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# HOUSE CONCURRENT RESOLUTION

URGING THE OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT TO DEVELOP A SCOPE OF WORK OR REQUESTS FOR PROPOSALS FOR BIDDERS TO PERFORM THEIR OWN ANALYSIS AND METHODOLOGY THAT DETERMINES WHETHER A DEVELOPMENT WILL CONTRIBUTE TO THE LONG-TERM FISCAL SUSTAINABILITY OF THE STATE AND RESPECTIVE COUNTY.

1           WHEREAS, low density development patterns across the United  
2 States consistently cost more in infrastructure maintenance  
3 costs and general service expenditures than they provide in tax  
4 revenue; and

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6           WHEREAS, this deficit continues to get worse, and new  
7 developments continue to be planned without accounting for  
8 future maintenance, infrastructure costs, and service costs; and  
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10           WHEREAS, the State faces additional pressures of an aging  
11 population and shrinking workforce, resulting in an increasing  
12 share of the budget going toward employee pension and retiree  
13 health care benefits; and  
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15           WHEREAS, Hawaii will be heavily impacted by rising sea  
16 levels, with the Hawaii Sea Level Rise Vulnerability and  
17 Adaptation Report estimating that there will be a 3.2 feet of  
18 sea level rise, which will lead to the loss of \$19,000,000,000  
19 in land and structures, thirty-eight miles of major road  
20 flooded, six thousand five hundred flooded structures, nineteen  
21 thousand eight hundred displaced people, and an incalculable  
22 cost to fortify, rebuild, or relocate critical infrastructure;  
23 and  
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25           WHEREAS, the Government Accountability Office forecasts  
26 that partially due to an aging population and the need to  
27 replace degrading infrastructure, state and local governments



1 will operate negative balances until 2060 without major policy  
2 change; and

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4 WHEREAS, between 2012 and 2018, the cost of state  
5 government increased forty-one percent, despite the number of  
6 employees remaining relatively flat, with similar trends  
7 throughout each of the counties; and

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9 WHEREAS, fiscal sustainability is achieved when a city can  
10 cover its cost obligations and provide high service quality for  
11 its residents without major tax increases or degradation of city  
12 facilities over a long-term period; and

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14 WHEREAS, maintaining fiscally sustainable development is  
15 possible and keeping developments sustainable will help Hawaii  
16 to build infrastructure, invest in vibrant public spaces, and  
17 house the State's growing population; and

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19 WHEREAS, to maintain fiscal sustainability, it is critical  
20 to evaluate new development proposals not only against adopted  
21 development regulations and construction standards but also in  
22 relation to the fiscal productivity of the product; and

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24 WHEREAS, fiscal productivity is defined as the amount of  
25 private wealth created on any specific land area of the city  
26 translating in part to tax revenues to the city; and

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28 WHEREAS, proposed developments should be judged, in part,  
29 based on their long-term fiscal cost or benefit to the city; and

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31 WHEREAS, state and county land use planning will be  
32 assisted by developing a fiscal analysis methodology to evaluate  
33 existing and proposed developments by their expected tax  
34 contributions and their ongoing costs for services and  
35 infrastructure; now, therefore,

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37 BE IT RESOLVED by the House of Representatives of the  
38 Thirty-second Legislature of the State of Hawaii, Regular  
39 Session of 2024, the Senate concurring, that the Office of  
40 Planning and Sustainable Development is urged to develop a scope  
41 of work or requests for proposals for bidders to perform their  
42 own analysis and methodology that determines whether a



1 development will contribute to the long-term fiscal  
2 sustainability of the State and respective county; and

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4 BE IT FURTHER RESOLVED that bidders are urged to:

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6 (1) Develop a visual mapping analysis of current  
7 development patterns showing estimated value per acre  
8 to help compare the fiscal productivity of various  
9 development patterns throughout Hawaii; and

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11 (2) Consider a methodology that estimates ongoing  
12 maintenance costs and the future replacement costs of  
13 the infrastructure serving a development and the  
14 annual general service, including public safety and  
15 general administrative services, costs for the  
16 development; and

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18 BE IT FURTHER RESOLVED that the Office of Planning and  
19 Sustainable Development is requested to submit a report on the  
20 development of the scope of work or requests for proposals,  
21 including findings, recommendations, and any proposed  
22 legislation, to the Legislature no later than twenty days prior  
23 to the Regular Session of 2025; and

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25 BE IT FURTHER RESOLVED that a certified copy of this  
26 Concurrent Resolution be transmitted to the Director of the  
27 Office of Planning and Sustainable Development.

