pūhi-Līhu‘e-Hanamā‘ulu Urban Center and at Po‘ipū-Kukui‘ula.*” According to the Kaua‘i General Plan most of the growth should be located in Līhu‘e or South Kaua‘i. Interestingly, the Updated General Plan says the same thing today. The “Growth Allocations Chart” in the Updated General Plan assigns 42% of residential growth to the Līhu‘e area. This is because the majority of the jobs are there, and locating housing close to jobs will reduce traffic congestion around the island substantially.

Subsection 5.1.2(d) says, “*In the outlying West Side and North Shore districts, plan for additional residential use to meet regional demands for housing.*” As pointed out below, Lima Ola’s first phase, plus Habitat for Humanity’s 125 homes that are being built out now will meet most of the regional demand, as defined in the Updated General Plan. Five hundred fifty homes at Lima Ola are inconsistent with the existing General Plan in all these ways. As explained below, they are also inconsistent with the updated General Plan.

Inconsistency with the Updated General Plan

The Updated General Plan was recently approved by the Kaua‘i Planning Department and the Planning Commission and represents the best thinking of the Planning Department and Planning Commission to date. It is unlikely that the

Updated General Plan will change substantially when goes to the County Council shortly.

A key policy for Hanapēpē-‘Ele‘ele in the Updated General Plan is that growth in the region be “incremental” or small and gradual rather than “transformational” or large and impactful. This policy is very important to protecting the rural character of Kaua‘i, especially on the West Side, where “rural” is at the core of sense of place. With approximately 2300 households in ‘Ele‘ele, an additional 675 units (Habitat for Humanity’s already existing 125 residential lots, plus 550 homes projected for Lima Ola over the next 20 years) is not incremental even for the long term.

Compelling evidence of Lima Ola’s inconsistency with the Updated General Plan is found in the “Growth Allocations by Planning District” of said plan. Of the 9,000 homes needed islandwide by 2035 four percent or 360 additional units are allocated to Hanapēpē-‘Ele‘ele up to the year 2035. Between Lima Ola’s 550 homes and Habitat for Humanity’s 125 homes, the combined total of 675 units is almost twice the allocation for Hanapēpē-‘Ele‘ele in the Updated General Plan. This doesn’t include additional lands on the Hanapepe side of the region that are also designated for residential growth in the Updated General Plan. This indicates that Hanapēpē-‘Ele‘ele is tremendously over-classified for growth, and it is growth that will pull away from the town and urban cores.

Lima Ola is Inconsistent with the Kaua‘i Multimodal Land Transportation Plan (MLTP) which is part of the Updated General Plan

The MLTP was adopted by the County Council in 2013 as the official land transportation plan for Kaua‘i and is referred to in the Updated General Plan.

Both the updated General Plan and the MLTP states that land use and transportation are inextricably linked. The MLTP prescribes three land use principles to achieve sustainable development, without which “the transportation components in the MLTP would be difficult to implement” (translation: MLTP’s goal of a well-functioning land transportation system would be difficult to attain.) – **compactness, completeness and connectedness.**

Lima Ola is not compact at an approximate density of R-7. It would be difficult to achieve compactness in the rural setting of ‘Ele‘ele with 550 units all in one place. This highlights the wisdom of the policy of “incremental growth.” It would be much better to spread the 550 units around the Westside in smaller increments. For example, keep the first phase of Lima Ola, but spread the rest of the 300-plus units among other locations on the West Side. There is an excellent site for 20-25 homes around the Waimea Technology Center, which is within walking distance of almost every service needed: schools, hospital and medical facilities, sports fields and

swimming pools, groceries, library, shoreline and Kaua'i Bus. Road, water, and sewer infrastructure is also available which would make per unit development costs much cheaper. Another 100 homes could be placed on the west side of Hanapēpē Heights where water and sewers are also available. The County is planning to build a sidewalk connecting the existing residential subdivision to the main highway and Town Core. Another 30-50 units might fit within the old Hanapēpē Town to help revitalize it with mixed uses similar to what it used to have. Banana Patch Studio, a thriving business in Old Hanapēpē Town, has built three charming multifamily units behind the restored pool hall as workforce housing, an example that could be replicated many times in the Old Town.

Lima Ola is not complete – it will not have a variety of uses or services within its boundaries. By deed, it is restricted against any use except affordable housing. It can't even have some market housing. It is not smart growth. It will be a conventional, single-purpose suburban neighborhood that will require its residents to jump in a car whenever they need anything – whether it's going to school or buying a carton of milk.

Lima Ola is not connected. Children will not be able to walk to school safely. They will have to cross a major highway where cars speed downhill. The Legislature has appropriated over a million dollars to install flashing lights and a crosswalk, but even traffic lights would not be reassuring, and it is likely that most parents will end up driving their children to school. Residents will not be able to access shopping areas, offices, libraries or most jobs in an any easy or safe way by walking or biking. Traffic in the area, due to that generated by 675 additional homes, will increase exponentially. The eastbound traffic from the West Side into Līhu'e and Kōloa-Po'ipū on two-lane highways is already known to slow down to a crawl.

Lima Ola will negatively impact an “area of state concern” under HRS Section 205-17(3)(C)

Section 205-17(3)(C) identifies as an “area of state concern” the “(m)aintenance of other **natural resources relevant to Hawai'i's economy, including agricultural resources**”. Locating Lima Ola on prime agricultural lands that are presently in cultivation by Kaua'i Coffee, a major agricultural operation on Kaua'i will destroy the agricultural value of the land and could jeopardize Kaua'i Coffee in the long term.

Article XI, Section 3 of the Hawai'i State Constitution says, in part, “The State shall conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands.” While the Lima Ola lands may not be designated “agricultural lands of importance to the state,” the Constitution does not say protect “important

agricultural lands” only. The fact that it is in active cultivation and part of Kaua‘i Coffee’s plantation should be sufficient evidence of its importance.

It is indisputable that the agricultural value of the land will be destroyed if a residential subdivision is allowed upon it. If that were the only land available on the island for affordable housing, and it was well located for housing, there might be some justification for taking it out of its agricultural designation. That is not the case. There are many more lands, already classified “Urban” in parts of Hanapēpē-‘Ele‘ele, Līhu‘e, Kōloa-Po‘ipū, Wailua-Kapa‘a, Waimea, and Kapa‘a – and some of them could be available for affordable housing. There is no justification to take the Lima Ola land out of agriculture.

The impacts go beyond reducing the number of acres under the “Agriculture” classification. Urbanizing one set of lands could trigger the “domino” effect by now making other lands “adjacent to urban lands” (which is why the adjacency policy is inadequate to protect against sprawl without a clear urban growth boundary.)

In fact, the domino effect already appears to be at play with Lima Ola. Three weeks ago, the Planning Commission, based on a recommendation by the Planning Department, voted to designate about 75 acres adjacent to and west of Lima Ola as “provisional agriculture” in the Updated General Plan. If these lands are ultimately classified “Urban,” Kaua‘i Coffee will be losing about 150 cultivated acres from its plantation. Does anyone know what the impacts will be? Has anyone asked? Of course, if Kaua‘i Coffee is under any obligation to A&B, they may be constrained in what they can say. On the other hand, if there is a presumption against urbanization of agriculture, as there should be, given the State Constitutional mandate to protect agricultural lands, agricultural lands should not be reclassified nor taken out of cultivation if other lands are available for housing.

Conflicts between agricultural and urban uses will also be problematic for both the ag operator and residents of the houses. This is likely in Lima Ola’s case since the residences will be downwind of the coffee operations. Even if the LUC places conditions that disallows residents from suing against conventional agricultural operations, those operations are likely to be constrained and often more expensive to conduct while residents may be prohibited from raising legitimate concerns – i.e., it will be a “lose-lose” that could be avoided by good planning.

Conclusion

Affordable housing is definitely needed on Kaua‘i and on the West Side, but whether to build affordable housing is not the issue with Lima Ola. There needs to be a careful analysis as to where the best sites are for affordable housing to ensure that development will be cost-effective, any negative impacts will be mitigated and infrastructure will be available. This was not done in the choosing of the Lima Ola

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site. Especially due to its size, the project is not consistent with the policies of the Kaua'i General Plan, the pending General Plan Update, the Kaua'i Multimodal Land Transportation Plan or the LUC's decision-making criteria for boundary reclassifications. One of Lima Ola's main problems is its size and numbers. Even when spread over time, the numbers and potential impacts are not incremental, as called for in both the existing General Plan and the Updated General Plan. The Lima Ola location would work best if it is limited to the first phase, with the balance of affordable units built in other parts of the West Side that are closer to services and where there is sufficient infrastructure.

Should you have any questions, please feel free to contact me at (808) 241-4188.

Sincerely,

A handwritten signature in cursive script that reads "JoAnn A Yukimura".

JOANN A. YUKIMURA
Councilmember, Kaua'i County Council