July 1, 2022

Mr. Dean Uchida, Director
Department of Planning and Permitting
650 South King Street, 7th Floor
Honolulu, HI 96813

Subject: Royal Kunia II Cluster Housing Permit Application No. 2022/CL-2
Owner: Haseko Royal Kunia 1, LLC
Applicant: Royal Kunia 1 LLC (Raymond S. Kanna)
Agent: AM Pacific Group LLP (Angela Fong)
Location: Anonui Street – Waieke and Hoaeae
TMK: 9-4-002: 071 por.
Zoning: R-5 Residential District

Dear Mr. Uchida,

Thank you for the opportunity to provide comments on the above application for a Cluster Housing permit for Haseko Royal Kunia (Haseko). The Office of Planning and Sustainable Development (OPSD) recommends that a condition be added to ensure that Haseko complies with the long-standing Land Use Commission-imposed obligation to provide the backbone infrastructure to the nearby Kunia Agricultural Park. The proposed project is for a cluster housing development consisting of single-family, two-family, and multi-family dwelling units for a total of 324 dwelling units.

The Office of Planning and Sustainable Development (OPSD) has reviewed the application and has the following comments and concerns.

1. The proposed project site is within the State Urban Land Use District, . On December 9, 1993, the LUC issued the Findings of Fact, Conclusions of Law, and Decision and Order (D&O), reclassifying almost 505 acres of A and B-rated agricultural lands (including this project area) into the urban district. In balancing the desire for housing with the loss of good agricultural lands, Condition No. 22 of this D&O, among other things, required that the Petitioner provide off-site infrastructure to the Kunia Agricultural Park. The original deadline for completion was in 2001, over twenty years ago. OPSD notes that the City’s zoning Ordinance No. 95-08 Unilateral Agreement condition no. 13 is similar to the LUC’s condition regarding the agricultural park.
2. Since 1993, the Department of Agriculture (HDOA) has agreed to extend the deadline for completion of the infrastructure five times, in 2007, 2009, 2012, 2015 and 2020 through multiple amendments to the Memoranda of Understanding between the various and sometimes changing property owners and the Department of Agriculture.

3. Most recently, on November 1, 2021, the LUC issued an Amended Order to Successor Petitioner (as to Parcel 52) Hoohana Solar 1, LLC’s Motion for Modification and Time Extension (Amended Order 2021), located on the Petition Area. Condition 1 of this Amended Order 2021 requires all the owners of the entire Petition Area for Docket No A92-683 to execute another amendment to the Memorandum of Understanding by May 1, 2022 (six months from the date of the Amended Order 2021). Based on discussions with HDOA, that amendment has not been executed.

4. In addition, Condition 1 of the Amended Order 2021 also required that the amended Memorandum of Understanding set a date for completion of the off-site infrastructure no later than June 30, 2023, as shown below:

1. Royal Kunia Agricultural Park Offsite Infrastructure. Within six (6) months of the date of the Commission's Order, the landowner(s) within the Petition Area shall execute an amendment to the Memorandum of Understanding (dated 1993 and subsequent amendments in 2007, 2009, 2012, 2015 and 2020) with the Department of Agriculture, and comply with this amended Memorandum of Understanding. This Memorandum shall require that off-site infrastructure to the State of Hawai‘i’s Kunia Agricultural Park be completed no later than June 30, 2023. "Offsite-infrastructure" includes, but is not limited to, all utilities and appurtenant works, roadways, potable water lines, electrical utilities, sewer lines, utility connections, and the non-potable waterline appurtenances in place, complete."

OPSD is concerned that the June 30, 2023 deadline will not be met.

5. When the MOU is amended, this will result in the sixth extension and the irrigation line will still not yet be constructed. In 2020-2021, OPSD and DOA met with Haseko to discuss the circumstances and situation with the provision of the infrastructure, but specifically for the construction of the irrigation line to Kunia Agricultural Park. These discussions led to the current LUC condition mentioned above, but the Petitioner/landowner has not met the deadline to execute a revised MOU.

6. To the best of our knowledge, Haseko has not gotten any permits for the construction of the infrastructure.
7. Given the multiple failures over twenty years to 1) complete construction of the infrastructure, 2) the current failure to execute an amended MOU as required by the Condition 1 of the Amended D&O 2021, 3) the lack of any signs of movement by Haseko to begin construction of the infrastructure, and 4) the needs of the agricultural community, OPSD is very concerned that the June 30, 2023 deadline will also not be met.

8. Both the OPSD and DOA have concerns regarding the construction of the agricultural park infrastructure. In order to provide an added incentive to ensure that the infrastructure is completed, we strongly recommend that an approval on this Cluster application also contain this condition or a similar condition, as follows:

Prior to issuance of any building permit, the Applicant shall complete the off-site infrastructure to the State of Hawaii’s Kunia Agricultural Park, as referenced in the Land Use Commission’s Docket Number A92-683 Order dated November 1, 2021.

Thank you for the opportunity to comment on this application. If you have any comments or concerns, please contact Lorene Maki of the Land Use Division at Lorene.k.maki@hawaii.gov

Mahalo,

Mary Alice Evans
Director

cc: Department of Agriculture
Land Use Commission