

UNIVERSITY OF HAWAI'I SYSTEM 'ÕNAEHANA KULANUI O HAWAI'I

Legislative Testimony Hōʻike Manaʻo I Mua O Ka ʻAhaʻōlelo

Testimony Presented Before the House Committee on Energy & Environmental Protection January 28, 2025 at 9:00 a.m. By Kalbert K. Young Vice President for Budget and Finance/Chief Financial Officer University of Hawai'i System

HB 742 – RELATING TO TRANSIT-ORIENTED DEVELOPMENT

Chair Lowen, Vice Chair Perruso, and Members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) supports House Bill (HB) No. 742, Relating to Transit-Oriented Development. HB 742 requires the Hawai'i Community Development Authority (HCDA) to prepare environmental impact statements (EIS) for the Iwilei/Kāpalama and UH West O'ahu (UHWO) transit-oriented development (TOD) infrastructure improvement districts. UH owns lands within both TOD infrastructure improvement districts, including the UHWO and Honolulu Community College campuses.

UH has an accepted Final EIS dated February 7, 2007 (Accepted FEIS) for 500-acres at UHWO. The Accepted FEIS projected a 7,600-student UHWO campus, 4,041 residential units, and 842,886 square feet of commercial. The Accepted FEIS includes lands that are within the UHWO TOD infrastructure improvement district. UH's currently planned projects are consistent with the Accepted FEIS, including a \$35 million UHWO on-site infrastructure project with HCDA. UH is open to working with HCDA on the preparation of a new EIS that would evaluate higher density development within the TOD infrastructure improvement districts.

Thank you for the opportunity to present testimony today.

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LT. GOVERNOR



DEAN MINAKAMI EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300 HONOLULU, HAWAII 96813 FAX: (808) 587-0600

Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation Before the

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

January 28, 2025 at 9:00 a.m. State Capitol, Room 325

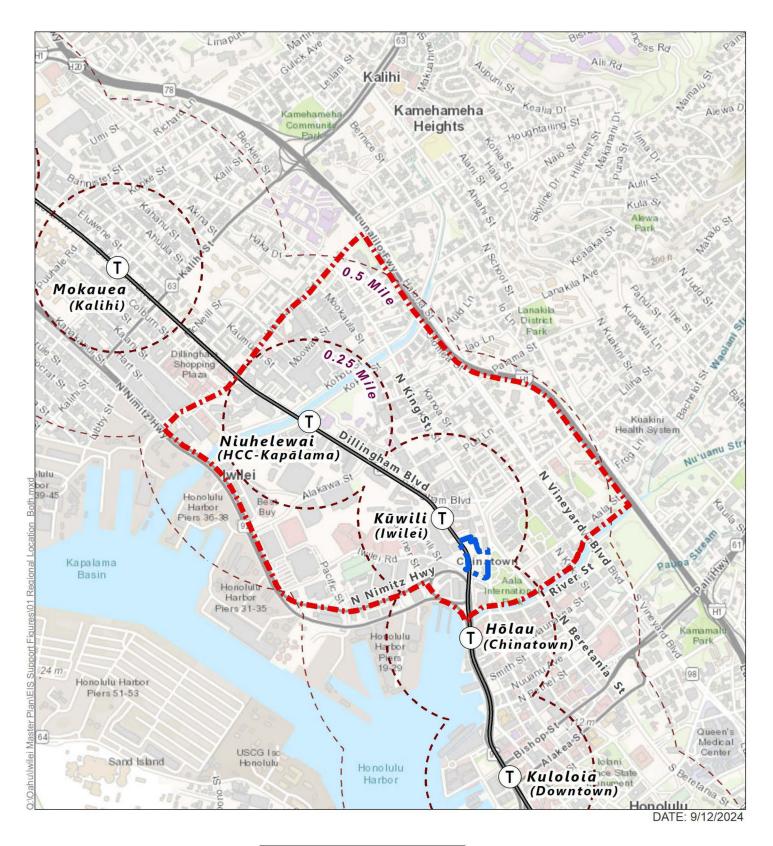
In consideration of H.B. 742 RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

Chair Lowen, Vice Chair Perruso, and members of the Committee.

HHFDC has <u>comments</u> on HB 742, which requires the Hawai'i Community Development Authority (HCDA) to prepare environmental impact statements (EIS) for the Iwilei/Kapalama and University of Hawai'i West Oahu transit-oriented development (TOD) infrastructure improvement districts on the island of Oahu.

Note that HHFDC has prepared an infrastructure master plan for the lwilei-Kapalama area, the boundary for which is shown in the attached figure. The *Draft lwilei Infrastructure Master Plan and Liliha Civic Center EIS* was published in *The Environmental Notice* on September 23, 2024. If infrastructure improvements are contemplated beyond the boundary covered by HHFDC's EIS, HCDA could prepare additional environmental review documents for infrastructure improvements beyond this area.

Thank you for the opportunity to testify on this bill.



LEGEND

1 -



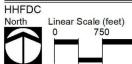
TOD Walk Radius

HAWAII

Figure 1 Regional Location

Iwilei Master Plan & Liliha CC

1,500





Island of O'ahu

Source: City & County of Honolulu, 2020. ESRI Online Basemap. Disclaimer: This graphic has been prepared for general planning purposes only and should not be used for boundary interpretations or other spatial analysis.

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

STERLING HIGA CHAIRPERSON

CRAIG K. NAKAMOTO EXECUTIVE DIRECTOR

HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY 547 Queen Street, Honolulu, Hawai'i 96813

547 Queen Street, Honolulu, Hawai'i 96813 Telephone: (808) 594-0300 Fax: (808) 587-0299 Web site: http://dbedt.hawaii.gov/hcda/

Statement of CRAIG K. NAKAMOTO Executive Director Hawai'i Community Development Authority before the HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

> Tuesday, January 28, 2025 9:00 AM State Capitol, Conference Room 325 & Videoconference

In consideration of HB742 RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

Chair Lowen, Vice Chair Perruso and members of the Committee.

The Hawai'i Community Development Authority (HCDA) respectfully offers comments on HB742 for the committee's consideration.

The Hawai'i Interagency Council for Transit-Oriented Development identified three areas on the island of O'ahu as priority development areas: East Kapolei, Iwilei-Kapālama, and Halawa. In 2024 the Legislature funded HCDA, under Chapter 206E, Part X, with \$25 million to make Iwilei-Kapālama electrical infrastructure upgrades and \$35 million for the design and construction of a new University of Hawai'i (UH) West O'ahu on-site road and related improvements.

HCDA is a part of a multi-agency collaboration on UH lands next to the UH West O'ahu campus. HCDA with its design-build contractor, will be constructing a roadway and related infrastructure, including electrical, water and sewer in phase 1, to support proposed affordable housing (500+ units) mixed-use projects by both UH and Hawai'i Housing Finance and Development Corporation (HHFDC).



Addressee Date Page 2

HCDA, UH, and HHFDC have entered into a collaborative three-party agreement whereby UH provides its land, HCDA builds road and related improvements, and HHFDC will issue an RFP for a housing mixed-use project on UH lands.

HCDA and the HHFDC are currently collaborating on the lwilei-Kapālama electrical infrastructure upgrade project, phase 1. The upgrades will accommodate the anticipated growth of the proposed development at Mayor Wright Housing by the Hawai'i Public Housing Authority (approximately 2,100 housing units), Liliha Civic Center by the HHFDC (approximately 800 housing units), properties owned by the City, and private lands (approximately 3,500 housing units).

For phase 2 of the Iwilei-Kapālama infrastructure improvements, HCDA has a current budget request in HB300 and SB473, for the design and construction of infrastructure projects such as water, sewer, and drainage, to support affordable housing and mixed-use development in the area, for \$12 million in FY 2026 and \$50 million in FY2027.

In phase 2 of the UHWO project, HCDA will further extend new roadway and infrastructure on undeveloped land to support additional housing (1000+ units) and mixed-use development. There is a current budget request for phase 2, for \$5 million in FY2026 and \$45 million in FY2027.

HCDA respectfully defers to HHFDC and to the UH for further content regarding this measure.

Thank you for the opportunity to provide testimony.



STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR

MARY ALICE EVANS DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846 Fax: (808) 587-2824 Web: https://planning.hawaii.gov/

Statement of MARY ALICE EVANS, Director

before the HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Tuesday, January 28, 2025 9:00 AM State Capitol, Conference Room 325

in consideration of HB 742 RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

Chair Lowen, Vice Chair Perruso, and Members of the Committee.

The Office of Planning and Sustainable Development (OPSD) offers **comments** on HB 742, which requires the Hawai'i Community Development Authority (HCDA) to prepare environmental impact statements (EIS) for the Iwilei-Kapālama and University of Hawai'i West O'ahu (UH-WO) transit-oriented development areas on O'ahu.

OPSD notes that the tasks outlined in this measure appear to direct HCDA to undertake work that is already in progress. A draft programmatic EIS for the State's <u>Infrastructure</u> <u>Improvement Master Plan for the Iwilei Area (2023)</u>, which was prepared for the Hawai'i Housing Finance and Development Corporation (HHFDC) and Department of Accounting and General Services (DAGS), was recently published in the <u>September 23, 2024, Environmental</u> <u>Notice</u>. The programmatic EIS, being prepared for HHFDC and DAGS, is expected to cover Hawai'i Revised Statutes Chapter 343 environmental review requirements for the infrastructure projects listed in the Iwilei Infrastructure Improvement Master Plan.

Similarly, HCDA was appropriated funds in Act 164, Session Laws of Hawai'i 2023 for the preparation of the *East Kapolei Infrastructure Implementation Master Plan* (EKMP), which includes UH-WO campus and non-campus lands. The plan is intended to provide an implementation plan or schedule for construction of region-serving infrastructure to support development on State and other lands in the vicinity of the Honolulu Skyline East Kapolei rail stations. OPSD is the project manager for the master plan, which is ongoing and expected to be completed in 2026. OPSD has requested CIP funds in this year's Executive Budget to prepare a programmatic EIS for the EKMP to be undertaken when the master plan is completed.

Thank you for the opportunity to testify on this measure.



Hawai'i YIMBY Honolulu, HI 96814 hawaiiyimby.org info@hawaiiyimby.org

January 28, 2025

House Committee on Energy & Environmental Protection Hawai'i State Capitol Honolulu, HI 96813

RE: SUPPORT for HB 742 - RELATING TO TRANSIT-ORIENTED DEVELOPMENT

Aloha Chair Lowen, Vice Chair Perruso, and Members of the Committee,

On behalf of Hawai'i YIMBY, we are writing in **support of HB 742** which would require the Hawai'i Community Development Authority to prepare environmental impact statements for the Iwilei/Kapālama and U.H. West O'ahu TOD districts. With these EISs prepared, we can ensure appropriate considerations for the natural environment, while expediting our response to the housing crisis. Expediting building more homes in these TOD districts will put more housing in already developed areas targeted for redevelopment with direct access to transit.

We believe in streamlining permitting. Arduous and complicated permitting processes have slowed down housing production and contributed to the current shortage. Streamlining these processes, where appropriate, can help us catch up and build much needed housing. The environmental review process is a vitally necessary and costly part of building more homes. By having an EIS for the entire district, we can expedite permitting and reduce costs of homes while still protecting the environment.

In the ongoing conversation around the housing crisis, many (in support and opposed to housing development) say that housing should go along the rail, it's time that we do that.

Hawai'i YIMBY (Yes In My Backyard) is a volunteer-led grassroots advocacy organization dedicated to supporting bold and effective solutions for Hawai'i's devastating housing crisis. Our members are deeply concerned about Hawai'i's chronic and worsening housing



Hawaiʻi YIMBY

Honolulu, HI 96814 hawaiiyimby.org info@hawaiiyimby.org

shortage, which has caused home prices to rise much faster than incomes and pushes thousands of kama'āina out to the mainland or into homelessness every single year.

We ask your support for this bill. Thank you for the opportunity to testify.

Sincerely, Damien Waikoloa Chapter Lead, Hawaiʻi YIMBY

Edgardo Díaz Vega Chapter Lead, Hawaiʻi YIMBY





OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

BOARD MEMBERS

Jason Fujimoto Meli James, *Board Chair* Micah Kāne Brandon Kurisu Brad Nicolai Mike Pietsch Sunshine Topping

ADVISORY COMMITTEE

Josh Feldman Brittany Heyd Alicia Moy Ed Schultz

Josh Wisch President & Executive Director

827 Fort Street Mall, 2nd Floor Honolulu, Hawaiʻi 96813

+1 (808) 542-4089 info@holomuacollaborative.org

HolomuaCollaborative.org

Page 1 of 1

Committee:House Committee on Energy and Environmental ProtectionBill Number:HB 742, Relating to Transit-Oriented DevelopmentHearing Date and Time:January 28, 2025, 09:00am (Room 325)Re:Testimony of Holomua Collaborative – Support

Aloha Chair Lowen, Vice Chair Perruso, and members of the committee:

Mahalo for the opportunity to submit testimony **in support** of HB742, Relating to Transit-Oriented Development.

Hawai'i's housing crisis continues to drive local families to move to the continent. In October 2024, a survey¹ seeking to gather information about the day-to-day financial experience of local workers suggests this growing crisis has the potential to reach staggering levels. When nearly 1,500 local workers were asked if they may need to move to a less expensive state, only thirty-one percent answered a definitive "no," while sixty-nine percent said "yes" or "unsure." And nearly two-thirds of the respondents said the cost of housing was the primary impact on their cost of living in Hawai'i. Each local worker and family we lose to the continent contributes to a loss of our economy, our culture, and our family.

One key component of keeping our local families in Hawai'i is building housing that is affordable and attainable, especially along transit-oriented development (TOD) corridors. A common roadblock to building housing in certain places is the time and cost associated with completing environmental impact statements (EIS). Typically the cost of conducting these EIS's is borne by homebuilders who, in turn, pass the costs on to homebuyers, ultimately raising the cost of housing for local residents. Additionally, the effort needed to complete individual EISs for each individual housing development often result in delayed and more costly housing.

This bill proposes that the Hawai'i Community Development Authority (HCDA) prepare EISs for designated TOD corridors. Having a single agency fund and complete EISs to which home builders can build to, will lift some of the cost and regulatory burdens facing them. And builders moving projects forward more quickly will save money and increase the supply of attainable housing for local families.

Additionally, the Iwilei/Kapālama and University of Hawai'i West O'ahu Districts each present valuable opportunities for making an impact on building attainable housing for local families. If this approach is successful in these districts, it can be more-widely implemented across the State.

Sincerely,

unn Was

Joshua Wisch President & Executive Director

¹ https://holomuacollective.org/survey/



Wednesday, January 29, 2025 at 9:15AM Conf. Rm. 430 and via Videoconference

Aloha Chair Evslin, Vice Chair Miyake, and members of the committee;

Mahalo for the opportunity to testify in **strong support of HB742**, which would require the Hawaii Community Development Authority (HCDA) to prepare environmental impact statements for the Iwilei/Kapalama and University of Hawaii West Oahu transit-oriented development infrastructure improvement districts, both areas where both state and county own a large portion of surrounding lands in proximity to proposed and existing rail stations¹.

HB742 offers a more comprehensive and strategic approach to environmental review by requiring an impact assessment that addresses both the necessary infrastructure improvements and the potential impact of building to a district's maximum capacity. This approach will enhance community planning and support future development in key areas projected to deliver tens of thousands of much-needed housing units on Oahu². Utilizing state- and county-owned land in these areas would further facilitate the development of residential-restricted and affordable housing projects.

Traditional EIS processes typically examine individual development projects in isolation. In contrast, HCDA's district-wide approach would evaluate cumulative impacts across the entirety of a TOD area, providing a more complete understanding of environmental effects and *future effects* from increased infrastructure and development.

The benefit of this bill will be its potential in streamlining future development. By conducting the environmental review upfront - including an analysis of all necessary infrastructure improvements and "building to the maximum extent of the entire zoned capacity" - this would expedite future development, as major environmental impacts and mitigation measures would already be identified and assessed at a district scale.

The district-wide EIS approach could offer significant time and cost advantages by eliminating duplicate studies of the same geographic area and reducing the need for multiple overlapping EIS processes within the same district. It would also consolidate expenses for shared technical studies, such as those related to traffic and infrastructure capacity, while creating economies of scale in environmental and infrastructure assessments.

¹ <u>https://planning.hawaii.gov/wp-content/uploads/State-TOD-Strategic-Plan_Dec-2017-Rev-Aug-2018.pdf</u> ² Ibid.



Support for HB742 – Relating to Transit Oriented Development House Committee on Housing Wednesday, January 29, 2025 at 9:15AM Conf. Rm. 430 and via Videoconference

Rather than the piecemeal analysis that occurs in project-by-project review, this district wide, forward-looking approach will provide a clearer understanding of full build-out scenarios and their implications, and provide greater predictability for future development potential.

We strongly urge the committee to pass HB742 to support more coordinated, cost-effective, and time-efficient development processes.

Mahalo for the opportunity to testify.

Statement of Meli James Cofounder Mana Up

HB742, Relating to Transit-Oriented Development

Aloha Chair Lowen, Vice Chair Perruso, and committee members,

We support HB742, which requires the Hawai'i Community Development Authority (HCDA) to prepare environmental impact statements (EIS) for transit-oriented development areas in Iwilei/Kapalama and University of Hawai'i West O'ahu.

Mana Up is a statewide initiative that helps provide entrepreneurs in Hawai'i with the resources and tools to grow their business and scale globally. As these entrepreneurs continue to grow, they also help contribute to our expanding our local economy. As part of our mission, we aim to sustain the local economy through economic diversification, local job creation, community giveback, investment, and a regenerative culture of entrepreneurship – providing a better future for generations to come here in Hawai'i. To keep these types of entrepreneurs in Hawai'i and even expand our entrepreneurial ecosystem, though, these entrepreneurs need a place to live that they can afford.

We repeatedly hear from our entrepreneurs about the difficultly they have in finding attainable housing that provides them the safety and security necessary to focus on their business and family. Local entrepreneurs want to create and expand their business in Hawai'i, but far too often feel that opportunities for housing and business are better on the continent.

The preparation of EISs is a necessary step for proper development, but it is also a time-consuming and costly step. Having HCDA prepare EISs eliminates intermediaries and speeds up development in areas that could host a substantial volume of housing units for our local working families. Passing this bill will help the State deliver on the many housing units needed to meet our housing demand.

Sincerely,

Meli James | Cofounder, Mana Up

680 Iwilei Rd (808) 354-1238 Suite 420 aloha@manauphawaii.com Honolulu, HI 96817 manauphawaii.com



January 28, 2025

Testimony in support of HB 742, Relating to Transit-Oriented Development

Aloha Chair Lowen, Vice Chair Perruso, and Committee Members,

We write in support of HB 742, Relating to Housing, which would have the Hawai'i Community Development Authority (HCDA) prepare environmental impact statements for the Iwilei/Kapālama and University of Hawai'i West O'ahu transit-oriented development infrastructure improvement districts.

Title Guaranty of Hawai'i is the oldest and largest title company in the state. We have been owned and operated by a kama'aina family since 1896 and we are proud to employ over 250 residents who work in our branches across the state. As an organization that has worked for over a century to help connect local families with housing, we see firsthand the economic shift and lack of availability that is preventing local families from achieving the dream of homeownership.

As a title company, we are deeply invested in ensuring that homebuyers have access to clear, reliable property ownership. One of the most significant hurdles to affordable housing development in Hawai'i is the high cost and time-consuming process of completing environmental impact statements (EIS) for each new development. These costs ultimately get passed on to homebuyers, raising the price of housing and making it more difficult for local families to afford homes.

Having HCDA to take on the responsibility of preparing EISs for designated TOD corridors can eliminate the duplication of efforts, reduce costs for developers, and speed up the development process. This will make housing more affordable for local residents, maintain solid stewardship of our natural environment, reduce regulatory burdens on homebuilders, and ultimately help more families achieve homeownership.

It's a win-win for the entire community.

Sincerely,

Mike B. Pietsch President and Chief Operating Officer Title Guaranty of Hawai'i



Title and Escrow is our business. Hawaii is our home.



Main Office | 235 Queen Street, Honolulu, HI 96813 | Phone: (808) 521-0211 | Fax: (808) 521-0280 | Email: Main@TGHawaii.com | www.TGHawaii.com



January 28, 2025

Committee:	House Committee on Energy and Environmental	
	Protection	
Bill Number:	HB 742, Relating to Transit-Oriented Development	
Hearing Date and Time:	January 28, 2025, 9:00am	
Re:	Testimony of HPM Building Supply in Support	

Dear Chair Lowen, Vice Chair Perruso, and Committee Members:

I would like to submit this testimony in support of HB742, Relating to Transit-Oriented Development. The purpose of HB 742 is to require the Hawai'i Community Development Authority (HCDA) to prepare environmental impact statements for the Iwilei/Kapālama and University of Hawai'i West O'ahu transit-oriented development infrastructure improvement districts on the island of O'ahu.

HPM Building Supply is a 100% employee-owned company serving Hawaii's home improvement market and building industry for over 100 years since 1921. With 18 locations across Hawaii and Washington State, HPM offers various services and products, including retail stores, building supply and lumber yards, home design centers, drafting and design services, and manufacturing facilities. HPM is dedicated to enhancing homes, improving lives, and transforming communities.

As a building supply company, we are on the front lines of Hawai'i's housing development. We supply the materials needed to build homes, and we see the challenges homebuilders face when dealing with regulatory red tape, particularly the time and costs associated with environmental impact statements (EIS). These added costs are often passed on to homebuyers, which makes it harder for local families to afford homes in the areas where they work and live.

This bill is a positive step forward in addressing this issue. By allowing HCDA to take on the responsibility of preparing EISs for TOD corridors, we can reduce unnecessary costs and delays in the housing development process. This will enable homebuilders to bring more homes to market at a lower cost, increasing the supply of affordable housing for local families.

As a supplier, we support any initiative that helps streamline the construction process and supports the creation of more affordable homes. If this bill is successful in designated districts like lwilei/Kapālama and the University of Hawai'i West O'ahu District, it could serve as a model for statewide expansion, providing more affordable housing options to local families across Hawai'i.

Thank you for the opportunity to provide testimony in support of HB 742. I strongly encourage your support and passage of this measure.

Sincerely,

Jason Fujimoto Chairman & CEO



(808) 966-5466 • FAX (808) 966-7564 16-166 MELEKAHIWA STREET • KEAAU, HAWAII 96749

HPMHAWAII.COM

HB-742 Submitted on: 1/25/2025 4:13:20 PM Testimony for EEP on 1/28/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

Preparing for upcoming transit-oriented development around UH West Oahu and Iwilei/Kapalama is imperative. Progress on the Skyline rail system is promising and sooner rather than later we have to be prepared. I strongly support this proposal and I urge this Committee to SUPPORT this proposal!