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Testimony of **MARK B. GLICK, Chief Energy Officer**

before the **HOUSE COMMITTEE ON FINANCE**

Tuesday, April 1, 2025
2:00 PM

State Capitol, Conference Room 308 and Videoconference

Providing Comments on **SENATE BILL 1669 SD2 HD2**

RELATING TO TRANSIT ORIENTED DEVELOPMENT.

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports the concept of SB 1669 SD2 HD2 that establishes a Transit Oriented Community Improvement Partnership and the Community Improvement Revolving Fund to facilitate transit-oriented development (TOD).

Emissions from transportation account for more than half of energy-related emissions and of those 36% come from ground transportation, as reported in the Greenhouse Gas Emissions Report for 2021.¹ For Hawai'i to meet its statutory target "to sequester more greenhouse gases than emitted as soon as practicable but no later than 2045," significant reductions in emissions from ground transportation will need to be made in the near to medium term, via vehicle electrification as well as reductions in total vehicle miles traveled (VMT).²

TOD is a key strategy for reducing vehicle miles traveled, which directly contributes to lowering greenhouse gas emissions in Hawai'i. By promoting housing and infrastructure development near public transit hubs, this bill aligns with the State's goals for sustainability, energy efficiency, and emissions reduction. Compact, walkable, and

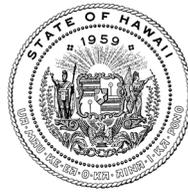
¹ https://health.hawaii.gov/cab/files/2024/05/2020-and-2021-Inventory_Final-Report_5-29-24.pdf

² <https://energy.hawaii.gov/what-we-do/clean-energy-vision/decarbonization-strategy/>

transit-friendly communities help decrease reliance on personal vehicles, support active transportation, and improve overall energy efficiency.

We appreciate the Legislature's commitment to smart growth policies that enhance community resilience while advancing the State's clean energy and emissions reduction objectives. The HSEO defers to the Department of Budget and Finance and other fiscal agencies on the financial impacts of SB 1669 SD2 HD2 and its impact on other priorities of the Executive Budget.

Thank you for the opportunity to testify.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 1669, S.D. 2, H.D. 2

April 1, 2025
2:00 P.M.
Room 308 and Videoconference

RELATING TO TRANSIT ORIENTED DEVELOPMENT.

The Department of Budget and Finance (B&F) offers the following comments on Senate Bill (S.B.) No. 1669, S.D. 2, H.D. 2 which establishes the Transit Oriented Community Improvement Partnership within the Department of Transportation and includes among other requirements, establishes a Board of Directors, a special fund, and four (4) full-time positions.

S.B. No. 1669 S.D. 2, H.D. 2 establishes a new State agency that will require State resources for purposes that may overlap with existing State agencies and/or programs (i.e. State Transit-Oriented Development Program, the Hawaii Interagency Council for Transit-Oriented Development (TOD Council), the Hawaii Housing Finance and Development Corporation, the Hawaii Climate Change Mitigation and Adaption Commission, Hawaii Community Development Authority). It is unclear how the overlap would be handled and affect this may have on the goal of affordable community sustainable developments. Areas that the Transit Oriented Community Improvement Partnership may exercise its authority do not appear to be defined.

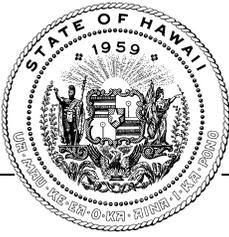
Additionally, S.B. 1669, S.D. 2, H.D. 2 proposes the following broad exemptions from requirements:

Notwithstanding section 171-42 and except as otherwise provided in this chapter, projects pursuant to this chapter shall be exempt from all statutes, ordinances, charter provisions, and rules of any government agency relating to special improvement district assessments or requirements; land use, zoning, and construction standards for development, and improvement of land; provided that the community improvement planning activities of the partnership shall be coordinated with the county planning departments and the county land use plans, policies, and ordinances.

The broad exemptions could cause conflicts with current requirements that have been enacted for specific purposes.

S.B. 1669, S.D. 2, H.D. 2 also establishes the Community Improvement Special Fund (CISF). As a matter of general policy, the department does not support the creation of any special fund, which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding S.B. No. 1669, S.D. 2, H.D. 2, it is difficult to determine whether the proposed CISF would be self-sustaining.

Thank you for your consideration of our comments.



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
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MARY ALICE EVANS
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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEE ON FINANCE

Tuesday, April 1, 2025

2:00 PM

State Capitol, Conference Room 308

in consideration of
SB 1669, SD2, HD2
RELATING TO TRANSIT ORIENTED DEVELOPMENT.

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee.

The Office of Planning and Sustainable Development (OPSD) offers **comments with concerns** on SB 1669, SD2, HD2. SB 1669, SD2, HD2 which would establish a new authority, the Transit Oriented Community Improvement Partnership, at the State level with broad powers to coordinate stakeholders, build community infrastructure and amenities, invest in projects, and establish programs that will ensure that communities in proximity to transit are walkable, affordable, amenity-rich, and livable for residents. The Transit Oriented Community Improvement Partnership would be administratively attached to the State Department of Transportation.

OPSD, as co-chair and administrative support for the Hawai'i Interagency Council for Transit-Oriented Development, is an active advocate for the community outcomes desired in the bill. We understand the desire for new tools to create resident-friendly communities. However, **we have strong concerns about the creation of a new authority** with broad powers that would preempt State and county agency functions, and which will require the infusion of State funds and resources at a time when the State's fiscal future is unclear and when there will surely be increased demand for the State's limited resources.

Furthermore, the counties currently play a huge role in funding the public amenities that are the focus of the proposed new state authority. Counties create neighborhoods that mix affordable housing, stores and offices, commercial and community facilities where families can live, work, and connect—and the City and County even more so through its adopted TOD Plans.

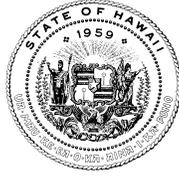
Rather than creating a new authority, the State should be looking at ways to improve existing statutes and tools—fostering county entities like Maui County's Maui Redevelopment Agency, established pursuant to Hawai'i Revised Statutes Chapter 53, Urban Renewal Law, which has focused on the economic and physical revitalization of Wailuku Town. Efforts and resources to establish incentives

and assistance programs and to strengthen and support collaborative partnerships with the counties are more likely to improve community building and community vibrancy in transit-oriented communities.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR
STATE OF HAWAII
*Ke Kia'āina o ka Moku'āina 'o
Hawai'i*

SYLVIA J. LUKE
LT. GOVERNOR
STATE OF HAWAII
*Ka Hope Kia'āina o ka Moku'āina
'o Hawai'i*



KALI WATSON
CHAIRPERSON, HHC
Ka Luna Ho'okele

KATIE L. LAMBERT
DEPUTY TO THE CHAIR
Ka Hope Luna Ho'okele

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
Ka 'Oihana 'Āina Ho'opulapula Hawai'i

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TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON FINANCE
HEARING ON APRIL 1, 2025 AT 2:00PM IN CR 308

SB 1669, SD 2, HD 2, RELATING TO TRANSIT ORIENTED DEVELOPEMENT

April 1, 2025

Aloha Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) **supports** this bill which establishes the Transit-Oriented Community Improvement Partnership within the Department of Transportation (DOT), 2) establishes the Community Improvement Special Fund, 3) requires annual reports to the Legislature and 4) appropriates funds into and out of the special fund for the partnership and positions.

DHHL has existing homestead communities, current projects, and potential transit-oriented development projects that are in alignment with the potential of this measure. DHHL stands ready to work collaboratively with the DOT and other respective agencies to ensure the development of comprehensive communities where beneficiaries and community members can have longstanding infrastructure and convenient access to live, work, play and commute.

Thank you for your consideration of our testimony.



Testimony of the Oahu Metropolitan Planning Organization

Committee on Finance

April 1, 2025 at 2:00 PM

Conference Room 308

SB 1669 SD 2 HD 2

Relating to Transit Oriented Development

Dear Chair Yamashita, Vice Chair Takenouchi, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports SB 1669 SD 2 HD 2**, which establishes the Transit Oriented Community Improvement Partnership within the Department of Transportation, establishes the Community Improvement Special Fund, requires annual reports to the Legislature, and appropriates funds into and out of the special fund for the partnership and positions.

Tasking an agency with a primary mission to prioritize, plan, and build community infrastructure and amenities, particularly those that are mixed-use and located near high quality transit, will allow more people to live in transit-oriented communities that have safe multimodal connections, public spaces, and other amenities required for successful, livable communities. This will encourage more walkable, connected communities where residents drive far less each day than their counterparts in more sprawling locations.¹ In addition, when more mixed-use and transit-oriented housing is provided, it makes it easier for people to get around without their car which can reduce emissions in the near term, reduce transportation costs, provide more opportunities for physical activity, and improve access to necessities for both people who don't have cars and those with cars.²

According to the State Climate Commission Report, "Drivers of VMT and priority reduction strategies in Hawaii", households in suburban areas drive around 37 percent more than those in urban centers and households on the suburban fringe drive 68 percent more.³ Limiting outward growth and concentrating more growth in urban infill areas and those near high quality transit, will be critical for Hawaii to meet its climate and energy goals. This is because mixed use development results in shorter trips, fewer trips, and more trips taken by lower-carbon modes.⁴ With more compact development, people drive 20 to 40 percent less, at minimal or reduced cost, while reaping other fiscal and

¹ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

² IBID.

³ https://climate.hawaii.gov/wp-content/uploads/2023/07/USCA_Hawaii_VMT_strategies_Feb22.pdf

⁴ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

health benefits.⁵ Whether people care about reducing their own emissions or not, by providing more opportunities for them to live where emissions are naturally lower per person, we can work within the market to help address climate change.

The bill is also consistent with the State Climate Commission's *Investing in Transportation Choices Toolkit*⁶ and *Drivers of VMT and Priority Reduction Strategies for Hawaii*, which identified infill and mixed-use development, and parking management, as key strategies to reduce greenhouse gas emissions, vehicle miles traveled and improve transportation choices for Hawaii residents.

This bill is consistent with several goals of the Oahu Regional Transportation Plan including support for active and public transportation, promoting an equitable transportation system, and improving air quality and protecting environmental and cultural assets. Providing more housing in and around high-quality public transportation and where people can meet their daily needs without a car, can help residents save on their transportation costs, improve their quality of life, and reduce transportation emissions and traffic congestion.

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP), which encourages and promotes a safe, efficient, and resilient transportation system that serves the mobility needs of all people and freight (including walkways, bicycles, and transit), fosters economic growth and development, while minimizing fuel consumption and air pollution (23 CFR 450.300).

Thank you for the opportunity to provide testimony on this measure.

⁵ https://www.nrdc.org/sites/default/files/cit_07092401a.pdf

⁶ <https://climate.hawaii.gov/wp-content/uploads/2023/07/Investing-in-Transportation-Choices-V6.pdf>



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COMMITTEE ON FINANCE
Tuesday, APRIL 1, 2025 - 2:00PM

**Hawai'i Bicycling League STRONGLY SUPPORTS SB 1669, SD 2, HD 2,
Relating to Transit Oriented Development**

Aloha Chair Yamashita, Vice Chair Takenouchi Members of the Committee

My name is Eduardo Hernandez, and I am the Advocacy Director of the Hawai'i Bicycling League (HBL). We are a non-profit organization founded in 1975 with the mission of enabling more people to ride bicycles for health, recreation, and transportation. We strive to create communities across our islands that have safe, accessible, and inclusive environments for people to bike, walk, and roll.

Throughout its 50-year history, HBL has consistently identified that land use and transportation policies have too often favored sprawling suburbs, necessitating more cars and nudging people to drive at higher speeds. As such, serious injuries and traffic deaths remain a pernicious threat on roadways statewide, especially for vulnerable road users.

Moreover, this overreliance on cars comes at a very steep financial cost for individuals, families and businesses. Owning and operating a vehicle can cost upwards of \$10,000/year and, a 2020 Ulupono Initiative estimated that parking cost the developer \$42,000 per space within a structured, multi-level podium building in urban Honolulu.¹ The cost of developing and operating parking is often passed onto consumers in various forms (directly and indirectly), and can exacerbate housing affordability challenges.

By establishing a leadership agency to prioritize, plan, and build community infrastructure and amenities such as parks, public spaces, markets, and other amenities that make communities livable, desirable, the state can chart a new way forward for future generations, to choose lower cost and more sustainable transportation choices.

We urge you to support SB 1669, SD 2, HD2 . Thank you for this opportunity to testify.

S/Eduardo Hernandez

Eduardo Hernandez
Advocacy Director

¹ Ulupono Initiative, "The Costs of Parking in Hawai'i," 2020.
<https://ulupono.com/media/ivcfs2pu/the-cost-of-parking-in-hawaii-report-2020-08.pdf>.



**Testimony for Hawai'i Appleseed Center for Law and Economic Justice
Support for SB1669 - Relating to Transit Oriented Development
House Committee on Finance (FIN)
April 1, 2025**

Dear Chair Yamashita, Vice Chair Takenouchi, and members of the FIN committee,
Mahalo for the opportunity to express **SUPPORT for SB1669, which would establish a transit oriented community improvement partnership within the Hawai'i Department of Transportation.**

This testimony is being submitted on behalf of the Hawai'i Appleseed Center for Law and Economic Justice. Our organization works to build a Hawai'i where everyone has genuine opportunities to achieve economic security and fulfill their potential. Affordable, accessible, and safe transportation is crucial for fostering economic equality as it enables individuals of all backgrounds to access employment opportunities, education, and essential services.

This bill represents a forward-thinking and comprehensive approach to planning transit oriented development (TOD) communities. This approach integrates housing, transportation, and public space amenities. The focus on future parking amenities is of particular importance, given the financial burden that parking can pose. For example, in 2020, the Ulupono Initiative estimated that parking cost the developer \$42,000 per space within a structured, multi-level podium building in urban Honolulu.¹ The cost of developing and operating parking is often passed onto consumers in various forms (directly and indirectly), and can exacerbate housing affordability challenges.

The bill also seeks to enhance future TOD communities through the provision of parks, recreational areas, and community gathering spaces. The inclusion of these public space amenities has been shown to reduce residents' stress and improve their mental and physical health. These qualities are important as we navigate the social and environmental challenges that arise with urbanization.

Mahalo for the opportunity to testify on this measure.

Abbey Seitz

Abbey Seitz

Hawai'i Appleseed Center for Law and Economic Justice
Director of Transportation Equity

¹ Ulupono Initiative, "The Costs of Parking in Hawai'i," 2020.
<https://ulupono.com/media/ivcfs2pu/the-cost-of-parking-in-hawaii-report-2020-08.pdf>.

SB-1669-HD-2

Submitted on: 3/30/2025 5:37:18 PM

Testimony for FIN on 4/1/2025 2:00:00 PM

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

Comments:

Aloha Committee Members,

I am very glad to see this bill advance through the legislative process. Transit oriented development will only strengthen our communities. It will enhance sustainable development. Multiple benefits from easing traffic congestion to increased prosperity can be had.

I strongly urge this Committee to SUPPORT this bill!

SB-1669-HD-2

Submitted on: 3/31/2025 10:32:28 AM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Arnold Wong	Individual	Support	Written Testimony Only

Comments:

I believe that this bill will create housing for the working class people and reduce the amount of traffic we are enduring every day. Additionally this bill will assist in creating sustainable and livable communities within these areas.

SB-1669-HD-2

Submitted on: 3/31/2025 10:50:37 AM

Testimony for FIN on 4/1/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel Orodenker	Individual	Support	Written Testimony Only

Comments:

Daniel E. Orodenker

455 Aulima Loop

Kailua, Hawai'i 96734

dorodenker@gmail.com/808-351-8004

03/31/2025

Re: SB 1669

Tuesday, April 1, 2025

TIME: 2:00 p.m.

VIA VIDEOCONFERENCE

Conference Room 308

PLACE:

State Capitol

415 South Beretania Street

Thank you Chair Yamashita, Vice Chair Takenouchi and members of the Committee on Finance;

I would like to voice my strong support for HB 1669 Relating to Transit Oriented Development which establishes the Transit-Oriented Community Partnership.

This bill would allow funding for, and the creation of, walkable and livable communities in the transit corridors. Not only are these types of communities extremely important to transit and the state's overall growth, but they can create significant economic development as well as relieving traffic. Creating an entity that has the ability to be creative with funding and development principles will offer significant opportunity for success in the development of desirable workforce housing.

Thank you for the opportunity to testify on this matter.