
HOUSE CONCURRENT RESOLUTION

URGING THE OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT TO DEVELOP A FISCAL ANALYSIS METHODOLOGY TO COMPARE INFRASTRUCTURE AND SERVICE COSTS WITH THE FINANCIAL CONTRIBUTIONS OF A PARTICULAR DEVELOPMENT TO DETERMINE WHETHER A SPECIFIC PROJECT OR PARTICULAR ZONING CLASSIFICATION WILL CONTRIBUTE TO THE LONG-TERM FISCAL SUSTAINABILITY OF THE STATE AND COUNTY.

1 WHEREAS, low density development patterns across the United
2 States consistently cost more in infrastructure maintenance
3 costs and general service expenditures than they provide in tax
4 revenue; and

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6 WHEREAS, this deficit continues to get worse, and new
7 developments continue to be planned without accounting for
8 future maintenance, infrastructure costs, and service costs; and

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10 WHEREAS, the State faces additional pressures of an aging
11 population and shrinking workforce, resulting in an increasing
12 share of the budget going toward employee pension and retiree
13 health care benefits; and

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15 WHEREAS, Hawaii will be heavily impacted by rising sea
16 levels, with the Hawaii Sea Level Rise Vulnerability and
17 Adaptation Report estimating that there will be a 3.2 feet of
18 sea level rise, which will lead to the loss of \$19,000,000,000
19 in land and structures, thirty-eight miles of major road
20 flooded, six thousand five hundred flooded structures, nineteen
21 thousand eight hundred displaced people, and an incalculable
22 cost to fortify, rebuild, or relocate critical infrastructure;
23 and

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25 WHEREAS, the Government Accountability Office forecasts
26 that partially due to an aging population and the need to



1 replace degrading infrastructure, state and local governments
2 will operate negative balances until 2060 without major policy
3 change; and

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5 WHEREAS, between 2012 and 2018, the cost of state
6 government increased forty-one percent, despite the number of
7 employees remaining relatively flat, with similar trends
8 throughout each of the counties; and

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10 WHEREAS, fiscal sustainability is achieved when a city can
11 cover its cost obligations and provide high service quality for
12 its residents without major tax increases or degradation of city
13 facilities over a long-term period; and

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15 WHEREAS, maintaining fiscally sustainable development is
16 possible and keeping developments sustainable will help Hawaii
17 to build infrastructure, invest in vibrant public spaces, and
18 house the State's growing population; and

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20 WHEREAS, to maintain fiscal sustainability, it is critical
21 to evaluate new development proposals not only against adopted
22 development regulations and construction standards but also in
23 relation to the fiscal productivity of the product; and

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25 WHEREAS, fiscal productivity is defined as the amount of
26 private wealth created on any specific land area of the city
27 translating in part to tax revenues to the city; and

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29 WHEREAS, proposed developments should be judged, in part,
30 based on their long-term fiscal cost or benefit to the city; and

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32 WHEREAS, state and county land use planning will be
33 assisted by developing a fiscal analysis methodology to evaluate
34 existing and proposed developments by their expected tax
35 contributions and their ongoing costs for services and
36 infrastructure; now, therefore,

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38 BE IT RESOLVED by the House of Representatives of the
39 Thirty-second Legislature of the State of Hawaii, Regular
40 Session of 2024, the Senate concurring, that the Office of
41 Planning and Sustainable Development is urged to develop a
42 fiscal analysis methodology that compares infrastructure and



1 service costs of a particular development with the financial
2 contributions of that development to determine whether a
3 specific project or particular zoning classification will
4 contribute to the long-term fiscal sustainability of the State
5 and respective county or result in a financial burden on
6 taxpayers; and

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8 BE IT FURTHER RESOLVED that when developing the fiscal
9 analysis methodology, the Office of Planning and Sustainable
10 Development is urged to:

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12 (1) Develop a visual mapping analysis of current
13 development patterns showing estimated value per acre
14 to help compare the fiscal productivity of various
15 development patterns throughout Hawaii; and

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17 (2) Consider a methodology that estimates ongoing
18 maintenance costs and the future replacement costs of
19 the infrastructure serving a development and the
20 annual general service, including public safety and
21 general administrative services, costs for the
22 development; and

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24 BE IT FURTHER RESOLVED that the Office of Planning and
25 Sustainable Development is requested to submit a report of its
26 fiscal analysis methodology and visual mapping analysis,
27 including findings, recommendations, and any proposed
28 legislation, to the Legislature no later than twenty days prior
29 to the Regular Session of 2025; and

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31 BE IT FURTHER RESOLVED that certified copies of this
32 Concurrent Resolution be transmitted to the Director of the
33 Office of Planning and Sustainable Development, Director of the
34 City and County of Honolulu Department of Planning and
35 Permitting, Planning Director of the County of Hawaii Planning
36 Department, Planning Director of the County of Kauai Planning
37 Department, and Director of the County of Maui Planning
38 Department.



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OFFERED BY:

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