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Statement of
MARY ALICE EVANS
Director, Office of Planning
before the
**SENATE COMMITTEES ON HOUSING AND ENERGY, ECONOMIC DEVELOPMENT AND
TOURISM**

Thursday, February 6, 2020
1:15 PM
State Capitol, Conference Room 225
in consideration of
SB 2396
RELATING TO HOUSING.

Chairs Chang and Wakai, Vice Chairs Kanuha and Taniguchi, and Members of the Senate Committees on Housing and Energy, Economic Development and Tourism.

The Office of Planning (OP) **supports** SB 2396, which includes the approval of all State agencies' redevelopment plans for parcels along the rail transit corridor among the OP's duties as lead agency to coordinate and advance smart growth and transit-oriented development (TOD) planning. The bill also requires affordable housing to be included as part of every development or redevelopment plan for State TOD along the rail transit corridor unless OP determines that housing is not feasible or desirable on a property.

OP supports measures that increase the availability of affordable housing, particularly where needed most, at the lower ends of the affordability range. The proposed measure would assist in focusing the State's efforts on affordable housing towards this segment. There is some concern with the requirement that 20 percent of all housing units be affordable to households at 80 percent and below Area Median Income (AMI) level. This level of affordability may not be feasible for developers unless the State lands are provided at little or no cost to the developer along with additional public subsidy of the affordable units.

During OP's review and approval of TOD projects, therefore, there should be consultation with the Hawaii Housing Finance and Development Corporation. Accordingly, we recommend that the proposed amendments to HRS § 225M-2 (b)(10)(H) on page 12 be revised as follows (added text is double-underlined):

“(H) Approve all state agencies' development or redevelopment plans for parcels along the rail transit corridor [-]; provided that every development or redevelopment plan shall include housing units with at least twenty per cent reserved for residents with an income less than or equal to eighty per cent of the area median income, unless the office of planning, in consultation with the Hawaii housing finance and development corporation, determines that housing, at the required affordability level is not feasible or desirable on a particular property. For the purposes of this subparagraph, “development or redevelopment plans” means conceptual land use plans that identify the location and planned uses within a defined area.”

SB-2396

Submitted on: 1/31/2020 6:54:58 PM

Testimony for EET on 2/6/2020 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Individual	Support	No

Comments:

Dear Chair Chang and Members of the Senate Committee on Housing,

I support Senate Bill 2396 with respect to affordable housing bills that will dramatically increase the affordable housing stock within a development's new inventory. I hope that the final affordable housing requirement in the bill will be sizeable and not a decrease from existing standards, as we ought to close our housing deficit in the coming years and make good on promises tied into transit-oriented development (TOD).

If the lack of affordable housing is the biggest assault on our quality of life in Hawai'i, and even our ability to live here, then those exceptional projects that will dramatically increase affordable housing deserve importance in master plans and site plans. As both a planner and a conservationist by background, I hope our environmental and community advocates can work together for the welfare of the people of Hawai'i.

With much aloha,
Dylan P. Armstrong, M.A. • noa
Individual capacity

SB-2396

Submitted on: 2/4/2020 12:16:49 PM

Testimony for EET on 2/6/2020 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Deborah Kimball	Individual	Support	No

Comments:

My testimony is exactly the same as for SB2640:

Aloha,

I am Deborah Kimball, and I live in a HUD Section 8 project for seniors. I'm grateful every day to have a home, as I guess I'd be living in the street otherwise, and that I wouldn't survive long.

In my opinion, the severe scarcity of rental units for low-income people is the number 1 crisis in this state. HUD Section 8 projects have been disappearing as owners opted for "market" rents, and state and local governments have done very little to answer that--not even educating landlords of the advantages of renting to Section 8 voucher-holders. State and County have failed us badly for 30 years as the supply of affordable rentals has gone down and down and down. Have you ever faced being houseless, with just a grocery cart to sustain you?

Finally here's a proposal that's land-specific, so that factor is eliminated. And you've appropriated money over several years that sits, as magic doesn't build residences.

I hope that you really care and commit to this bill. I urge you to support it to your utmost, getting the maximum number of units out of this once-in-a-lifetime opportunity. Do something truly essential for a significant number of people--no excuses, delays, goof-ups, well buts, or no-cans.

Just do it--please!



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SENATE COMMITTEES ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM, AND HOUSING
State Capitol, Conference Room 225
415 South Beretania Street
1:15 PM

February 6, 2020

.RE: SENATE BILL NO. 2396, RELATING TO HOUSING

Chairs Chang and Wakai, Vice Chairs Kanuha and Taniguchi, and members of the committees:

My name is Dwight Mitsunaga, 2020 President 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 provides the following comments on S.B. 2396 which would require inclusion of an unspecified minimum percentage of affordable housing units in state agencies' development and redevelopment plans along the rail transit corridor. The bill also allows the Office of Planning to make exceptions to the affordable housing requirement.

We understand the intent of the bill is to require that any redevelopment of state-owned lands along the transit corridor include a certain percentage of housing priced at 80% AMI and below. The subsidy provided by government providing the land at little or no costs along with financing (i.e. LIHTC and Rental Housing Trust Funds) allows developers to build at these price points. However, putting this requirement on the Office of Planning which has no authority or oversight over the redevelopment of state lands by other state agencies does not seem to address the problem.

While we support the intent, it may be more appropriate to have one central State authority overseeing this type of effort. A new state TOD Redevelopment Authority, with similar powers to HCDA would give the state the authority it needs to oversee an orderly redevelopment of the areas around the transit stations. This redevelopment authority would upzone properties and increase density at each of the transit stations, and ensure that housing units are being sold to meet demand at all price points.

In the 2020 Legislative Session, both chambers of the Hawaii State Legislature, and Governor Ige's Administration put forward a comprehensive package of bills to improve the quality of life for Hawaii's middle class families. A large part of the package attempted to address housing affordability. Having the state take the lead on planning for increased density at each of the transit stations, particularly in areas with State owned lands, would expedite the redevelopment process.

We appreciate the opportunity to express our views on S.B. 2396.

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**Testimony to the Senate Committees Housing and Energy, Economic
Development, and Tourism**

**Thursday, February 6, 2020 at 1:15 P.M.
Conference Room 225, State Capitol**

RE: SB 2396, RELATING TO HOUSING

Chairs Chang and Wakai, Vice Chairs Kanuha and Taniguchi and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **provides the following comments for** SB 2396, which would require inclusion of an unspecified minimum percentage of affordable housing units in state agencies' development and redevelopment plans along the rail transit corridor, and allow the Office of Planning to make exceptions to the affordable housing requirement.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 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 require that any redevelopment of State-owned lands along the transit corridor include a certain percentage of housing priced at 80% AMI and below. The subsidy provided by government to provide the land at little or no costs along with financing (i.e. LIHTC and Rental Housing Trust Funds) allows developers to build at these price points. However, putting this requirement on the Office of Planning which has no authority or oversight over the redevelopment of state lands by other state agencies does not seem to address the problem.

While we support the intent, it may be more appropriate to have one central state authority overseeing this type of effort. A new state TOD Redevelopment Authority, with similar powers to HCDA would give the State the authority it needs to oversee an orderly redevelopment of the areas around the transit stations. This redevelopment authority would be able to up zone properties and increase density at each of the transit stations and ensure that housing units are being sold to meet demand at all price points.

Thank you for the opportunity to provide testimony.