DEPARTMENT OF PLANNING AND PERMITTING CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL MAYOR



February 6, 2018

KATHY K. SOKUGAWA ACTING DIRECTOR

TIMOTHY F. T. HIU DEPUTY DIRECTOR

EUGENE H. TAKAHASHI DEPUTY DIRECTOR

The Honorable Will Espero, Chair and Members of the Committee on Housing The Honorable Clarence K. Nishihara, Chair and Members of the Committee on Public Safety, Intergovernmental, and Military Affairs Hawaii State Senate Hawaii State Capitol 415 South Beretania Street Honolulu, Hawai 96813

Dear Chairs Espero and Nishihara, and Committee Members:

Subject: Senate Bill No. 2377

Relating to Planned Communities

The Department of Planning and Permitting (DPP) **opposes** Senate Bill No. 2377, which requires counties to designate an agency to inform the public and hold a hearing when lands for purposes other than proposed as part of a master plan for a community are being sold.

The City does not have oversight or direct involvement in real estate transactions between a buyer and seller (unless the City is party to such a transaction). Requiring the City to inform the public and provide a means for community input is misleading. It incorrectly implies that the City has discretionary review and decision-making authority over the sale of real property between two entities.

It is understandable that residents, particularly purchasers of homes in a master planned community, may be opposed to a change in the original intended use of a property. However, albeit it is not perfect, the role of zoning is to allow a range of permitted uses for designated districts, and not to regulate and offer hearings for every change of use. Ironically, developers of "master planned communities," by definition, should plan for acceptable changes in use. Senate Bill No. 2377 represents a threat to property rights, in that a hearing on a sales transaction effectively becomes a political referendum to entitlements already granted. Such action may be grounds for a "takings" challenge.

We ask that Senate Bill No. 2377 be deferred. Thank you for the opportunity to testify.

Very truly yours.

Kathy K. Sokugawa Acting Director To: Senate Committee on Housing Senate Committee on Public Safety, Intergovernmental, and Military Affairs

RE: SB 2377 Relating to Planned Communities

Chair Espero, Chair Nishihara, and committee members,



I am a Waipahu resident and member of the Waipahu Neighborhood board, although this testimony is my own and does not reflect the board as a whole. SB 2377 addresses the issue faced by residents of Royal Kunia due to the sale of a parcel of preservation land located within the Royal Kunia master planned community. Prior to the sale, the parcel was designated by the developers to become a golf course. When residents of the Royal Kunia subdivision purchased their homes years ago, they did so with the belief that the parcel would eventually be developed into a golf course. After the purchase of the parcel in the open market, the buyers of the property created Royal Kunia Meadows and proceeded to grade and develop the land.

Desperate to find out what was going on with their community and these new neighbors, the residents asked the neighborhood board for help. The board assisted with several meetings dedicated to the Kunia meadows situation; there were presentations by the Meadows board of directors, City Department of Planning and Permitting, Honolulu Board of Water Supply, and presentations by the residents. Many of the residents raised concerns over the structures erected of the property, dust and noise during non-sanctioned hours, use of unknown materials and chemicals being sprayed or applied close to homes, and in some cases alleged altercations between homeowners and workers on the Meadows property as the homeowners tried to document the activities going on by their new neighbors.

To this day, it remains unclear what the true intention of Meadows owners are with the property. At one point the owners claimed that the property would be used for agriculture and farming, which is a permitted use of the land. But the homeowners have documented structures and other improvements to the land that appear contrary to this specific use. The Meadows owners have refused to provide a detailed plan of what the property would be used for despite repeated attempts by the Waipahu neighborhood board and residents of Royal Kunia to understand what is happening in that community.

This measure addresses this issue by requiring the new owners to provide a plan to neighboring communities so that residents can understand what the future of their community is headed. While it is too late to help the residents of Royal Kunia, this measure would make sure that any future communities do not face the same uncertainty and receive the information on changes to land or parcels that are being developed into a use not originally intended when the community was built and sold to the residents.

Sincerely, Cory Chun