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## STATEMENT OF

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

## BEFORE THE

SENATE COMMITTEE ON WATER, LAND, AND HOUSING TUESDAY, MARCH 1, 2011

1:15 P.M.

State Capitol, Conference Room 225

S.B. 683 - RELATING TO KAKAAKO.

Purpose: Allows the conveyance of development rights from Makai Area properties to Mauka Area properties. The Authority shall adopt rules pursuant to Chapter 91 that establish procedures, methods and standards for the implementation of this section. Amends §206E-31.5 Prohibitions to prohibit the transfer of development rights, residential development in Kakaako Mauka and restoring the ability for residential projects to be developed in the Kakaako Makai Area Master Plan.

Position: The HCDA takes no position on the proposal and provides the following comments.

Section 1. The proposal allows for the conveyance of all or a portion of the transferable development rights to that Makai area real property to an owner of real property in the Mauka area. As a general principle, the sending property should have to retain a minimum amount of development rights of the sending parcel. The draft Mauka Area rules requires that at least 1.5 FAR is retained for the sending property.

To maximize interest in the trade or conveyance of such development rights, the proposal might specify that the use of the transferred development rights

might allow heights in excess of 400 feet up to a maximum of 500 feet for the tower on the receiving parcel. While such a project would be subject to other conditions that are outlined in the draft Mauka Area rules, this amendment might upgrade the demand for such development rights.

Section 2. No comments.

Section 3. The definitions for "Kakaako Makai" and "Kakaako Mauka" need to be clarified and more precise.

Section 4. No comments.

Section 5. The construction of and proposed amendment to this "prohibition" section requires clarification. As presently constructed, the proposal restores the option for the Authority to approve a residential project in the Makai area while establishing a new prohibition for housing projects in the Mauka area. This specification seems to contradict the stated purpose of this proposal and should be reviewed. However, the HCDA will review whatever application is put before it.

Section 6. No comments.

Thank you for the opportunity to comment on this proposal.