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DEPARTMENT OF PLANNING AND PERMITTING

KIRK CALDWELL MAYOR



KATHY K. SOKUGAWA ACTING DIRECTOR

TIMOTHY F. T. HIU DEPUTY DIRECTOR

EUGENE H. TAKAHASHI DEPUTY DIRECTOR

March 1, 2019

The Honorable Donavan M. Dela Cruz, Chair and Members of the Committee on Ways and Mean Hawaii State Senate Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Dela Cruz and Committee Members:

#### Subject: Senate Bill No. 740, SD 1 Relating to Housing Density

The Department of Planning and Permitting (DPP) **opposes** Senate Bill No. 740, SD 1, which would require each county to adopt ordinances establishing a minimum housing density of 250 units per acre on State lands that are within the urban district and zoned for development or redevelopment. As an example, on a 5,000-square-foot lot (a typical residential lot size), 28 dwelling units would have to be constructed.

We appreciate that this Bill recognizes that a certain degree of housing density is necessary and desirable to arrest urban sprawl, preserve agricultural lands and open space, and facilitate use of public transit and other transit-oriented development goals.

However, a requirement of 250 dwelling units per acre would impose a one-size-fits-all standard that would not be appropriate for many parcels. For example, it may result in excessive housing density in areas that are rural in character, or lack infrastructure capacity. It may take away infrastructure already reserved for development on other lands in the neighborhood.

Housing density should conform to adopted long-range plans, such as county development plans and sustainable communities plans, as well as county zoning. In fact, under Sec. 46-4(a), HRS, county zoning must implement these plans. None of our development plans reflect densities of 250 units per acre. Therefore, a conflict within the HRS would be created if Senate Bill No. 740, SD 1, is adopted.

In addition, the Bill does not offer a rationale for why State lands would be singled out to be subject to a minimum housing density requirement. No distinction is made between State lands near a transit node and those in a rural area. Also, the specification that it apply to lands "zoned for development or redevelopment" is ambiguous and imprecise. The City has no zoning district described as such. This version of the Bill would add a caveat that projects would be exempt from this minimum density by virtue of its location, property size or market conditions The Honorable Donavan M. Dela Cruz, Chair and Members of the Committee on Ways and Means Hawaii State Senate Senate Bill No. 740 March 1, 2019 Page 2

that make it uneconomical. This is ambiguous and broad enough such that no property would need to comply with this minimum density.

Lastly, it seems odd for the State to require the counties to adopt an ordinance that would only be applicable to State lands. This is especially interesting given that the State already has the power to override county zoning.

Therefore, we ask that this Bill be held in Committee. Thank you for the opportunity to testify.

Very truly yours,

Kathy K. Sokugawa Acting Director



# **O`ahu County Committee on Legislative Priorities**

COMMITTEE ON WAYS AND MEANS Senator Donovan M. Dela Cruz, Chair Senator Gilbert S.C. Keith-Agaran, Vice Chair

DATE: Friday, March 1, 2019 TIME: 10:10 a.m. PLACE: Conference Room 211, State Capitol

### RE: SB 740, SD 1, RELATING TO HOUSING DENSITY

To the Honorable Donovan M. Dela Cruz, Chair; the Honorable Gilbert S.C. Keith-Agaran, Vice Chair; and Members of the Committee on Ways and Means:

My name is Melodie Aduja and I serve as Chair of the O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i ("DPH"). Mahalo for this opportunity to submit testimony on SB 740, SD 1. The O`ahu County Committee on Legislative Priorities ("OCCLP") hereby submits its testimony in **SUPPORT of SB 740, SD 1, Relating to Housing Density.** 

SD 740, SD 1, provides that each county shall adopt ordinances establishing a minimum housing density requirement of two hundred fifty units per acre on state lands that are within the urban district and zoned for development or redevelopment, provided that developers may be exempted from the two hundred fifty units per acre requirement if the location or size of the parcel or market conditions make it uneconomical to develop this level of density.

The DPH Platform supports 740, SD 1, as affordable housing and homeownership are vastly needed in Hawai`i.

Housing is a basic human right and DPH believes that adequate, accessible, affordable, and safe housing should be available to all residents of Hawai'i. Affordable housing that is fair in proportion to individual income is the basis of prosperity for our citizens and stability in our economy. Hawai'i needs economically affordable housing and encourage increased support to this end including preservation of existing housing stock. To this end, DPH supports policies which re-think the current formula to determine "affordability" as this formula puts both rentals

and sales out of the reach of most working families in Hawai`i. DPH strongly urges that the definition of "affordable" be amended to 20%-25% of monthly income for all income brackets.

DPH supports dedicated social services and housing opportunities for Hawai'i's homeless population to get them off the streets and reintegrated into society with specific devoted services for disenfranchised groups including, but not limited to, Native Hawaiian, Asian and Filipino American, Pacific Islander, aged-out foster kids, youth, returning veterans, the aged, and Lesbian, Gay, Bisexual, Transgender, Queer, Questioning, Intersexual and Asexual (LGBTQIA) homeless youth population. DPH believes in the concept of "Housing First" and in developing affordable housing policies and programs like "Law Enforcement Assisted Diversion (LEAD)." *Democratic Party of Hawai`i Platform (2018), p.13, In. 48-50, 52-53, p. 14, In. 1-3, 12-18.* 

DPH will continue to fight for those families who suffered the loss of their homes. DPH will help those who are working toward a path of financial stability and will put sustainable home ownership into the reach of more families. DPH will also combat the affordable housing crisis and skyrocketing rents in many parts of the State, which are leading too many families and workers to be pushed out of communities where they work.

DPH will preserve and increase the supply of affordable rental housing by expanding incentives to ease local barriers to building new affordable rental housing developments in areas of economic opportunity. DPH will substantially increase funding to construct, preserve, and rehabilitate affordable housing rental units. Not only will this help address the affordable housing crisis, it will also create good-paying jobs in the process. DPH believes that we should provide more state resources to the people struggling most with unaffordable housing: low-income families, people with disabilities, veterans, and the elderly.

DPH will expand programs to prevent displacement of existing residents, especially in Native Hawaiian and Pacific Islander communities; create affordable and workforce housing; and preserve neighborhood-serving nonprofit organizations and small businesses. DPH will reinvigorate housing production programs, repair public housing, and increase funding for rental assistance programs. DPH will fight for robust funding to end homelessness in our cities and counties once and for all, through targeted investment to provide the necessary outreach, social series, and housing options for all populations experiencing homelessness. DPH will engage in a stronger, more coordinated, and better funded partnership among Federal, State, and local governments to end chronic homelessness. *Democratic Party of Hawai`i Platform (2018), p. 6, In. 13-33.* 

For the foregoing reasons, to wit, that housing is a basic human right and adequate, accessible, affordable, and safe housing should be available to all residents of Hawai'i; therefore, adopting ordinances that establish minimum housing density requirements of two hundred fifty units per acre on state lands within urban districts would increase housing stock, OCCLP supports 740, SD 1, and urges its passage out of the Committee on Ways and Means.

Mahalo nui loa Me ka `oia`i`o

<u>|s| Melodie Aduja</u>

Melodie Aduja Chair, O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i Ph. (808) 258-8889 Email: legislativepriorities@gmail.com



# Testimony to the Senate Committee on Ways and Means Friday, March 1, 2019 at 10:10 A.M. Conference Room 211, State Capitol

## RE: SENATE BILL NO. 740 S.D. 1, RELATING TO HOUSING DENSITY

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee:

The Chamber provides the following comments on S.B. 740 S.D. 1, which proposes to amend Chapter 46 HRS by adding a section that would require each county to adopt ordinances establishing a minimum housing density of two-hundred-fifty (250) units per acre on state lands that are within the urban district and zoned for development or redevelopment. The original bill was amended to exempt developers who cannot meet the minimum density requirement of two hundred fifty units per acre due to the location or size of the parcel, or if it is uneconomical to meet this minimum requirement.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

We understand the intent of the bill is to encourage density similar to the recently constructed 801 South Street housing project developed by Marshall Hung. In the urban core on Oahu, especially along the rail transit corridor, we need to come to grips with the fact that vertical construction will allow for higher density. These effects will ultimately help drive ridership on the rail system. We believe establishing a minimum density requirement is a step in the right direction.

Thank you for the opportunity to testify.





#### TESTIMONY TO THE SENATE COMMITTEE ON WAYS AND MEANS State Capitol, Conference Room 211 415 South Beretania Street 10:10 AM

March 1, 2019

#### RE: SENATE BILL NO. 740 S.D. 1, RELATING TO HOUSING DENSITY

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee:

My name is Gladys Quinto Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in **support** of S.B. 740 S.D. 1, which proposes to amend Chapter 46 HRS by adding a section that would require each county to adopt ordinances establishing a minimum housing density of two hundred fifty (250) units per acre on state lands that are within the urban district, and zoned for development or redevelopment. The original bill was amended to exempt developers who cannot meet the minimum density requirement of two hundred fifty units per acre due to the location or size of the parcel, or if it is uneconomical to meet this minimum requirement.

We understand the intent of the bill is to encourage density similar to the 801 South Street housing project developed by Marshall Hung. In the urban core on Oahu, especially along the rail transit corridor, vertical construction will allow for higher density, which will also drive ridership on the rail system. We believe establishing minimum density requirements is step in the right direction.

We are in support of S.B. 740 S.D. 1, and appreciate the opportunity provide comments.

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DEPARTMENT OF PLANNING THE COUNTY OF KAUA'I



KA'ĀINA S. HULL DIRECTOR

JODI A. HIGUCHI SAYEGUSA DEPUTY DIRECTOR

DEREK S. K. KAWAKAMI, MAYOR MICHAEL A. DAHILIG, MANAGING DIRECTOR

> Testimony of Ka'āina Hull Planning Director, County of Kaua'i

Before the Senate Committee on Ways and Means

> March 1, 2019; 10:10 am Conference Room 211

In consideration of Senate Bill 740 SD1 Relating to Housing Density

Honorable Chair Donovan M. Dela Cruz and Members of the Committees: The County of Kaua'i, Department of Planning **opposes SB740 SD1**, which proposes to amend Hawai'i Revised Statutes Chapter 46 to require each county to adopt ordinances that establishes a minimum housing density of two hundred fifty (250) units per acre on state land within the State Land Use Urban District (SLUD Urban) and zoned for development or redevelopment.

The Planning Department is an advocate for infill development within our town cores. However, such infill development must be appropriately sized for Kaua'i. The County of Kauai General Plan, which was recently updated in 2018, the various Community Plans, and the Comprehensive Zoning Ordinance do not contemplate or support density of 250 units per acre anywhere on Kaua'i, state lands or otherwise. Instead, the highest density allowed for multiple-family dwellings is R-40 or 40 units per acre, which is allowed only within the Līhu'e Town Core, the most urbanized area on Kaua'i. In addition, the maximum height for any new development must not exceed fifty (50) feet in height. Thus, requiring 250 units per acre on state land within the SLUD Urban zone would be inappropriate for Kaua'i.

Respectfully submitted,

Ka'āina Hull

Director of Planning, County of Kaua'i

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Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Ways & Means Committee,

# RE: SB740 SD1, Relating to Housing

I write in support of Senate Bill 740, Senate Draft 1. This measure directs each county to establish a minimum housing density of two hundred fifty units per acre on state lands, within the urban district (State Land Use) and zoned for development or redevelopment, accomplished through changes to municipal ordinances. This measures allows developers to be exempt from this requirement under certain conditions (SD1).

The 2018 Platform of the Democratic Party of Hawai'i affirm that "[h]ousing is a basic human right." Much of our State and County Party Platforms' Housing language is focused on affordability, of which supply is an essential determinant. To adequately "support efforts to promote truly affordable housing for all citizens who rent", we Oahu County Democrats recognize that intensively utilizing public resources is the most practical place to start, and that increasing housing density on those public lands is reasonable, logical and proper.

My thanks to Senator Chang for introducing this measure, and to the Committee for its due diligence in considering the measure.

Respectfully,

Dylan P. Armstrong, Vice Chair Oʻahu County Committee, Oʻahu County Democrats