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STATEMENT OF

ANTHONY J. H. CHING, EXECUTIVE DIRECTOR HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE

HOUSE COMMITTEE ON WATER, LAND & OCEAN RESOURCES AND HOUSE COMMITTEE ON HOUSING

Monday, February 8, 2010

9:00 A.M.

State Capitol, Conference Room 325

H.B. 2846 - RELATING TO KAKAAKO.

Purpose: Increases the reserved housing requirement for a major development on a lot of at least one acre to 25% of the floor area to be constructed. Requires that a planned development on a lot of at least 20,000 sf, but less than one acre include at least 20% of the floor area to be constructed for reserved housing units. Establishes a credit system by which developers may either construct or cause to be constructed any reserved housing requirement imposed by the Authority.

Position: The Hawaii Community Development Authority (HCDA) agrees that there is a severe lack of affordable workforce housing units in Honolulu and supports the passage of this proposal with one amendment.

While there will be parties who will contend that any increase in the HCDA reserved housing requirements will cause the development of residential projects in Kakaako to come to a halt, it is my belief that the proposal provides for both a modest increase in the existing requirement while affording new flexibility to a developer seeking to construct the required units. My belief is based upon the following.

- The proposal does not impose any requirement upon development located on lots of less than 20,000 sf. There will be no impact to landowners of small lots which might not be able to underwrite the cost or rationalize their participation in the reserved housing program.
- The proposal is directed only to projects that already contain a residential component.
- The proposal does not target non-residential developments (e.g., commercial, industrial or resort elements). Imposition of a reserved housing requirement upon these elements runs counter to the HCDA objective to produce mixed use projects, preserve light industrial uses and will likely severely impact the feasibility of the project.
- Other metropolitan jurisdictions (i.e., San Francisco Bay Area, Washington D.C., Boston) have adopted similar inclusionary zoning programs with no apparent dampening effects on the development climate in those area.
 However, it is important to note that in jurisdictions such as San Francisco, the highest share of affordable units is 25%.
- The reserved housing credit system described in the proposal is identical in large part to that which has already been established for the GGP/Ward Neighorhood Master Plan and the Kamehameha Schools Kaiaulu o Kakaako Master Plan.
- This reserved housing credit system affords the developer options with which to meet the requirement. One facet of the system would allow the developer to purchase units/credits from another developer which has an excess of units/credits. Another facet of the system would allow for the donation of land at a rate set by the Authority in lieu of constructing units.

To further offset the impact of the reserved housing requirement upon a development, the proposal should be amended to specify that a density bonus equal in amount to the floor space/reserved housing units being developed be granted to the developer. This density bonus might be used by the developer within the project or transferred to another developer at a rate negotiated by the parties. An appropriate amendment to the proposal could be compiled should the committee so direct.

It is my belief that the proposed increase in the reserved housing requirement is reasonable and the credits/transfer system specified in the proposal balances the increase. Amending the proposal to include a density bonus equal to the reserved housing floor area being developed, will provide further incentive for the developer.

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



Via: <u>WLOtestimony@Capitol.hawaii.gov</u> HSGtestimony@Capitol.hawaii.gov

February 8, 2010 Opposition to HB 2846 re KAKAAKO (Reserved Housing Increase)

The Honorable Representative Ken Ito, Chair, Vice-Chair Sharon Har and Members of the House Committee on Water, Land & Ocean Resources, The Honorable Representative Rida Cabanilla, Vice Chair Pono Chong, And members of the House Housing Committee,

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable and rational land use planning, legislation and regulations affecting common problems in Hawaii.

LURF supports the development of housing projects in Kaka ako which include affordable housing units, however, we are <u>opposed</u> to SB 2846 in its current form and recommend that the bill be deferred until the Kaka ako stakeholders and government officials can agree on a plan and incentives to increase affordable housing in Kaka ako. LURF's opposition is based on, among other things, the following:

- No rational nexus for square footage requirement. The proposed bill, which determines the reserved housing requirement based on square footage of a project, is unconstitutional, because there is no legal nexus or proportionality justification or the reserved housing requirement of twenty-five percent (25%) of countable floor area of every building of a major development project (except community or special facility uses areas), and it lacks a rational nexus to include the square footage of parking lots, elevator shafts, corridors and stairways, etc.
- No legal justification based on studies, statistics, etc. The bill is also
 unconstitutional, because there is no study, statistics or legal policy to justify the twenty
 five per cent (25%) of total square footage reserved affordable housing.
- **No adequate economic incentives.** The bill does not include adequate economic incentives to encourage the development of affordable housing;
- Inconsistent with HCDA's Kakaako plans. The requirements of this bill are not consistent with the current visions, plans and processes of the Hawai'i Community Development Authority ("HCDA"), which has jurisdiction over the Kaka ako area; and

• **Unfair implementation procedures.** The following proposed implementation procedures, are fundamentally unfair: the requirement that HCDA to adopt implementing rules without regard to the notice and public hearing requirements of Chapter 91, Hawaii Revised Statutes (HRS), and also the provisions prohibiting HCDA from accepting applications until the rules take effect.

We would strongly recommend that the supporters of this bill work with HCDA, which has jurisdiction over Kaka ako, the Hawai'i Housing Finance and Development Corporation ("HHFDC"), the major landowners and stakeholders in Kaka ako and other government agencies to develop a consensus regarding the goals, incentives and implementation of housing projects in Kaka ako which include affordable housing units.

<u>Background</u>. The history of this bill can be explained in the context of the 1982 Kaka ako Community Development District Plan, which was a community and government-based plan, and the findings in the recent Standing Committee Report No. 720-08 of the House Committees on Water, Land, Ocean Resources and Hawaiian Affairs and Human Services & Housing. Based on those documents, it appears that the Kaka ako Community Development District ("Kaka ako district") was envisioned as a mixed-use community, including residential, commercial, and industrial uses.

The residential development of the district is intended to encompass housing for families of various income levels. The State has invested at least \$200 million in public funds and the landowners have also contributed to the infrastructure of the Kaka`ako district to advance this goal. This investment in infrastructure has sparked increased private investment and development plans for the area. However, the Legislature believes that the development projects in recent years have eluded affordable housing and have focused primarily on luxury homes for high-income families and the inundation of retail and commercial developments. The Legislature believes that this bill is necessary to promote the development of affordable housing (for low and moderate income families) in the Kaka`ako district and to achieve the mixed-use community that was intended for the district.

HB 2846. This bill proposes to increase the reserved housing requirement for a major development on a lot of at least 1 acre in the Kakaako Community Development District, Mauka Area (Kakaako Mauka). Requires HCDA to adopt or amend rules, and includes the following:

- New Reserved Housing Requirement for Major Developments: 25% of Total Floor Area. For such a major development, at least twenty-five per cent of the floor area shall be constructed and made available as reserved housing units for low- and moderate-income families. The floor area countable for establishing the percentage for reserved housing units is the total floor area of every building of the major development, except the floor area developed for community or special facility uses.
- <u>HCDA to determine number, types & sizes of Reserved Housing units</u>. The developer is required to divide the reserved housing floor area into the number, types, and sizes of reserved housing units set by the Hawaii community development authority.
- New Reserved Housing Requirement for Planned Development multi-family dwelling
 units: 20% of Total Unit. This bill also proposes a reserved housing requirement for a
 planned development with multi-family dwelling units on a lot of at least twenty
 thousand square feet, but less than one acre, of at least twenty per cent of the multifamily dwelling units to be constructed are required to be set aside for reserved housing.
 This requirement is the same for a planned development with multi-family dwelling units

- on a lot of at least twenty thousand square feet. This requirement is intended to apply only to a planned development and not any other type of major development.
- No public input or transparency for HCDA rules. This bill also requires the HCDA to adopt implementing rules without regard to the notice and public hearing requirements of Chapter 91, Hawaii Revised Statutes.
- <u>HCDA prohibited from accepting permit applications</u>. To prevent a flurry of permit applications for major developments, this bill prohibits HCDA from accepting applications until the rules take effect.
- Reserved housing eligibility requirements remain unchanged. With respect to the eligibility requirements for a low- or moderate-income family to purchase or rent a reserved housing unit, the legislature does not intend that this Act cause any change from the requirements under existing statute or rule. The legislature intends that the present eligibility requirements remain the same until amended by statute or rule.

LURF's Position. LURF appreciates the opportunity to express our views on this matter and while we understand the intent of this bill, we respectfully urge the Committees **not** to **pass this measure in its current form,** because it unconstitutionally imposes affordable housing requirements without the required legal nexus, it lacks legal justification for the square footage requirements, does not include adequate economic incentives, the proposed implementation procedures are fundamentally unfair, and it is inconsistent with the current visions, plans and processes of the HCDA. Instead of passing this bill, we would strongly recommend that the supporters of this bill work with HCDA, HHFDC, the major landowners and stakeholders in Kaka ako and other government agencies to develop a consensus regarding incentives and the development of housing projects in Kaka ako which include affordable housing units.

Based on the above, we respectfully request that HB 2846 be held by this Conference Committee

Thank you for the opportunity to express our opposition to HB 2846.



P.O. Box 3000 Honolulu, Hawaii 96802-3000 www.hawaiigas.com

February 8, 2010

Testimony for HB 2846 Relating to Kakaako.

Aloha Chair Ito, Vice Chair Har and Members of the Committee on Water, Land, and Ocean Resources:

My name is Stephanie Ackerman, Vice President Public Policy and Communications of The Gas Company. Thank you for the opportunity to provide testimony on HB 2849.

The Gas Company is a public utility that was founded in 1904 and is Hawaii's only government franchised full-service energy company making gas products and services available in Hawaii.

We oppose HB 2846 because it does not recognize the public utility obligation and provide for an exemption under "Community service use." The affordable housing mandate was never intended to apply to community service organizations such as public utilities.

Mahalo for the opportunity to testify on HB 2846.

February 5, 2010

To:

The Honorable Ken Ito, Chair

The Honorable Sharon E. Har, Vice Chair

And Committee Members

Committee on Water, Land & Ocean Resources

The Honorable Rida Cabanilla, Chair The Honorable Pono Chong, Vice Chair And Committee Members Committee on Housing

From:

Carol K. Lam (B), Senior Vice President

Serveo Pacific Inc.

2850 Pukoloa Street, Suite 300 Honolulu, Hawaii 96819

Hearing Date: Monday, February 8, 2010 at 9:00 a.m.

In Opposition to HB 2846 and HB 2849, Relating to Kakaako

On behalf of Serveo Pacific Inc. ("Serveo"), I submit the following comments in opposition to the adoption of either HB 2846 or HB 2849 (collectively, the "Bills").

Serveo owns three (3) properties in the Kakaako Redevelopment District directly affected by the proposed Bills:

(1) Lexus Dealership/Service Facility: 650 Kapiolani Blvd. - TMK No. (1) 2-1-046: 001

(2)Lexus Pre-owned Vehicle Sales: 645 Kapiolani Blvd. - TMK No. (1) 2-1-047: 005&006

(3) MI Parts and Service (Toyota): 609 South Street - TMK No. (1) 2-1-031: 030

While Serveo will continue to support a rational, reasonable, balanced and fair reserved housing condition to the development of future residential units in the Kakaako Redevelopment District, it cannot and does not support adoption of either of these Bills. Neither of these Bills will correct nor address in any meaningful way the substantial deficiencies which existed in similar versions of these Bills which were introduced in last year's Legislature. The principal grounds of Serveo's opposition to these Bills remain the same as last year.

- Limited and Unfair Application. These Bills address a proposed change for only one (1) small area of the State located in the City and County of Honolulu. It unfairly singles out and imposes on all major developments within the Kakaako Redevelopment District a reserved or affordable housing requirement which is not applicable to any other area or district in the State of Hawaii.
- Existing Rules Not Proven to Be Inadequate. Kakaako Mauka already has an established reserved housing policy under the existing Kakaako Mauka Area Plan and Rules (the "Rules") administered by the Hawaii Community Development Authority ("HCDA"), This is not a new requirement for Kakaako Mauka but has been in place for a long time. The current requirement is that any multi-family residential development within Kakaako Mauka shall provide for at least 20% in number of the total residential dwelling units in the Project as "reserved housing units". In fact, reserved housing units have been developed and provided in Kakaako Mauka pursuant to the existing Rules, but

HB 2846 and HB 2849 Serveo Pacific Inc. February 5, 2010 Page 12

unfortunately not as many reserved housing units have been constructed as would be desirable since the establishment of HCDA. However, that is more a result of several periods of stagnant economic growth over this time period than for lack of an appropriate requirement for such housing in the Rules. As noted above it is unfair to saddle one (1) small area of the State with a statutory requirement to address a state wide problem, especially where a reserved housing requirement already exists and has not been shown to be inadequate.

- 2. No Rationale for Radical Change. The proposed statutory change from unit numbers to floor area as the measure for reserved housing, when coupled with the percentage increases for all major developments within Kakaako Mauka will radically increase the required portion of a major development required to be committed to reserved housing units. Even more troublesome is that it will now include commercial floor area (and industrial floor area under HB 2846) in the calculation and potentially impose a newly created reserved housing obligation on a primarily commercial development within Kakaako Mauka which qualifies as a major development. If Kakaako Mauka is to be a place to work, play, and live then such an imposition on commercial floor area and principally commercial developments is counterproductive, as job creation should be encouraged not discouraged. This is especially true in these economic times.
- 3. No Demonstrated Evidence that Change will Result in Increased Reserved Housing. Both of these Bills appear to operate on the proposition that if the Legislature mandates a higher reserved housing requirement in Kakaako Mauka that it will come to pass. Serveo does not believe that dictating a result is the way to address the affordable housing issue in the current Hawaii economy. The existing Kakaako Rules on reserved housing units have a demonstrated history of not discouraging redevelopment. To proceed forward with a mandated increase in these requirements without any empirical studies is shortsighted. Serveo believes that a study of Hawaii's past history on this matter and other jurisdictions would show that a requirement significantly larger than the one already established under the Kakaako Mauka Rules has generally failed. In Serveo's view, it will require a fair and equitable contribution from many different stakeholders—the landowner, the housing developers, construction lenders, contractors, government and the public all working together toward a viable solution. It is unfair to burden one group with the cost and burden of trying to solve this problem. Unfortunately, that is exactly what either of these Bills would do.

Further, in a Construction Task Force report that was just recently released, it recognized the need to reduce affordable/workforce housing requirements in order to stimulate immediate housing construction. It was reported that affordable/workforce housing requirements could be "so onerous" as to "prevent the construction of affordable housing" and therefore working against the very thing it is supposed to achieve.

- 4. Avoidance of Chapter 91 Rule Making is Unwarranted. Both Bills include provisions that HCDA shall adopt rules without regard to the public notice and hearing requirements of Section 91-3, HRS or to submit a small business impact review requirements of Chapter 201M, HRS. The disregard of the Chapter 91 rule making procedures under Section 7 and avoidance of Chapter 201M would establish a bad precedent.
- 5. <u>Unequal Application</u>. Both Bills prohibit HCDA from accepting any application for a planned development permit or major development on a development lot of one acre or greater in area until new or amended rules are adopted by HCDA. Any applications which do not fall within this category may continue to proceed. This unfairly allows the landowners of a smaller property the ability to use their property over those with the larger parcels who will be prohibited from using their property during this unknown time period.

HB 2846 and HB 2849 Serveo Pacific Inc. February 5, 2010 Page | 3

Bill 2849 also gives a developer of a major development under an approved master plan four (4) years to obtain all necessary permits, complete required grading and infrastructure improvements and commence construction of the major development before the new measure applies to the properties covered by the master plan approval. No such benefit is provided to the lesser landowners within Kakaako Mauka and no reasoning is provided for this unequal application.

- 6. No Disproportionate Benefit from HCDA Improvement Districts. The introductory recitals to Bill 2849 state that the State has spent substantial amounts to improve infrastructure in Kakaako and that this has disproportionately benefitted the landowners in Kakaako Mauka without a commensurate public benefit delivery of reserved housing units. This statement fails to note the truth that the individual private landowners benefitted by such infrastructure improvements were assessed and subsequently paid an improvement district fee to cover the determined portion of such infrastructure improvements in the area. There is no special, unique, or uncompensated infrastructure benefit which has been provided to the private landowners in Kakaako Mauka.
- Real World Application to Servco Properties. Application of either of these Bills to the Servco properties in Kakaako Mauka demonstrates in a real sense the flawed nature of these Bills. Servco has for many years maintained and operated on its Kakaako Mauka properties commercial-industrial operations in connection with its Toyota and Lexus car dealerships and service operations. These activities provide a convenient downtown location for those persons who work in downtown Honolulu. In doing so, Servco provides jobs for approximately 125 persons and a vital and necessary service both to residents of Kakaako Mauka and the greater Honolulu community who work in downtown Honolulu. If Servco were to elect to expand its dealership and service facilities on its Kakaako Mauka properties it might be required as a cost for the expansion of its commercial uses to include within its expansion plans floor area for reserved housing units. This provides no incentive for Servco to undertake any major expansion of its commercial uses on its Kakaako Mauka properties. In reality it would likely result in a decision not to expand such commercial uses, and thus no future contributions by Servco in bringing new jobs into Kakaako Mauka or expanding its services for local residents. If you applied this same scenario to other owners/users of land in this area, this negative incentive would basically operate as a moratorium on improving and expanding existing commercial facilities in Kakaako Mauka.

Based on the above we urge the Committee to oppose further action on either Bills as they fail to adequately and fairly address the intended purpose.

Thank you for allowing us to share our concerns and reasons for opposing these Bills with you.



TESTIMONY TO THE HOUSE COMMITTEE ON WATER, LAND, & OCEAN RESOURCES AND THE COMMITTEE ON HOUSING

By Sydney Keli`ipule`ole, Director Endowment/Residential Assets

Hearing Date: Monday, February 08, 2010 9:00 a.m., Conference Room 325

February 5, 2010

TO: Rep. Ken Ito, Chair

Members of the Committee on Water, Land, & Ocean Resource

And

Rep. Rida Cabanilla, Chair

Members of the Committee on Housing

RE: H.B. No. 2846 - Relating to Kaka'ako

Thank you for the opportunity to comment on H.B. No. 2846.

The Construction Industry Task Force Recommendations were prepared in response to Senate Concurrent Resolution No. 132, S.D.1 (2009). At page 19 of its report, the task force recommends the enactment of "statewide affordable/workforce housing guidelines that reduce county requirements by forty per cent" with the legislation finding "that the State's and counties' affordable and workforce housing requirements often result in significant delays prior to the start of construction. In fact, some requirements are so onerous that, in certain circumstances, the requirements prevent affordable and workforce housing from being built."

Kamehameha Schools respectfully submits that H.B. No. 2846 takes a direction that is contrary to the task force's recommendation.

We appreciate the opportunity to express our views on this measure.

567 South King Street • Honolulu, Hawai'i 96813-3036• Phone 808-523-6200

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February 4, 2010

SUPPORT – HB2849 NOT SUPPORT – HB2846

To: Committee on Water, Land, & Ocean Resources
Representative Ken Ito, Chair
Representative Sharon Har, Vice Chair

Committee on Housing Representative Rida Cabanilla, Chair Representative Pono Chong, Vice Chair

We are in <u>support</u> of HB2849, which is the compromised SB1350 of 2009, which got vetoed by Governor Lingle. From reading HB2849, it has the necessary incentives for new construction to start in Kakaako during the next 5 years. It is a reduction from the 1982 target of 14,250 apartments for the low and middle income households to approximately 5,500. This Legislation for 20 to 30 percent affordable housing in Kakaako is for 80% of the working population in Hawaii – a low percentage because of Landlord lobbying. However, it represents a compromised solution from the 2008 and 2009 Legislative sessions.

Citizen Testimony from:

Marshall Hung as a member of a Limited. Liability Company develops unsubsidized work force apartment housing for middle income households of \$50,000 to \$100,000 per annum in urban Honolulu - He believes that the majority of new residental development in Kakaako should be for Hawaii's residents because it is the optimal solution for reversing the brain drain and providing the needed work force housing in the urban core.

We are <u>not in support</u> of HB2846 because it does not have the necessary incentives to start new construction in Kakaako during the slow economic times that Hawaii faces. HB2846 does not address the master plans of General Growth Properties and Kamehameha Schools. In doing so, the status quo remains and a repeat of very little new construction will probably occur over the next 25 years for affordable housing in Kakaako. Be the Legislature reminded that 28 years have passed since the public purpose and rules of the Redevelopment Neighborhood were published in 1982. This Legislation from the Executive Director Anthony Ching does not read like what the taxpayers of Hawaii would expect out of the leader of the Redevelopment Authority for Kakaako. With all respect to Mr. Ching, we cannot support HCDA's HB2846.

Respectfully Yours,

Marshall Realty, Inc.

Marshall Hung, its President

Testimony of
Dexter Okada, President
U. Okada & Co., Ltd.
Before the

COMMITTEE ON WATER, LAND, & OCEAN RESOURCES

Rep. Ken Ito, Chair
Rep. Sharon E. Har, Vice Chair
COMMITTEE ON HOUSING
Rep. Rida Cabanilla, Chair
Rep. Pono Chong, Vice Chair

February 8, 2010, Committee Hearing
Conference Room 325
9:00AM
House Bill 2846
Relating to Kaka'ako

Chair Ito, Chair Cabanilla and Committee Members:

I am opposed to House Bill 2846. But I do understand and support its intent.

I am Dexter Okada. As a disclosure, I am a member of the Hawaii Community Development Authority. But I am testifying as the president of U. Okada & Co., Ltd., a third generation small family business and property owner that has been located on Queen Street in Kaka'ako for over fifty years. I am here also representing the Kaka'ako Business and Landowners Association, a group of small businesses and small landowners located in Central Kaka'ako.

Central Kaka'ako is made up of small properties, from 30,000sq.ft. to as small as 2,700sq.ft., that occupy approximately one-third of Kaka'ako Mauka that is makai of Kapiolani Boulevard(see attached map). On these properties are 154 small businesses, commercial, light industrial, service, and wholesale businesses. To revitalize Central Kaka'ako is a very daunting task. Flexibility and creativity are keys to the revitalization, NOT mandates. Inclusion of small businesses and properties in this bill will kill the incentives to come up with these solutions. Central Kaka'ako will deteriorate further and eventually the small businesses will have to close up shop. In our economy, we need more jobs not less.

The phrase in HB2846, "at least one acre", and the lack of excluding commercial and industrial use in the definition of "major development" takes away the flexibility and creativity for the small landowners. Although projects under one acre is not included, it takes away the flexibility of small landowners to form joint venture to take advantage of economies of scale. They would have to keep the joint venture to under one acre.

In past testimonies, developers have indicated that the current 20% of the total UNITs reserved housing requirement makes project at best risky. A few years ago, a group of landowners on my block got together to see what our options were. We approached a developer to pencil out a joint residential venture. Under the current requirement, we would have just about have to give away our property just

to make the project possible and yet, all the risk would be on our backs. If the project was not successful, we would lose our property. So, if a joint venture is commercial or industrial and greater than one acre, the reserve housing requirement under HB2846, 25% of countable FLOOR area, would make the project too costly.

For some landowners, their property is a nest egg for their family. HB2846 will seriously devalue our nest egg. HB2846's onerous mandate will devalue the market value of our property.

HB2846 will not create more reserved housing in Central Kaka'ako. But it will make the revitalization of Central Kaka'ako more difficult or maybe even impossible. It will probably result in the loss of small businesses and jobs in Central Kaka'ako.

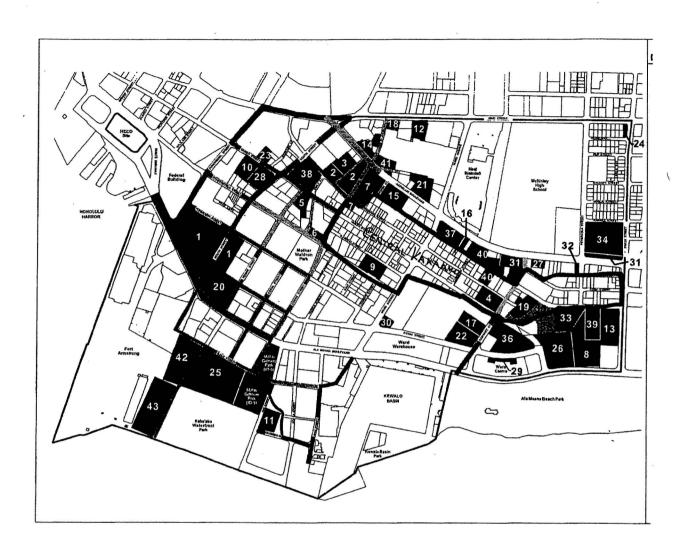
The redevelopment of Kaka'ako is a difficult task and the housing problem is also a difficult task. The solution has to be creative. The process has to be collaborative. So, instead of creating mandates that will make the task even more difficult, proponents of reserved housing should collaborate with the Kaka'ako community to come up with a win-win solution.

Thank you,

Dexter Okada

President

U. Okada & Co., Ltd.



February 5, 2010

To: Committee on Water, Land & Ocean Resources
Representative Ken Ito, Chair
Representative Sharon Har, Vice Chair

Committee on Housing Representative Rida Cabanilla, Chair Representative Pono Chong, Vice Chair

Not in Support - HB 2846

Hearing: February 8, 2010, 9:00am in Room 325 Testimony Via Web

We <u>do not support HB 2846</u> because HB 2849 is much better legislation for the <u>greater</u> good of Kakaako and Hawaii. Three reasons for not supporting HB 2846 are:

- 1. It has no timeline urgency to stimulate new construction which is sorely needed.
- 2. It leaves the master plan of Kamehameha Schools and General Growth at an affordable housing requirement of 20% of units, an equivalent of approximately 10% of floor area.
- 3. Compared to HB 2849, it will produce less affordable housing units which is sorely needed in the urban core.

Sincerely yours,

Kenneth Matsuura and Momi Cazimero