

---

---

# HOUSE RESOLUTION

URGING THE OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT TO DEVELOP A SCOPE OF WORK OR REQUESTS FOR PROPOSALS FOR BIDDERS TO PERFORM THEIR OWN ANALYSIS AND METHODOLOGY THAT DETERMINES WHETHER A DEVELOPMENT WILL CONTRIBUTE TO THE LONG-TERM FISCAL SUSTAINABILITY OF THE STATE AND RESPECTIVE 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

5  
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  
9

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  
14

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  
24

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  
28 will operate negative balances until 2060 without major policy  
29 change; and



1  
2 WHEREAS, between 2012 and 2018, the cost of state  
3 government increased forty-one percent, despite the number of  
4 employees remaining relatively flat, with similar trends  
5 throughout each of the counties; and  
6

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

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

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

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

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

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

35 BE IT RESOLVED by the House of Representatives of the  
36 Thirty-second Legislature of the State of Hawaii, Regular  
37 Session of 2024, that the Office of Planning and Sustainable  
38 Development is urged to develop a scope of work or requests for  
39 proposals for bidders to perform their own analysis and  
40 methodology that determines whether a development will  
41 contribute to the long-term fiscal sustainability of the State  
42 and respective county; and



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BE IT FURTHER RESOLVED that bidders are urged to:

- (1) Develop a visual mapping analysis of current development patterns showing estimated value per acre to help compare the fiscal productivity of various development patterns throughout Hawaii; and
- (2) Consider a methodology that estimates ongoing maintenance costs and the future replacement costs of the infrastructure serving a development and the annual general service, including public safety and general administrative services, costs for the development; and

BE IT FURTHER RESOLVED that the Office of Planning and Sustainable Development is requested to submit a report on the development of the scope of work or requests for proposals, including findings, recommendations, and any proposed legislation, to the Legislature no later than twenty days prior to the Regular Session of 2025; and

BE IT FURTHER RESOLVED that a certified copy of this Resolution be transmitted to the Director of the Office of Planning and Sustainable Development.