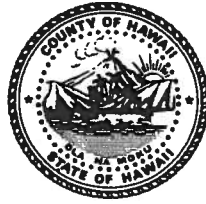


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MEMORANDUM

October 20, 2011

TO: RESIDENTS AND OTHER STAKEHOLDERS IN HAWAIIAN OCEAN VIEW ESTATES (HOVE)

FROM: BJ LEITHEAD TODD, DIRECTOR *BJT*
PLANNING DEPARTMENT

SUBJECT: HOVE SUBDIVISION READJUSTMENT STRATEGIES

The purpose of this memo is to clarify the intent and status of the Planning Department's analysis of subdivision readjustment strategies, as reported in the media and discussed during the October 11, 2011 Ka'ū Community Development Plan (CDP) Steering Committee meeting.

We want to make a few points very clear:

- We are **not** proposing to take anyone's property, force anyone to move, or otherwise infringe on their property rights. We **are** exploring ways to give the HOVE landowners greater choice about how to preserve what they love – natural beauty, open space, agricultural land, privacy, the sense of community, affordability, etc.
- We are **not** telling anyone what to do. We **are** investigating options for how to give the HOVE community greater control over future growth, including where to encourage development, which amenities and services to improve, and how to pay for them.
- **No final decisions are being made, and no action is being taken.** We are not exploring the concept any further or planning to discuss it with any community organizations at this point. The HOVE readjustment strategies are in the concept stage, and we're still exploring a range of other CDP strategies. You will have many opportunities to provide feedback on them before the CDP is finalized.

The County engaged a consultant, PBR Hawai'i, to assist with ongoing preparation of the Ka'ū CDP. Part of the consultant's scope of work is to help develop strategies for achieving community objectives in Ocean View, including preserving open space, agriculture, and natural and cultural resources; encouraging economic development; expanding retail, service, dining, and entertainment options; expanding infrastructure like water, emergency services, and schools; and encouraging safe, sustainable, and connected growth patterns.

Specifically, the Planning Department asked the consultant to explore whether there is a feasible way for landowners to voluntarily transfer their development rights – the right property owners have to build – from mauka lots to lots of comparable value in a new, HOVE planned town center near the highway. The new town could be a higher density, mixed-used area with water and possibly other public facilities like a school. Owners who have already built and chose to remain mauka could enjoy guarantees of open space and privacy and even have the opportunity to purchase lots that are preserved for agriculture or open space.

The consultant researched related efforts tried in Puna and in comparable communities on the mainland and abroad. The consultant synthesized and adapted workable ideas into a memo to the Planning Department. The memo emphasized the importance that the approach be voluntary, market-driven, and controlled by the affected residents. In fact, during the analysis, options that included mandates, condemnation, and lot purchases or that limited community control were discarded as undesirable or infeasible. The consultant also emphasized to the County the novelty of the idea, the lack of good models applicable to our situation, and the need to carefully test the idea.

This concept summarized in the memo is in the beginning stage, and many questions would have to be answered before knowing whether and how it would work. Recognizing that the concept is novel and ambitious, and wanting to make best use of public time and resources, we had planned to meet with the boards of community organizations in HOVE to get their feedback on whether the concept merited additional testing. The Planning Department drafted a memo to the Ocean View Community Development Corporation board to that effect. These meetings were not an attempt to bypass the rest of the community or the CDP Steering Committee. Rather, it was part of the normal process of discussing possible CDP strategies with stakeholders who have knowledge and experience related to those strategies. If the concept was explored further, one of the next steps would be to hold community meetings to help test the strategies.

Whether the concept was tested further or not, no final decision about whether to include it in the CDP as a preferred strategy would be made until the entire HOVE community had the opportunity to weigh in. Until the draft CDP is complete, and people have the opportunity to consider all of the CDP strategies that would impact HOVE, that step is premature. Moreover, because the strategy would be implemented and controlled by the community, nothing would happen until the community took the initiative.

At this point, we are not exploring the concept any further or planning to discuss it with any community organizations. We'll focus on completing the draft CDP, including a range of strategies to achieve community objectives in HOVE. When the draft CDP is complete, you will have many opportunities to provide feedback before the plan is finalized.

If you have any questions about the concept or the Ka'ū CDP, please go to www.kaucdp.info, contact a Steering Committee member (contact information is available at the web site), or contact Ron Whitmore at 961-8137 or rwhitmore@co.hawaii.hi.us.