From: Bart Walton
To: DBEDT LUC

Subject: Hokua Place Testimony

Date: Friday, December 21, 2018 10:51:25 AM

Aloha State Land Use Commissioners,

Please note that I am against the up-zoning of the 97 acres of agricultural lands next to Kapaa Middle School for the following reasons:

1) Kauai does not actually have a housing shortage. As stated in both the Hokua Place DEIS and the County's General Plan, we actually have a high vacancy rate when it comes to housing. This means a house is largely unoccupied for a good portion of the year (as in second home or investment property), or it is an illegal transient vacation rental (TVR), so considered unoccupied until otherwise shown to be in violation of the law, and in any case not in the inventory pool for long term rentals (one of our areas where we do have major housing shortage). Additionally, as of today, there are 661 houses for sale on the MLS, that does not include for sale by owner listings, or "FSBOs". Not only that, currently, an approximate 41% of residential sales on this island are either to mainlanders or foreigners. So what is missing from the mix is affordable housing - low and middle income housing (including special groups like the elderly and farm workers). This is the landscape.

Now, Hokua Place developers want to add 769 residential units to the mix with a price point starting at \$650K, with the qualifier that these prices are subject to change. If affordable housing means that the cost of housing is no more than 30% of the total household income, then \$650K is beyond the reach of low and middle income families, even when many of these individuals have multiple jobs just to make ends meet. The net effect is we are continuing to build houses primarily for mainlanders and foreigners. Is this who we want to convert our ag lands into urban lands for?

2) The second issue is lack of infrastructure to support this level of development on the east side. First, let's look at waste water treatment. If Hokua Place was a development like Princeville, they would have their own waste water treatment plant. However, Hokua Place wants to hook up to the Wailua waste water treatment plant. Yes, Wailua has the capacity, but the infrastructure for the treatment plant is old, outdated and malfunctioning. In fact, the County Council is now considering funding to update the Wailua facility, even though it is in a flood zone and will be highly susceptible to sea level rise as shown by the State's new SLR Report. And remember, this is just one of 3 new developments coming online on the east side which will be putting demands on infrastructure. Which leads to the next issue of traffic. We have a very limited road network, with a major traffic squeeze between Kealia and Wailua bridge. Depending on how one interprets the DEIS, Hokua Place will either add an additional 1,047 or 1,900 vehicle trips per hour/ per day in the Kealia to Wailua squeeze, along with an equal number of new units and corresponding vehicles coming from the 3 other new

developments.

In the final analysis, if a developer truly wants to add affordable housing to the mix (which they will want to do along with market-based development), then it makes most sense to do this in Lihue for the following reasons: 1) sufficient infrastructure already exists to support new development, 2) that is where the majority of the jobs are on Kauai, so why not eliminate the traffic problem by putting housing and jobs in proximity to one another, 3) it is much easier to get to "affordable" if you are working within an existing infrastructure that can support more development, and 4) finally, using an "infill" or smart growth model will increase the density and attractiveness of Lihue and prevent sprawl and spillover onto agricultural lands and open space. The net effect is that with good planning, Lihue could be a much more livable/likable town and offer up the kind of housing Kauai truly needs. Eastsiders (and even north shore folks passing through Kapaa) will have a less severely impacted quality of life, controlled sprawl and preservation of ag lands for future generations.

Mahalo for listening.

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