

**RESOLUTION NO. 534 16**  
(DRAFT 2)

**RESOLUTION AUTHORIZING THE EXEMPTION OF CERTAIN CODE REQUIREMENTS, PURSUANT TO SECTION 201H-38 AND SECTION 46-15 OF THE HAWAII REVISED STATUTES, FOR HUALALAI HEALTH, LLC, KONA, HAWAII, COVERED BY TAX MAP KEY (3) 7-5-010:061**

WHEREAS, on June 01, 2006, Change of Zone Ordinance 03-69 became effective, changing the district classification from Agricultural (A-5a) to Multiple-Family Residential (RM-2.5) on the parcel covered by Tax Map Key (3)7-5-010:061 consisting of 9.262 acres (the "Property"); and

WHEREAS, the Phase 1 Market Study and Rate Analysis by Integra Realty Resources, Inc. completed December 2105 reflects that the County of Hawaii has an unmet demand for skilled-nursing of 500 beds and an unmet demand for assisted living of 273 beds; and

WHEREAS, Hualalai Health, LLC, the owner for the Property and the developer of the Hualālai Kai project (the "Project") on the Property, has secured sufficient water commitments for the Project to construct the proposed 96 assisted living beds (54 units), 160 skilled nursing and long-term care beds (80 units) and 35 employee housing apartments (35 units) for a total of 169 rentable housing units; and

WHEREAS, 91 of the proposed 169 rentable housing units (56%) of the Project will be affordable by providing 56 units affordable to families earning less than 30% of median income, and 35 units to be affordable to families earning less than 140% of median income in accordance with Section 201H-38 of the Hawaii Revised Statutes ("HRS"); and

WHEREAS, Hualalai Health, LLC members have responsibly developed and constructed assisted living facilities on Maui and Oahu; and

WHEREAS, the Project will be operated by Presbyterian Retirement Communities Northwest, a faith-based non-profit organization operating 4 facilities in Washington; and

WHEREAS, HRS § 201H-38, in conjunction with HRS § 46-15, allows the County, with approval of the County Council, to exempt affordable housing projects from certain code requirements to facilitate the development of such projects; and

WHEREAS, Hualalai Health, LLC has requested that the County exempt the Project from certain code requirements to help reduce the cost of producing the affordable housing; and

WHEREAS, the project will promote the goals contained in HRS § 201H-38 and Chapter 11 of the Hawaii County Code; and

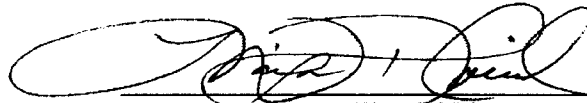
WHEREAS, if, for any reason, an affordable housing project is not constructed on the Property, all conditions of Ordinance No. 03-69 shall thereafter be in effect for the Property; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF HAWAII, that the exemptions requested for the Project, attached hereto as "Exhibit A," are hereby approved.

BE IT FURTHER RESOLVED, that a copy of this resolution be transmitted to the Planning Director and Housing Administrator of the County.

Dated at Hilo, Hawaii, this 7th day of July, 2016

INTRODUCED BY:

  
COUNCIL MEMBER, COUNTY OF HAWAII

COUNTY COUNCIL  
County of Hawaii  
Hilo, Hawaii

I hereby certify that the foregoing RESOLUTION was by the vote indicated to the right hereof adopted by the COUNCIL of the County of Hawaii on July 7, 2016.

ATTEST:



COUNTY CLERK



CHAIRPERSON & PRESIDING OFFICER

ROLL CALL VOTE

	AYES	NOES	ABS	EX
CHUNG	X			
DAVID	X			
EOFF	X			
ILAGAN	X			
KANUHA	X			
ONISHI	X			
PALEKA	X			
POINDEXTER	X			
WILLE	X			

Reference: C-897.3/HSSSC-2

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EXHIBIT A

PROPOSED SECTION 201H-38, HRS, EXEMPTIONS  
FROM THE HAWAII COUNTY CODE (“HCC”)

A. EXEMPTION FROM CHAPTER 5, HCC, BUILDING CODE

1. An exemption from Section 5-31 & 5-35, HCC, Permit Fees, shall be granted to waive application fees.

B. EXEMPTIONS FROM CHAPTER 25, HCC, ZONING

1. Exemption from Section 25-2-61 (a) (7), HCC, “Applicability: use permit required.” A use permit will not be required to accommodate the care facility and related improvements.
2. An exemption from Chapter 25, HCC, Zoning. The zoning classification shall be changed from RM 2.5 to RM 2.0 with the number of dwelling units allowed for each dwelling unit reduced to two-thousand square feet of land, with two-beds in the skilled nursing, assisted living, and memory care units counted as equivalent to one dwelling unit.

C. EXEMPTIONS FROM CHAPTER 10, HCC, EROSION AND SEDIMENT CONTROL

1. An exemption from Section 10-11, HCC, Grubbing and Grading Permit Fees, shall be granted to exempt the project from grading, grubbing, and excavation permit fees, as well as inspection fees.

D. ORDINANCE 03-69 CONDITION N:

1. An exemption from Condition N and all provisions regarding Fair Share Contribution shall be granted.

E. ORDINANCE 03-69 CONDITION O:

1. An exemption from the second Condition O regarding a requirement to pay impact fees should the County Council adopt a Unified Impact Fees Ordinance shall be granted.

F. KONA COMMUNITY DEVELOPMENT PLAN SEPT. 2008 (KONA CDP), POLICY LU-2.8:

1. Exemption from concurrency requirements of Policy LU-2.8 of the KCDP and Section 25-2-46, HCC shall be granted.

G. ORDINANCE 03-69 CONDITION D:

1. Exemption from the time requirement under Condition D.