
HOUSE 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
27 replace degrading infrastructure, state and local governments



1 will operate negative balances until 2060 without major policy
2 change; and

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

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

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

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

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

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

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

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37 BE IT RESOLVED by the House of Representatives of the
38 Thirty-second Legislature of the State of Hawaii, Regular
39 Session of 2024, that the Office of Planning and Sustainable
40 Development is urged to develop a fiscal analysis methodology
41 that compares infrastructure and service costs of a particular
42 development with the financial contributions of that development



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

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

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

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

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

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



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OFFERED BY:

ZMC

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