SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

**MORRIS M. ATTA** Deputy to the Chairperson

State of Hawai'i **DEPARTMENT OF AGRICULTURE** KA 'OIHANA MAHI'AI 1428 South King Street Honolulu, Hawai'i 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613

# TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

# BEFORE THE HOUSE COMMITTEES ON HOUSING AND WATER AND LAND

WEDNESDAY, FEBRUARY 8, 2023 11:00 A.M.

> HOUSE BILL NO. 673 RELATING TO HOUSING

Chairpersons Hashimoto and Ichiyama and Members of the Committees:

Thank you for the opportunity to testify on House Bill No. 673 that authorizes the counties to process boundary amendment petitions to reclassify from 15 acres but not more than 100 acres in the Agricultural District, provided that the land areas:

- Are not designated as Important Agricultural Lands, and
- Fifty percent of the housing units on the land to be reclassified are for persons and families with incomes at or below 140 percent of the area median income.

The Department of Agriculture does not dispute the need for housing in Hawaii, however we have strong concerns about the potential impact on the State's agricultural land resources should this measure be adopted. The measure does not provide guidance where these petitions may be located on agricultural land other than not on Important Agricultural Land. The Department offers the following amendments to reduce some of the potential adverse impacts this measure poses as written.

Page 2, line 17 to page 4, line 2 Additions are bold and double-underscored, deletions are bracketed and struck through.



HB673 February 8, 2023 Page 2

"SECTION 2. Section 205-3.1, Hawaii Revised Statutes, is amended by amending subsections (a), (b), and (c) to read as follows:

"(a) [District] Except for lands under subsection (b) (3), district boundary amendments involving lands in the conservation district, land areas greater than fifteen acres, or lands delineated as important agricultural lands shall be processed by the land use commission pursuant to section 205-4.

(b) Any department or agency of the State, and department or agency of the county in which the land is situated, or any person with a property interest in the land sought to be reclassified may petition the appropriate county land use decision-making authority of the county in which the land is situated for a change in the boundary of a district involving lands [<del>less</del>]:

- (1) Less than fifteen acres presently in the rural and urban districts [and lands less];
- (2) Less than fifteen acres in the agricultural district that are not designated as important agricultural lands [-]; and
- (3) Fifteen to one hundred acres in the rural and urban districts and fifteen to one hundred acres in the agricultural district that are not designated as important agricultural lands[+],the soil is classified by the land study bureau's detailed land classification as

HB673 February 8, 2023 Page 3

> overall (master) productivity rating class C or lesser, and the land is contiguous to the urban district; provided that at least fifty per cent of the housing units on the land sought to be reclassified under this paragraph are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

Further, the Department recommends that the agricultural lands considered for reclassification pursuant to these amendments be identified within the county's urban expansion area, or equivalent designation.

If the bill advances without the amendments and other considerations proposed by the Department, there may be the following consequences:

- Conflicts between existing agricultural activities and the encroaching urbanization;
- Adverse effects on agricultural land valuation possibly leading to higher prices and rents for agricultural land; and
- Increased uncertainty for farmers leasing agricultural land for food production.

Thank you for the opportunity to present our testimony.

# LAND USE COMMISSION



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM Ka 'Oihana Ho'omōhala Pā'oihana, 'Imi Wai wai a Ho'omāka'ika'i

235 S. Beretania Street, RM 406, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804 Email Address: dbedt.luc.web@hawaii.gov

February 6, 2023

Statement of Daniel E. Orodenker Executive Officer State Land Use Commission

Before the House Committees on Housing and Water and Land

Wednesday February 8, 2023 11:00 AM State Capitol, Room 312

# In consideration of HB 673 RELATING TO HOUSING

Chairs Hashimoto and Ichiyama; Vice Chairs Aiu and Poepoe; and members of the House Committees on Housing, and Water and Land:

The Land Use Commission (LUC) has the following concerns on HB 673 which would allow the counties to reclassify lands up to 100 acres in size when a project would deliver at least 50% of the housing units for incomes up to 140% of the area median income.

The LUC believes that the justification for this bill is unsupported by any empirical data, lacks clarity as to purpose, severely negatively impacts comprehensive land use planning, puts many other State initiatives such as food security and clean energy self-sufficiency at risk and will not accomplish its purported purpose of increasing affordable housing. The LUC believes that this measure, while directed at a recognized need, will not have the intended result and will in fact cause significant harm to other equally important State initiatives and won't pass constitutional muster. In addition, the definition of affordable housing should be restricted to at or below 100% of median area income which is consistent with Governor Green's initiatives on increasing local housing.

At the outset it it should be noted that between 2000 and the present, the LUC has approved over 40,000 homes with only a relatively small percentage actually built and/or have not begun the

JOSH GREEN, MD GOVERNOR

DANIEL ORODENKER EXECUTIVE OFFICER

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development process. This is a clear indication that the State approval process is only a small factor in the housing problem facing the State of Hawai'i.

In a prior session, SB3104 (SLH2020) was introduced to address housing issues. That Omnibus bill was the culmination of discussions with all of the interested public and private sector groups involved in or concerned with the housing crisis. A minor increase to county jurisdiction was proposed but only for 100% affordable housing projects and HRS Chapter 201H affordable housing projects. That measure was negotiated and vetted amongst all stakeholders and was satisfactory in it's final form. The language from that measure should be included in this one.

There is also a significant and very real concern that the current version of this bill will result in landowners engaging in "parceling" or breaking up large parcels into smaller ones to specifically avoid a more rigorous environmental review and State process. We would strongly urge that language be added that prevents parceling and requires the counties to make such a determination prior to granting a district boundary amendment.

This measure also poses significant risk to issues and land use needs outside of the housing crisis. It is well established that Hawai'i is unique in its limited land availability for competing needs. We have all been made critically aware, during the course of this crisis, how important it is that Hawai'i have a healthy agricultural industry and that Hawai'i develop policies that will promote food independence and sustainability. This large-scale planning and balancing of needs does not take place at the county level. Such State-wide issue must be balanced against the need for housing. Sprawling development, rather than re-development of the already urbanized lands in Hawai'i will not serve Hawai'i well as a whole.

Further, it is also clear that the public policy goal of developing clean, renewable energy sources needs to be balanced in relation to affordable housing. This measure would jeopardize planning and initiatives by the LUC, PUC and clean energy proponents, and the Legislature itself.

The LUC is also the only land use body that meets the State constitutional requirements of applying Public Trust Doctrine principles to its decisions. The public interest in water, the environment, traditional and customary practices, cultural resources and public access rights must be taken into account in any decision-making on district boundary changes. The counties are not designed to handle these issues (which also require contested case proceedings for proper adherence to the law). The constitutional mandate cannot be met in a legislative or ministerial proceeding.

The LUC believes that this measure, while directed at a recognized need, will not have the intended result and will in fact cause significant harm to other equally important State initiatives and won't pass constitutional muster.

However, should the Committees feel that this measure warrants further discussion, we strongly suggest that the following amendment to Section (b)(3) be made to ensure that the issues of concern that arise with this measure are mitigated.

(3) Fifteen to forty acres in the rural district and fifteen to forty acres in the agricultural district that are not designated as important agricultural lands; provided that at least seventy five per cent of the housing units on the land sought to be reclassified under this paragraph are set aside for persons and

families with incomes at or below one hundred percent of the area median income. In addition, in rendering its decision on any district boundary amendment under this section, the county shall:

- a) Provide, by condition, that failure to adhere to any of the conditions contained in the decision and order or to any representation made by the petitioner in the course of the proceedings shall be subject to enforcement proceedings by the county planning commission or the land use commission. If, after notice and hearing, the county or the land use commission finds that there has been a violation of conditions or representations, regardless of whether or not the petitioner has substantially commenced development of eth project, it may impose sanctions on the petitioner which may include reversion of the property to its prior land classification, fines, the provision of a bond sufficient to rectify any violation of the condition, or it may withhold a certificate of occupancy;
- b) <u>A copy of the decision rendered by the county under this section, together with the complete record of the proceedings before the county, shall be transmitted to the land use commission.</u> Within 60 days after the receipt of the complete record from the county, the land use commission shall act to approve, approve with modification, deny the petition or remand the matter back to the county for further proceedings;
- c) Grounds for the land use commission to deny or modify the petition granted by the county under this section include, but are not limited to:
  - 1) Failure by the county to adhere to proper notice requirements;
  - 2) Failure of the county to adhere to its rules;
  - 3) The decision and order is contrary to the requirements or intent of chapter 205 HRS;
  - 4) <u>The proceedings used by the county were violative of due process and the rights of any parties, anyone requesting intervention in the proceedings or any interested party:</u>
  - 5) <u>A contested case hearing was not held in determination of the petition;</u>
  - 6) <u>Chapter 343 was not adhered to in the granting of the petition;</u>
  - 7) The county did not properly apply the public trust doctrine or the decision does not take into account the protection of cultural or native Hawaiian resources, Hawaiian traditional gathering rights or will adversely impact aquifers, water rights, the environment or irreplaceable resources;
  - 8) <u>The decision will result in an unreasonable burden on state resources or infrastructure;</u>
  - 9) <u>Climate change and sustainability issues under chapter 226 HRS were not addressed</u>, considered or mitigated in the proceedings or decision and order; or
  - 10) There are procedural or substantive inconsistencies in the county approval process.

Thank you for the opportunity to testify on this matter.

# HB-673 Submitted on: 2/6/2023 5:32:19 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nani Medeiros	Chief Housing Officer, Office of the Governor, State of Hawaii	Support	Written Testimony Only

Comments:

In support, Mahalo.



# STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D. GOVERNOR

> SCOTT J. GLENN 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 SCOTT GLENN, Director

#### before the HOUSE COMMITTEES ON HOUSING AND WATER AND LAND

Wednesday, February 8, 2023, 11:00 AM State Capitol, Conference Room 312

### in consideration of HB 673 RELATING TO HOUSING.

Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and Members of the House Committees on Housing, and Water and Land:

The Office of Planning and Sustainable Development (OPSD) **provides comments** on HB 673 that would amend Section 205-3.1, Hawaii Revised Statutes (HRS), to authorize the counties to amend the State Land Use District Boundaries for lands 15 to 100 acres in size in the Rural and Urban Districts, and 15 to 100 acres in the Agricultural District – not including designated Important Agricultural Lands - for development in which, at least, 50 percent of the housing units are set aside for households with incomes at, or below, 140 percent of the area median income (AMI).

HB 673 would streamline housing production because projects with 50 percent of their units at 140 percent AMI would likely qualify for expedited processing under Chapter 201H, HRS. The state has good experience with 201H projects, which can range in density. OPSD recommends that counties take into consideration adopted plans and availability of infrastructure, particularly if the state normally is responsible for it, in considering the appropriate density in exercising the authority provided under this bill. State agencies would likely need more time than normally allowed under the expedited review afforded by Chapter 201H to assess the projects and its impact or whether infrastructure and services could be provided, which might warrant additional time for agency review.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. GOVERNOR



DENISE ISERI-MATSUBARA EXECUTIVE DIRECTOR

#### **STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

> 677 QUEEN STREET, SUITE 300 HONOLULU, HAWAII 96813 PHONE: (808) 587-0620 FAX: (808) 587-0600

IN REPLY PLEASE REFER TO:

Statement of DENISE ISERI-MATSUBARA Hawaii Housing Finance and Development Corporation

Before the

#### HOUSE COMMITTEE ON HOUSING AND HOUSE COMMITTEE ON WATER & LAND

February 08, 2023 at 11:00 a.m. State Capitol, Room 312

# In consideration of H.B. 673 RELATING TO HOUSING.

HHFDC <u>supports</u> H.B. 673, which authorizes the counties to reclassify lands between 15 to 100 acres in size in certain rural, urban, and agricultural districts in which at least 50% of the housing units on the land sought to be reclassified are set aside for households with incomes at or below 140% of the area median income.

Last fall, HHFDC and Hawaii Public Housing Authority convened the working group established under Act 305, also known as Yes In My Backyard (YIMBY), to explore ways to reduce zoning, regulatory, and statutory barriers to affordable housing development.

Currently, applicants for land use changes of 15 acres or less apply directly to the counties instead of the Land Use Commission. There was a strong desire by several members of the YIMBY working group to give the counties greater authority to process state land use district boundary amendments to reduce the time and costs of affordable housing development.

Thank you for the opportunity to provide testimony.

**REBECCA VILLEGAS** 

Council Member District 7, Central Kona



Phone: (808) 323-4267 Fax: (808) 329-4786 Email:Rebecca.villegas@hawaiicounty.gov

# HAWAI'I COUNTY COUNCIL

County of Hawaiʻi West Hawaiʻi Civic Center, Bldg. A 74-5044 Ane Keohokalole Hwy. Kailua-Kona, Hawai'i 96740

# TESTIMONY OF REBECCA VILLEGAS COUNCIL MEMBER, HAWAI'I COUNTY COUNCIL ON HB 673, RELATING TO HOUSING Committee on HSG/WAL February 8, 2023

Chairperson Hashimoto and Ichiyama and Members of the Committee:

Thank you for the opportunity to testify in opposition of HB 673. My testimony is submitted in my individual capacity as a menber of the Hawai'i County Council.

I respectfully OPPOSE HB 673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this and should not have its ability to oversee land use district reclassifications limited or eliminated.

For these reasons stated above, I urge the Committees to HOLD HB 673. Should you have any questions, please feel free to contact me at, (808) 323-4267

Mahalo for your consideration.

Rebecca Villegas Council Member, Hawai'i County Council

Council Chair Alice L. Lee

Councilmembers Tom Cook Gabe Johnson Tasha Kama Tamara Paltin Keani N.W. Rawlins-Fernandez Shane M. Sinenci Yuki Lei K. Sugimura Nohelani Uʻu-Hodgins



Director of Council Services Traci N. T. Fujita, Esq.

Deputy Director of Council Services David M. Raatz, Jr., Esq.

COUNTY COUNCIL

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 7, 2023

HOUSE COMMITTEE ON WATER & LAND Rep. Linda Ichiyama, Chair Rep. Mahina Poepoe, Vice Chair Wednesday, February 8, 2023 11:00 AM

#### SUBJECT: TESTIMONY IN STRONG OPPOSITION TO HB673 AND HB676

Aloha Chair Ichiyama, Vice-Chair Ho'Poepoe, and honorable committee members,

Mahalo for this opportunity to testify in strong opposition to HB673, authorizing counties to reclassify lands in certain rural, urban, and agricultural districts; and HB676 authorizing counties to determine district boundary amendments.

On behalf of the people of Hawai'i, please defend and strengthen the State Land Use Commission against efforts to undermine the power of the Commission in its purpose to prevent the exploitation and development of Hawaii's limited and valuable land for profit by a few.

The State, through the Land Use Commission, has a constitutional duty to preserve and protect Hawaii's natural resources and lands, and to encourage uses to which those lands and resources are best suited for all.

This bill inverts it's purpose of creating more affordable housing by not providing clear parameters for how larger parcels would distribute land for housing local people.

Mahalo for the opportunity to testify in <u>strong opposition</u> to both measures.

Mahalo,

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KEANI RAWLINS-FERNANDEZ Maui County Council

Mitchell D. Roth Mayor

Lee E. Lord Managing Director

West Hawai'i Office 74-5044 Ane Keohokālole Hwy Kailua-Kona, Hawai'i 96740 Phone (808) 323-4770 Fax (808) 327-3563



# **County of Hawai'i** Planning department

February 7, 2023

Testimony by ZENDO KERN, Planning Director County of Hawai'i Planning Department before the Committee on Housing & Committee on Water & Land Wednesday, February 8, 2023, 11:00 A.M. State Capitol, Conference Room 312 In consideration of HB 673 Relating to Housing

Representative Troy Hashimoto, Chair, Representative Micah P.K. Aiu, Vice Chair and Members of the Committee on Housing

Representative Linda Ichiyama, Chair, Representative Mahina Poepoe, Vice Chair and Members of the Committee on Water & Land

The County of Hawai'i fully supports HB 673 as it will provide another option to allow for much needed affordable housing on our island and in our State.

Thank you for this opportunity to testify in SUPPORT of HB 673.

nd

Zendo Kern Director

Jeffrey W. Darrow Deputy Director

East Hawai'i Office 101 Pauahi Street, Suite 3 Hilo, Hawai'i 96720 Phone (808) 961-8288 Fax (808) 961-8742



808-737-4977



February 8, 2023

The Honorable Troy N. Hashimoto, Chair House Committee on Housing

**The Honorable Linda Ichiyama, Chair** House Committee on Water & Land State Capitol, Conference Room 3 12 & Videoconference

# RE: House Bill 673, Relating to Housing

# HEARING: Wednesday, February 8, 2023, at 11:00 a.m.

Aloha Chair Hashimoto, Chair Ichiyama, and Members of the Joint Committees:

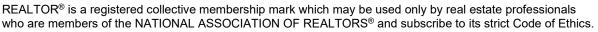
My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS<sup>®</sup> ("HAR"), the voice of real estate in Hawai'i and its over 11,000 members. HAR **strongly supports** House Bill 673, which authorizes the counties to reclassify lands fifteen to one hundred acres in certain rural, urban, and agricultural districts in which at least fifty per cent of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

The Land Use Commission (LUC) is responsible for the classification of land parcels into urban, rural, agricultural and conservation districts. Additionally, the LUC acts on land use district boundary amendment petitions involving the reclassification of lands greater than 15 acres in agricultural, rural, and urban district areas, provided it is not in the conservation district or delineated as important agricultural lands. Currently, lands that are less than the 15 acres can be reclassified by the counties. Moreover, the county process involves opportunities for public input, which includes a presentation to the appropriate neighborhood board and public input at hearings before the appropriate county Planning Commission and City Council.

Hawai'i has been struggling with the issue of affordable housing for decades. Challenges range from land and infrastructure costs, financing, regulatory challenges, and permitting. According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 45,497, housing units to meet demand in Hawai'i by 2030.<sup>1</sup> Ultimately, we have a housing supply problem, and this measure is a creative approach to address those challenges, by increasing the acreage from 15 to 100 acres will allow for more affordable housing to be built. Additionally, more acreage makes it more economically feasible for environmental safeguards to be built, such as a wastewater treatment plants or connectivity to an existing sewer system. Smaller projects may not be able to absorb those costs.

For the foregoing reasons, Hawai'i REALTORS<sup>®</sup> strongly supports this measure. Mahalo for the opportunity to testify.

<sup>&</sup>lt;sup>1</sup> Department of Business, Economic Development & Tourism. (2019). *Hawaii Housing Demand 2020-2030.* https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf







# HOUSE COMMITTEE ON HOUSING HOUSE COMMITTEE ON WATER & LAND February 8, 2023 11:00 AM Conference Room 312 In OPPOSITION to HB673: Relating to Housing

Aloha Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committees on Housing and Water and Land,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **opposes HB673**, which could remove important protections for natural and cultural resources, Native Hawaiian traditional and customary practices, food security, employment opportunities, and other public interests in major land use district boundary amendments.

The Land Use Commission ("LUC") has long administered a critical, comprehensive process to identify and mitigate impacts to natural and cultural resources, Native Hawaiian traditional and customary rights, food security, employment opportunities, and other public interests that may be affected by the reclassification of conservation, rural, agricultural, and urban lands. Over the decades, the LUC has garnered substantial institutional knowledge regarding how the public's interests in large-scale land use changes can be consistently protected and balanced, and has effectively and efficiently applied this knowledge to resolve and mitigate conflicts and concerns. Unlike county land use decisionmaking, the quasi-judicial nature of the LUC district boundary amendment process also ensures that testimony and other evidence from experts, cultural practitioners, and other stakeholders are adequately and explicitly considered in district boundary amendment approvals, serving as a key mechanism for objectivity, transparency, and accountability.

By preventing the LUC from participating in district boundary amendment changes of up to 100 acres, this measure may compromise the public's environmental, cultural, agricultural, and other interests in our islands' lands and waters. While the Sierra Club appreciates the included conditions that counties enact certain ordinances and requirements prior to the proposed reduction in the LUC's authority, it is unclear whether and how these ordinances would sufficiently provide the quasi-judicial, project-specific opportunities for input under the LUC process, or replace the LUC's substantial institutional knowledge in its decades of practice overseeing large-scale land use changes.

With regards to HB673, the Sierra Club appreciates the intent to promote the production of affordable housing. However, the Sierra Club notes that the LUC is not the apparent barrier to affordable housing production it is often purported to be. The LUC is already required to approve or deny completed district boundary amendment applications within a year of receipt; for Chapter 201H "affordable housing" projects such as those described in

this measure, this deadline is shortened to 45 days.<sup>1</sup> According to LUC staff, throughout the 2010s, all major 201H affordable housing projects were approved by the LUC within the 45 day timeline.<sup>2</sup>

Notably, by having county planning departments solely shoulder the responsibility of balancing the various cultural, environmental, food security, housing, job production, and other interests and rights of the public in large-scale and complex development proposals involving up to 100 acres of land, this measure may only inhibit their capacity to process other permits and applications (such as for accessory dwelling units, new or retrofitted infrastructure, increased density for existing housing structures, variances, smaller land use changes, etc.) that may be critical to addressing our multi-faceted housing crisis.

The Sierra Club does believe that amendments to the LUC's authorities could facilitate housing production, and encourages the Committees to explore the potential expansion of the LUC's enforcement authority. Since 1980, more than 25% of all the housing authorized by the LUC has not yet been built, much of which was proposed to be affordable and workforce housing. On O'ahu alone, 23,000 units approved by the LUC have not been constructed; this includes Ho'opili (DR Horton), Koa Ridge (Castle & Cooke), Gentry Waiawa (now owned by Kamehameha Schools), and Royal Kunia Phase II. Providing the LUC with reasonably enhanced enforcement authority will help to encourage developer-follow-through on commitments made during the district boundary amendment process, including with regards to the production of affordable housing units. Possible statutory language to accomplish this could read as follows:

#### "<u>§205-</u> Penalty. (a) Any petitioner for an amendment

to a district boundary that:

- (1) Violates; or
- (2) Neglects, fails to conform to, or comply with this chapter or any lawful order of the land use commission may be subject to a civil penalty not to exceed \$50,000 per day that the violation, neglect, or failure occurs, or reversion pursuant to section 205-4(g), but not both. The

<sup>&</sup>lt;sup>1</sup> See <u>https://luc.hawaii.gov/about/district-boundary-amendment-procedures/</u>.

<sup>&</sup>lt;sup>2</sup> A record of all LUC decisions organized by island is available online at: <u>http://luc.hawaii.gov/completed-dockets/decision-and-orders-for-boundary-amendments/.</u>

civil penalty shall be assessed by the land use commission after a hearing in accordance with chapter 91.

(b) Upon written application filed within fifteen days after service of an order imposing a civil penalty pursuant to this section, the land use commission may remit or mitigate the penalty upon terms that it deems proper.

(c) If any civil penalty imposed pursuant to this section is not paid within a time period as the land use commission may direct, the attorney general shall institute a civil action for recovery of the civil penalty in circuit court."

For the reasons described above, the Sierra Club respectfully urges the Committees to **HOLD** this measure. Mahalo nui for the opportunity to testify.

# <u>HB-673</u> Submitted on: 2/6/2023 7:38:50 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kupuna for the Mo'opuna	Kupuna for the Moopuna	Oppose	Written Testimony Only

Comments:

# NO to HB 673

Do not limit the authority of the Land Use Commission. We need these safeguards!

Mahalo.

#### HB-673 Submitted on: 2/7/2023 1:22:33 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Sylvia Dolena	Pele Lani Farm LLC	Oppose	Written Testimony Only

Comments:

Oppose HB673

<u>HB673</u>: Authorizes counties to reclassify lands that are 15-100 acres in certain rural, urban, and agricultural districts in which at least 50% of the housing units on the land are set aside for affordable housing.

Why this is bad: This bill would prevent the Land Use Commission ("LUC") from applying its decades of institutional knowledge and practice, and its critically important "quasijudicial" approach to decisionmaking, in vast land use district changes (i.e. from agricultural to urban).



P.O. Box 253, Kunia, Hawai'i 96759 Phone: (808) 848-2074; Fax: (808) 848-1921 e-mail info@hfbf.org; www.hfbf.org

February 8, 2023

### HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING HOUSE COMMITTEE ON WATER & LAND

#### TESTIMONY ON HB 673 RELATING TO HOUSING

Conference Room 312 & Videoconference 11:00 AM

Aloha Chairs Hashimoto and Ichiyama, Vice-Chairs Aiu and Poepoe, and Members of the Committees:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau respectfully opposes HB 673, which authorizes the counties to reclassify lands fifteen to one hundred acres in certain rural, urban, and agricultural districts in which at least fifty per cent of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

HFB recognizes and supports the need for affordable housing. We also recognize that in the land category system used today, agriculture was originally the catchall land classification and that some lands included within the agricultural district were not necessarily considered optimal for agriculture.

However, agriculture has significantly evolved. Soil classification is no longer the determinant of land good for agriculture. Greenhouses, hydroponics, aquaculture, and aquaponics are just a few of the many types of agriculture that can occur on *all* classes of land (A, B, C, D, E). Some of the best floriculture and hydroponic operations in Hawai'i are on C, D, and E lands. The total environment, including rainfall amount and timing, day and night-time temperatures, wind, and humidity each contribute to whether a particular region is suitable for a specific crop. In many cases, the soil type and even the existing terrain are not determinative of whether farming can exist and thrive.

Hawai'i Farm Bureau has serious concerns about this measure; allowing residential developments to be interspersed with farming operations often causes problems that can result in the failure of farms. This cannot be allowed. Because of the pandemic, everyone

better understands now the importance of agriculture in our isolated and vulnerable state. We must protect agricultural lands from well-known threats and avoid simplistic solutions to Hawai'i's housing problems.

HFB is opposed to eliminating the oversight of the Land Use Commission and its process for agricultural boundary amendments.

The urgency to address Hawai'i's need for affordable housing should not be allowed to eliminate Hawai'i's use of productive agricultural land.

Thank you for your consideration of our concerns.

#### <u>HB-673</u> Submitted on: 2/7/2023 9:43:53 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Mike Moran	Kihei Community Association (KCA)	Oppose	Written Testimony Only

Comments:

Aloha Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, Members of the House Committees on Housing and Water and Land,

Kihei Community Association offers STRONG OPPOSITION TO BOTH HB 673 AND HB 676, which propose to circumvent the Land Use Commission in land use designations.

In our district of Maui we have seen LUC actions work for our betterment in several instances

Both bills argue that this will increase the supply of affordable housing. This is disingenuous at best. Both of these measures are a giveaway to developers, construction unions and real estate industry.

Without LUC oversight, County Councils, can be persuaded by the building industry to alter land use designations which has no regard for our environment, climate change, wetland preservation or actually building what our communities need. Without the LUC's checks and balances, planning departments and construction companies will be left unbridled to satiate the luxury development market.

140% AMI is not affordable. If we are going to develop more land for housing, it should be to support our workforce.

Many of you committee members may not recall a few years ago on Maui where a developer tried to circumvent the requirement that any development over 15 acres receive LUC review. This developer had a 30 acre parcel and cleverly decided to split it in half and attempt to get

permits for 2 contiguous 15 acre parcels without LUC oversight. These two bills are a fix and reward for this duplicitous behavior.

We need the LUC's eyes on what is being proposed. That commission helps preserve or environment and upholds community voices.

Please do the right thing and defer both HB 673 AND HB 676.

Mahalo.

Mike Moran, President, Kihei Community Assoc.



#### HOUSE COMMITTEE ON HOUSING, and WATER AND LAND State Capitol 415 South Beretania Street 11:00 AM

#### February 8, 2023

#### RE: HB 673 - RELATING TO HOUSING

Chairs Hashimoto & Ichiyama, Vice Chairs Aiu & Poepoe, and members of the committees:

My name is Max Lindsey, 2023 Government Relations Committee Chair 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.

**<u>BIA Hawaii is in support of the intent of HB 673, Relating to Housing.</u>** This bill proposes to enable the counties to reclassify certain lands intended for affordable housing development, which will make larger scale projects economically feasible for infrastructure to be built.

BIA Hawaii fully supports the intent of the bill to create more housing by allowing the counties the ability to reclassify lands to create more "greenfield" projects. We are, however, concerned that this process would require significant time and money to construct the required infrastructure and would delay the need to increase the supply of housing at all price points.

We suggest that the legislature consider amending HRS Chapter 46-4 by including a section or appropriate language that would allow for, by right, the development of multi-family residential units on all commercial, business, light industrial zoned lands in each county provided there is adequate infrastructure capacity to service the proposed multi-family development. Businesses would still be allowed, and even encouraged, to continue operating. In addition, the multi-family units would be a vertical development above the existing commercial, business, and light industrial uses. The counties would have the discretion to identify these areas for potential redevelopment to create true "mixed use" neighborhoods. Focusing on areas that have infrastructure capacity would allow for numerous small/medium size multi-family projects to be built quickly. Creating opportunities for these mixed use neighborhoods would address some of the housing supply needs.

For example, on Oahu, these areas would include the King Street and Beretania Street Corridor, between Punchbowl and University Avenue; Waialae Avenue from Kapahulu Boulevard to Kokohead Avenue; sections of lower Nuuanu Avenue and North King Street.

Hawaii is in a major housing crisis, which continues to worsen. As the Legislature is aware, the cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB).

Thank you for the opportunity to share our support of HB 673.



Feb. 8, 2023 11 a.m. Conference Room 312 Via Videoconference

To: House Committee on Housing Rep. Troy Hashimoto, Chair Rep. Micah Aiu, Vice Chair

> House Committee on Water and Land Rep. Linda Ichiyama, Chair Rep. Mahina Poepoe, Vice Chair

From: Grassroot Institute of Hawaii Ted Kefalas, Director of Strategic Campaigns

RE: HB673 — RELATING TO HOUSING

#### **Comments Only**

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on HB673, which would significantly expand the authority of the counties to amend district boundaries.

Under this bill, county decision-making officials would be permitted to amend district boundaries for certain land areas greater than 15 acres, but not more than 100 acres, in all districts that do not include important agricultural lands, provided that 50% of the housing units built on that land are set aside for families and persons whose income is at or below 140% of the area median income.

In raising the acreage cutoff for county decision-making to 100 acres, this bill would make an important stride toward streamlining the approval process and encouraging the growth of housing in our state.

However, the requirement that 50% of the units built be set aside for affordable housing may create an unintended barrier to growth. Known as "inclusionary zoning," this high-percentage set-aside for affordable housing can make such projects financially unfeasible.

A large body of research shows that inclusionary zoning makes housing less affordable, since developers respond to such mandates by building fewer homes.<sup>1</sup> To make matters worse, the mandates force developers to raise the prices of their market-rate homes to make up for the so-called affordable homes.

Our research using the "Inclusionary Housing Calculator" developed by Grounded Solutions Network shows that in housing markets like Maui that have a 50% inclusionary zoning requirement, it is nearly impossible to make a profit building housing without a government subsidy.<sup>2</sup> As the requirement goes up, it becomes even less feasible to build new housing.

For example, according to the calculator, a low-rise apartment project with 30 units costing \$18 million would incur a net loss of \$7 million, if built in an area with an affordable housing requirement of 50%.<sup>3</sup>

As noted by economist Carl Bonham at the Economic Research Organization at the University of Hawaii, inclusionary zoning "reduces incentives for developers to produce all forms of housing, and will reduce the overall supply of housing units and increase the price of housing."<sup>4</sup>

A 2004 study by the Reason Foundation found that inclusionary zoning led to reduced housing growth in the San Francisco Bay Area region.<sup>5</sup>

While well-intentioned, the inclusionary zoning requirement may frustrate the intent of the bill by creating a regulatory roadblock to the increase of the housing supply.

<sup>&</sup>lt;sup>1</sup> Tom Means, Edward Stringham and Edward Lopez, "<u>Below-Market Housing Mandates as Takings:</u> <u>Measuring their Impact</u>," The Independence Institute, November 2007; "<u>Inclusionary Zoning: Implications</u> for Oahu's Housing Market," The Economic Research Organization at the University of Hawaii, Feb. 12, 2010; "<u>How land-use regulation undermines affordable housing</u>," Mercatus Research, November 2015; Paul Kupiec and Edward Pinto, "<u>The high cost of 'affordable housing</u>' mandates," The Wall Street Journal, Feb. 12, 2018; Benjamin Powell and Edward Stringham, "<u>Housing supply and affordability</u>," Reason Foundation, April 1, 2004; and "<u>Inclusionary zoning primer</u>," National Association of Home Builders, August 2019.

<sup>&</sup>lt;sup>2</sup> "Inclusionary Housing Calculator 2.0," Grounded Solutions Network, 2019.

<sup>&</sup>lt;sup>3</sup> "Project Summary," Grounded Solutions Network, accessed Feb. 9, 2021.

<sup>&</sup>lt;sup>4</sup> Carl Bonham, "<u>The Unintended Consequences of Affordable Housing Policy</u>," The Economic Research Organization at the University of Hawaii, Sept. 8, 2013.

<sup>&</sup>lt;sup>5</sup> Benjamin Powell and Edward Stringham, "<u>Housing supply and affordability</u>," Reason Foundation, April 1, 2004.

Fortunately, there are ways to encourage the growth of affordable housing that would not hobble development before it even begins.

Regarding this bill, we urge you to remove — or at least reduce — the 50% requirement.

This bill should be praised for its attempt to address one of the root causes of the state's housing crisis: the excess of regulation and bureaucracy that can delay and frustrate development. That delay and regulation adds years to the time it takes to create housing and greatly drives up building costs.

A Grassroot Institute report on the problem, <u>"Reform the Hawaii LUC to encourage more housing,"</u> discussed how state policymakers could encourage the growth of housing by reexamining the role and purpose of the LUC.

The report included two recommendations that relate directly to the intent of the original bill: raising the acreage cutoff for LUC review of district boundary amendment requests, and allowing the counties to handle all DBAs for urban and agricultural lands, leaving the LUC free to focus on statewide environmental issues and DBAs of conservation lands.

Enacting this bill would put our state on the path to achieving those recommendations.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.

### <u>HB-673</u>

Submitted on: 2/7/2023 5:24:32 PM Testimony for HSG on 2/8/2023 11:00:00 AM



Submitted By	Organization	<b>Testifier Position</b>	Testify
Craig Watase	Mark Development, Inc.	Support	Written Testimony Only

Comments:

Aloha,

My name is Craig Watase, President of Mark Development, Inc. We are an affordable housing developer and property manager since 1977.

Bill 673 is good and will significantly reduce development time for affordable housing where land use designations are an issue.

Thank you for allowing me to share my thoughts.

LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



#### HEARING BEFORE THE HOUSE COMMITTEES ON HOUSING and WATER & LAND HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 312 WEDNESDAY, FEBRUARY 8, 2023 AT 11:00 A.M.

To The Honorable Troy N. Hashimoto, Chair The Honorable Micah P.K. Aiu, Vice Chair Members of the committee on Housing To The Honorable Linda Ichiyama, Chair The Honorable Mahina Poepoe, Vice Chair Members of the Committee on Water & Land

#### SUPPORT FOR HB673 RELATING TO HOUSING

The Maui Chamber of Commerce **supports HB673** which authorizes the counties to reclassify lands fifteen to one hundred acres in certain rural, urban, and agricultural districts in which at least fifty per cent of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

The State land use commission LUC) is responsible for the classification of certain land parcels in the urban, rural, agricultural, and conservation districts. The LUC also acts on land use district boundary amendment petitions involving the reclassification of lands in the conservation district, land areas greater than fifteen acres, and lands delineated as important agricultural lands.

The Chamber feels that enabling the counties to reclassify certain lands intended for affordable housing development will make larger scale projects (up to 100 acres) economically feasible for infrastructure to be built. Counties are able to reclassify lands that are up to 15 acres in size. Increasing that limit to 100 acres should expedite the permitting process therefore lowering the costs for affordable housing.

For these reasons, we support HB673.

Sincerely,

Pamela Jumpap

Pamela Tumpap President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

#### HB-673 Submitted on: 2/6/2023 5:25:46 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Linda Legrande	Individual	Oppose	Written Testimony Only

Comments:

I strongly OPPOSE HB 673. There was a very real intention and purpose of the Land Use Ordiance when it was created and if we cannot make our needs of today comply with the reasonable and well thought out LUO, then we need to adjust these needs.

Thank you, LInda Legrande

#### <u>HB-673</u>

Submitted on: 2/6/2023 5:46:55 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
jerry lam	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land

#### I STRONGLY OPPOSE BOTH HB 673 AND HB 676, which propose to circumvent the Land Use Commission's power to redistrict lands.

Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but "affordability" is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

Please HOLD both HB 673 AND HB 676. Mahalo nui!

#### <u>HB-673</u> Submitted on: 2/6/2023 6:11:57 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
David Robichaux	Individual	Support	Written Testimony Only

Comments:

David Robichaux President North Shore Consultants, LLC. Planning and permitting consultant for 30 years. I support HB 673 becasue I believe the counties should create the space that fits their needs. All Counties have competent planners and technical abilities to make smart planning decisions. The Land Use Comission is often duplicating work already done by the Counties.

#### HB-673 Submitted on: 2/6/2023 6:27:17 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jody Smith	Individual	Oppose	Written Testimony Only

Comments:

LUC review needs to be required even on projects promoting affordable housing. Affordable housing built without environmental review will negatively impact our states natural resources and impair the quality of life for future generations. Resist the urge to avoid scrutiny of affordable housing.

#### HB-673 Submitted on: 2/6/2023 6:38:48 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Katrina Ahia	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

My name is Katrina Ahia and I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

As a resident of Maui County, I find this propsed legislation extremely distressing. The process at the Maui County level is to receive public testimony and render a decision without any requirement for the testimony or other evidence to be used as a basis for decisionmaking. I have seen important legislation, supported by dozens of testifiers in virtually unanimous agreement, be rejected by our concil in a 5-4 split. It is very important that you do not delegate these land use district reclassification decisions to them. Please, hold this bill!

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

#### <u>HB-673</u> Submitted on: 2/6/2023 6:43:06 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Millicent Cox	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land

# I STRONGLY OPPOSE BOTH HB 673 AND HB 676, which propose to circumvent the Land Use Commission's power to redistrict lands.

Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but "affordability" is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

Please HOLD both HB 673 AND HB 676. Mahalo nui!

#### HB-673 Submitted on: 2/6/2023 7:00:08 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
B.A. McClintock	Individual	Oppose	Written Testimony Only

#### Comments:

I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

## <u>HB-673</u>

Submitted on: 2/6/2023 7:40:16 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Vernelle Oku	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land

#### I STRONGLY OPPOSE BOTH HB 673 AND HB 676, which propose to circumvent the Land Use Commission's power to redistrict lands.

Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but "affordability" is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

Please HOLD both HB 673 AND HB 676. Mahalo nui!

Aloha,

Vernelle Oku

# <u>HB-673</u> Submitted on: 2/6/2023 7:44:56 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
L. Osterer	Individual	Oppose	Written Testimony Only

Comments:

The LUC decades of experience have provided it with the ability to effectively and efficiently navigate and balance highly complex public interests (including environmental, cultural, agricultural, socioeconomic, climate, and even affordable housing concerns) that may be impacted by large-scale development proposals. No completed affordable housing application has been denied within the 45-day statutory deadlines imposed on the LUC, and tens of thousands of housing units have been approved by the LUC, but never built. Enforcement tools are needed that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved. In any case, public testimony needs to be a requirement in the decision making process, and I therefore oppose skipping the LUC process and oppose this bill.

# HB-673 Submitted on: 2/6/2023 8:31:05 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Greg Puppione	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

My name is Greg and I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

Sincerely, Greg Puppione

HB-673 Submitted on: 2/6/2023 9:04:51 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Shannon Rudolph	Individual	Oppose	Written Testimony Only

Comments:

**OPPOSE** 

# HB-673 Submitted on: 2/6/2023 9:43:13 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Seth Kamemoto	Individual	Oppose	Written Testimony Only

Comments:

I am a resident of the State of Hawaii testifying on behalf of myself in **opposition** to HB673. This proposed bill strips the Land Use Commission (LUC) of one of its core powers as stewards of appropriate land use in the state.

The stated purpose of this bill is to provide "creative solutions...to build more housing at all price points", however the actual bill only calls for 50% affordable housing units, of which the only AMI cap is 140%. In Honolulu, 2022 AMI is \$113,300, so 140% AMI in Honolulu in 2022 is \$158,620. There is nothing in this bill that would incentivize any more than 50% affordable units, at any price points less than the absolute maximum of 140% AMI. So in reality, this bill would really only help create 50% more affordable units per project, and would only really help a very small segment of the state population who are making close to \$160,000 per year (if in Honolulu currently).

A developer could take a 100-acre agriculture parcel, place 100 studios on one acre and sell as "affordable units" for \$500,000 each, and then build 99 mansions on 1-acre plots and sell at market for \$25M each.

The other premise of the proposed bill is that it helps make "larger scale projects economically feasible," however nothing in the current law explicitly prevents boundary amendments. If the amendments are such a great thing for the state, let them go through the laws already in place through the LUC in HRS 205.

Thank you for your consideration.

# <u>HB-673</u> Submitted on: 2/6/2023 9:52:45 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
janice palma-glennie	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

HB673 would stifle one layer of public input into critical land use process by preventing the Land Use Commission ("LUC") from using its decades-long knowledge and practice in deciding huge land use district changes (i.e. from agricultural to urban).

also, the LUC's decades of experience have provided it with the ability to effectively navigate and balance highly complex public land use questions (including environmental, cultural, agricultural, economic, social, climate, and affordable housing concerns) which will be impacted by large-scale development proposals.

in reality, No completed affordable housing application has been denied within the 45-day statutory deadlines imposed on the LUC, while tens of thousands of housing units have been approved by the LUC -- and then never bulit!

For these and many other reasons, i ask that you vote "NO" on HB673.

mahalo and sincerely

janice palma-glennie

kailua-kona

# HB-673 Submitted on: 2/6/2023 11:07:50 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Lucienne de Naie	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chairs Hashimoto and Ichiyama and vice Chairs Aiu and Poepoe

Please do not create another loophole for housing that is purported to be "affordable" but only remains so for a short time. The State Land Use Commission evaluates land use locations for housing in terms of the availability of state and county infrastructure. County review of projects is far more limited. Citizens count upon the LUC review process to protect or priceless cultural landscapes and to require projects to provide much needed public benefits. Counties already have the ability to review projects under 15 acres. Most projects that build truly affordable housing that remains affordable for onger periods of time build compact developments on small acreages.

Mahalo for you consideration in rejecting this bill

Lucienne de Naie

Huelo, Maui, Hawaii

# HB-673 Submitted on: 2/6/2023 11:12:46 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jolyn Okimoto	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

My name is Jolyn Okimoto. I am writing to express my OPPOSITION to HB673. I am testifying as an individual citizen, and a resident of Honolulu. There are a range of public interests that may be impacted – potentially for generations – by large scale land use changes. These interests, including environmental, cultural, agricultural and socioeconomic, must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy.

The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the many public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees should consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

For these reasons, I respectfully urge the committees to DEFER HB673. Thank you for the opportunity to testify.

Sincerely, Jolyn Okimoto, resident of Honolulu

# HB-673 Submitted on: 2/7/2023 6:58:12 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Michele Nihipali	Individual	Oppose	Written Testimony Only

# Comments:

My name is Michele Nihipali and I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

Sincerely,

Michele Nihipali

54-074 A Kam Hwy.

Hauula, HI 96717

### <u>HB-673</u> Submitted on: 2/7/2023 7:01:39 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Sarah Delgadillo	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

My name is Sarah Delgadillo and I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

*Sincerely,* Sarah Delgadillo

# <u>HB-673</u> Submitted on: 2/7/2023 7:20:35 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Anne ('Antu') Harvey	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

I respectfully OPPOSE HB673. A range of public interests will be impacted for generations by large scale land use changes. These interests must be carefully and transparently balanced, address (environmental, cultural, agricultural, socioeconomic) concerns and values, and minimize negative impacts. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on a new burden of soley administering land use district reclassification and responsibility for 'best and highest use' of public interests would likely have significant, long lasting and avoidable negative impacts on those ohana interests. County planning departments are understaffed, overworked and often too easily swayed by Big Developer investment interests at the expense of their resident community.

Rather than reduce the LUC's suthority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

I respectfully urge the committees to OPPOSE HB673.

Mahalo for your dedication and service,

Anne ('Antu') Harvey

96725

HB-673 Submitted on: 2/7/2023 7:43:43 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nako'o Warrington	Individual	Oppose	Written Testimony Only

Comments:

Opposed to HB 673

# <u>HB-673</u> Submitted on: 2/7/2023 7:52:39 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kristine Kubat	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

My name is Kristine Kubat and I am writing to you to respectfully OPPOSE HB673.

Limiting the powers of the LUC will not benefit the people of Hawaii or the natural resources the state is obligated to protect for them and future generations. The problems we face do not stem from the existence of government agencies but from the ways they have been corrupted. As Hawaii transitions from a system of government that was highly corrupt, it is critical that we maintain the institutions put in place to protect our precious environment and unique way of life.

Don't be fooled by the argument that government regulation makes the cost of housing too high or the corresponding false solution that deregulation will make it more affordable. Any margin created by decreased regulation costs will only be swallowed up by developers and used to increase their profits.

Placing an undue burden on the counties is an equally ill conceived idea. We need to hold developers accountable for the affordable and workforce housing they failed to produce through prior false promises.

I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

# HB-673 Submitted on: 2/7/2023 7:55:11 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
cheryl hendrickson	Individual	Oppose	Written Testimony Only

# Comments:

I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

# <u>HB-673</u> Submitted on: 2/7/2023 8:43:11 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
David Shizuma	Individual	Oppose	Written Testimony Only

Comments:

I am writing in opposition to HB673.

While I understand the demand for expedited housing to improve our situation for affordable housing, I do not believe that HB673 provides a viable solution to do this. I do agree that we need to find "creative solutions," as called out in section 1 of this bill, however, having the counties reclassify land is not creative enough. It is merely looking to the same solutions (building more housing) as the solution, and making it easier for development projects to bypass our regulations and systems in place that are meant to protect our environment, our resources, and our people. Making it easier to reclassify lands for more affordable housing projects is not the creative solution we need and will only put the future of Hawaii at risk. We should continue to respect and follow our current regulations, boards, and systems of approvals while looking for other solutions.

Solutions like permitting and providing resources for mini-homes, increasing taxes for out-ofstate buyers and vacation rental owners, and the conversion of old hotels into affordable home units are the type of creative solutions we need, not more of the same 'ol solution of building more homes while nothing else changes.

Please consider NOT passing HB673

# HB-673 Submitted on: 2/7/2023 8:45:50 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Kelly Berganio	Individual	Oppose	Written Testimony Only

Comments:

My name is Kelly Berganio and I am a resident of the State of Hawaii testifying on behalf of myself in opposition to HB673. This proposed bill strips the Land Use Commission (LUC) of one of its core powers as stewards of appropriate land use in the state. It is vitally important that Developers are held to account and this bill would strip the LUC of its powers and duties. Hawaii must BALANCE building affordable housing with responsible land use - taking into consideration all stakeholders' voices.

The stated purpose of this bill is to provide "creative solutions...to build more housing at all price points", however the actual bill only calls for 50% affordable housing units, of which the only AMI cap is 140%. In Honolulu, 2022 AMI is \$113,300, so 140% AMI in Honolulu in 2022 is \$158,620. There is nothing in this bill that would incentivize any more than 50% affordable units, at any price points less than the absolute maximum of 140% AMI. So in reality, this bill would really only help create 50% more affordable units per project, and would only really help a very small segment of the state population who are making close to \$160,000 per year (in Honolulu currently). They could take a 100-acre agriculture parcel, place 99 studios on one acre and sell as "affordable units" for \$500,000 each, and then build 99 mansions on 1-acre plots and sell each at market for \$20M.

For these reasons, I oppose this Bill.

Thank you,

Kelly Berganio

# HB-673 Submitted on: 2/7/2023 8:57:59 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Brett Kurashige	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land,

**I STRONGLY OPPOSE BOTH HB 673 AND HB 676**, which propose to circumvent the Land Use Commission's power to redistrict lands.

Both bills propose to change the way lands are urbanized from the agricultural district to bypass the Land Use Commission, the quasi-judicial process they use, and the important cultural and natural resource protections those bring. Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors, gutting environmental and cultural protections for what will be unaffordable housing'. This is the wrong policy direction for the State of Hawaii and our local residents.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but "affordability" is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

HB 673 "RELATING TO HOUSING" says we need more homes at "all price points" and would allow the counties instead of the LUC to urbanize lands up to 100 acres in size if "at least fifty per cent of the housing units on the land sought to be reclassified under this paragraph are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income." This means a 100 acre parcel could build 51 small condo units on 2 acres of land and 49 mansions on 2 acre lots and it would be what they call a "creative solution" to our housing problems.

HB 676 "RELATING TO DISTRICT BOUNDARY AMENDMENTS" would allow the county to urbanize parcels of any size if they pass an ordinance allowing them to that meets certain conditions.

Please HOLD both HB 673 AND HB 676.

Mahalo nui for the opportunity to submit testimony opposing both HB 673 AND HB 676.

Brett Kurashige

# <u>HB-673</u>

Submitted on: 2/7/2023 9:29:04 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
joan H koff	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land

# I STRONGLY OPPOSE BOTH HB 673 AND HB 676, which propose to circumvent the Land Use Commission's power to redistrict lands.

Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but "affordability" is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy. Please OPPOSE **both HB 673 AND HB 676**. Mahalo nui!

# HB-673 Submitted on: 2/7/2023 9:49:59 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
ellen sofio	Individual	Oppose	Written Testimony Only

# Comments:

HB673 cites a Department of Business, Economic Development and Tourism study entitled "Housing Demand in Hawaii, 2015-2025" as it's basis in its first paragraph. The referenced DBEDT report is focussed on meeting the building and construction needs of the tourist industry (allegedly for more transient vacation rentals because hotel capacity is saturated) and of wealthy individuals desiring second homes or vacation homes. The DBEDT report on housing which is apparenty the basis for this 201H-38 related progeny bill, HB673, has nothing to do with providing "affordable" housing for low income residents of Hawaii.

With the articulated priorities embodied in the DBEDT housing report it references, HB673 would however, dangerously jeapardize long established protections for our conservation lands, our critical watershed forests and the habitat they provide as well as protections for our important agricultural lands, by using the 201H-38 Godzilla law to destroy the authority of the Land Commission over boundary changes.

If passed, HB673 will only contribute to unmitigated population growth and density increases, further threaten our already critically inadequate drinking water supply, increase flooding risks iin Waikiki and all our other makai communities and neighborhoods, and open the door to the reckless destruction of our conservation and agricultural lands. It will also lead to deforestation which is diametrically opposed to both former Governor David Ige's and current Governor Josh Green's articulated priorities for achieving carbon neutrality and mitgation of climate change.

Please vote decisively to kill HB673

# <u>HB-673</u> Submitted on: 2/7/2023 9:58:14 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Alana Bryant	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

My name is Alana Bryant and I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673.

Sincerely, Alana Bryant

# HB-673 Submitted on: 2/7/2023 10:01:03 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Lukanicole zavas	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land

# I STRONGLY OPPOSE BOTH HB 673 AND HB 676, which propose to circumvent the Land Use Commission's power to redistrict lands.

Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns.

Reducing the current limits on Council powers removes essential protections for `āina around the state. This is also supposedly done to increase affordable housing, but "affordability" is defined so broadly that it includes market-rate units affordable to people making 140% of the area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

In addition, Hawai'i does not have a plethora of land. We should not remove agricultural lands and natural spaces to make room for urbanization. We already have developments - we have homes that are available - it's just that they are now overpriced. My family home was purchased 25 years ago for \$300,000 and is now worth over a million! We haven't done anything to the home to justify its jump in worth. The median price for homes in my neighborhood - which haven't been updated or changed in my life is going for millions of dollars. Instead of trying to circumvent the processes that protect our 'āina - let's re-evaluate who can afford the homes that we already have in Hawai'i - and do something to ensure that these existing homes can be purchased to be lived in by locals.

# Please HOLD both HB 673 AND HB 676.

Mahalo nui for your time and consideration,

Luka

# HB-673 Submitted on: 2/7/2023 10:12:52 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Janyce Mitchell	Individual	Oppose	Written Testimony Only

Comments:

I am a long-time resident of Hawaii and am writing to express my vehement opposition to HB673. HB673 purports to support affordable housing. What this bill does instead is remove important protections for the land of Hawaii without achieving its goal.

The bill strips the authority of the Land Use Commission (LUC) over boundaries of parcels of *up to 100 acres* in both urban and rural areas. Instead, bodies, such as City/County Councils, may make these decisions. Unlike members of the LUC, members of City/County Councils are allowed to accept donations. As such, City/County Councils may be subject to influence from special interests, like developers, who donate to campaigns. The LUC provides an important, objective review of land uses in the state. This review is particularly important for such large parcels in a state with limited land. Removal of this protection by this bill jeopardizes the land of Hawaii.

Further, although the bill designed to make "larger scale projects economically feasible", and promote affordable housing, nothing in the existing laws prevents boundary amendments provided the amendments pass through the LUC. The bill also only requires half of the housing units made to be made available for those making up to 140% of the median income without requirements on the fraction of land used for such housing. The housing units by definition are available to those that make more than the average resident. I have difficulty seeing how this is affordable. A developer might also make the 50% of housing units available to those making 130% of the median income on the smallest fraction of the parcel possible. The remainder may be luxury housing on larger lots. This is not the type of "affordable" housing that we need to encourage.

I urge you to oppose HB673 and keep in place the existing protections for the land of Hawaii.

# <u>HB-673</u> Submitted on: 2/7/2023 10:52:10 AM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Gail Baron	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

As a long time resident of the State of Hawaii I would like to testify on behalf of myself in opposition to HB676. The proposed change is much too broad and the proposed additional section (d) is not bounded by land type or land area. It could be applied to the entire conservation watershed in upper Manoa Valley, or all of Diamond Head or Haleakala or Mauna Kea.

For so many years we have relied on this system to protect our watersheds and vulnerable lands from improper uses. Why are we deconstructing these protections now?

Has anyone considered the long term ramifications of this Bill? Is there a cost/benefit analysis of what it is supposed to achieve?

Please vote this down.

Mahalo,

Gail Baron

Kūpuna voting citizen

# <u>HB-673</u>

Submitted on: 2/7/2023 11:29:03 AM Testimony for HSG on 2/8/2023 11:00:00 AM



Submitted By	Organization	<b>Testifier Position</b>	Testify
Emma Stierhoff	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and and members of the Committee,

My name is Emma Stierhoff, and I am writing to respectfully oppose HB673. I am concerned that reducing the LUC's authority in matters of land use district changes will prevent the existing consideration of multiple public interests in favor of a less judicial process that mostly benefits large-scale developers. The LUC has a long standing history of balancing environmental, cultural, socioeconomic, and other interests when making decisions on land-use changes. I trust that they will continue to do so, and that rather than reducing their authority, they can be given the tools to hold developers accountable for building affordable and workforce housing units when their petitions are approved.

Therefore, I urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

# <u>HB-673</u>

Submitted on: 2/7/2023 1:31:16 PM Testimony for HSG on 2/8/2023 11:00:00 AM



Submitted By	Organization	<b>Testifier Position</b>	Testify
jennifer valentine	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

# <u>HB-673</u>

Submitted on: 2/7/2023 2:07:37 PM Testimony for HSG on 2/8/2023 11:00:00 AM



Submitted By	Organization	<b>Testifier Position</b>	Testify
Kawena Lauriano	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I am writing today in opposition to HB 673. While I understand the need for more affordable housing, the Land Use Commission is not an obstacle for why Hawai'i does not have enough housing as developers claim. Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved. Mahalo for the opportunity to testify.

# <u>HB-673</u>

Submitted on: 2/7/2023 6:27:13 PM Testimony for HSG on 2/8/2023 11:00:00 AM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Konia Freitas	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land

I STRONGLY OPPOSE BOTH HB 673 which proposes to circumvent the Land Use Commission's power to redistrict lands.

Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but "affordability" is defined so broadly that it includes market-rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

Please HOLD both HB 673.

Thank you,

Konia Freitas, Phd

Aiea, Oahu



# <u>HB-673</u>

Submitted on: 2/7/2023 10:09:58 PM Testimony for HSG on 2/8/2023 11:00:00 AM



Submitted By	Organization	<b>Testifier Position</b>	Testify
Noel Shaw	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the Committee,

My name is Noel Shaw and I respectfully OPPOSE HB673. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD HB673. Mahalo nui for the opportunity to testify.

Mahalo,

Noel

# <u>HB-673</u>

Submitted on: 2/8/2023 7:37:32 AM Testimony for HSG on 2/8/2023 11:00:00 AM



Submitted By	Organization	<b>Testifier Position</b>	Testify
Sheena Lopes	Individual	Oppose	Written Testimony Only

Comments:

This is yet another attempt to drive Hawaiians and locals out of their homes under the disguise of "affordable housing". This is also benefiting the outside investors and developers and not those that are already struggling to live here. Hawai'i has too many development projects happening already and we need to stop prostituting our 'aina under the facade that this will benefit the kama'aina. It doesn't. The government needs to start talking to the minority communities to find actual solutions, not create their own based on what is going into their pockets.

# <u>HB-673</u>

Submitted on: 2/8/2023 7:55:31 AM Testimony for HSG on 2/8/2023 11:00:00 AM



Submitted By	Organization	<b>Testifier Position</b>	Testify
robin knox	Individual	Oppose	Written Testimony Only

Comments:

Dear Chairs Hashimoto and Ichiyama, Vice Chairs Aiu and Poepoe, and members of the House Committees on Housing and Water and Land

I STRONGLY OPPOSE BOTH HB 673 AND HB 676, which propose to circumvent the Land Use Commission's power to redistrict lands.

Both bills argue that this will increase the supply of affordable housing, but that's not what they would do – they are a giveaway to developers and unscrupulous realtors.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but "affordability" is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

Please HOLD both HB 673 AND HB 676. Mahalo nui!