

**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

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Statement of
SCOTT GLENN, Director

before the
SENATE COMMITTEE ON WATER AND LAND

Friday, February 10, 2023, 2:05 PM
State Capitol, Conference Room 229

in consideration of

**SB 469
RELATING TO HOUSING.**

Chair Inouye, Vice Chair Elefante, and Members of the Senate Committee on Water and Land:

The Office of Planning and Sustainable Development (OPSD) **provides comments** on SB 469 that would amend Section 205-3.1, Hawaii Revised Statutes (HRS), to authorize the counties to amend the State Land Use District Boundaries for lands 15 to 100 acres in size in the Rural and Urban Districts, and 15 to 100 acres in the Agricultural District – not including designated Important Agricultural Lands - for development in which, at least, 50 percent of the housing units are set aside for households with incomes at, or below, 140 percent of the area median income (AMI).

SB 469 would streamline housing production because projects with 50 percent of their units at 140 percent AMI would likely qualify for expedited processing under Chapter 201H, HRS. The state has good experience with 201H projects, which can range in density. OPSD recommends that counties take into consideration adopted plans and availability of infrastructure, particularly if the state normally is responsible for it, in considering the appropriate density in exercising the authority provided under this bill. State agencies would likely need more time than normally allowed under the expedited review afforded by Chapter 201H to assess the projects and its impact or whether infrastructure and services could be provided, which might warrant additional time for agency review.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
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IN REPLY PLEASE REFER TO:

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON WATER & LAND

February 10, 2023 at 2:05 p.m.
State Capitol, Room 229

In consideration of
S.B. 469
RELATING TO HOUSING.

HHFDC supports S.B. 469, which authorizes the counties to reclassify lands between 15 to 100 acres in size in certain rural, urban, and agricultural districts in which at least 50% of the housing units on the land sought to be reclassified are set aside for households with incomes at or below 140% of the area median income.

Last fall, HHFDC and Hawaii Public Housing Authority convened the working group established under Act 305, also known as Yes In My Backyard (YIMBY), to explore ways to reduce zoning, regulatory, and statutory barriers to affordable housing development.

Currently, applicants for land use changes of 15 acres or less apply directly to the counties instead of the Land Use Commission. There was a strong desire by several members of the YIMBY working group to give the counties greater authority to process state land use district boundary amendments to reduce the time and costs of affordable housing development.

Thank you for the opportunity to provide testimony.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawai'i
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**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE SENATE COMMITTEE ON WATER AND LAND

**FRIDAY, FEBRUARY 10, 2023
ROOM 229
2:05 P.M.**

**SENATE BILL NO. 469
RELATING TO HOUSING**

Chairperson Inouye and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No.469 that authorizes the counties to process boundary amendment petitions to reclassify from 15 acres but not more than 100 acres in the Agricultural District, provided that the land areas:

- Are not designated as Important Agricultural Lands, and
- Fifty percent of the housing units on the land to be reclassified are for persons and families with incomes at or below 140 percent of the area median income.

The Department of Agriculture does not dispute the need for housing in Hawaii, however we have strong concerns about the potential impact on the State's agricultural land resources should this measure be adopted. The measure does not provide guidance where these petitions may be located on agricultural land other than not on Important Agricultural Land. The Department offers the following amendments to reduce some of the potential adverse impacts this measure poses as written.

Page 2, line 17 to page 4, line 2

Additions are bold and double-underscored, deletions are bracketed and struck through.



"SECTION 2. Section 205-3.1, Hawaii Revised Statutes, is amended by amending subsections (a), (b), and (c) to read as follows:

"(a) [~~District~~] Except for lands under subsection (b) (3), district boundary amendments involving lands in the conservation district, land areas greater than fifteen acres, or lands delineated as important agricultural lands shall be processed by the land use commission pursuant to section 205-4.

(b) Any department or agency of the State, and department or agency of the county in which the land is situated, or any person with a property interest in the land sought to be reclassified may petition the appropriate county land use decision-making authority of the county in which the land is situated for a change in the boundary of a district involving lands [~~less~~]:

- (1) Less than fifteen acres presently in the rural and urban districts [~~and lands less~~];
- (2) Less than fifteen acres in the agricultural district that are not designated as important agricultural lands[~~·~~]; and
- (3) Fifteen to one hundred acres in the rural and urban districts and fifteen to one hundred acres in the agricultural district that are not designated as important agricultural lands[~~·~~], **the soil is classified by the land study bureau's detailed land classification as overall (master) productivity rating class C or lesser, and the land is contiguous to the urban**

district; provided that at least fifty per cent of the housing units on the land sought to be reclassified under this paragraph are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

Further, the Department recommends that the agricultural lands considered for reclassification pursuant to these amendments be identified within the county's urban expansion area, or equivalent designation.

If the bill advances without the amendments and other considerations proposed by the Department, there may be the following consequences:

- Conflicts between existing agricultural activities and the encroaching urbanization;
- Adverse effects on agricultural land valuation possibly leading to higher prices and rents for agricultural land; and
- Increased uncertainty for farmers leasing agricultural land for food production.

Thank you for the opportunity to present our testimony.



LAND USE COMMISSION

Komikina Ho'ohana 'Āina

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
Ka 'Oihana Ho'omōhala Pā'oihana, 'Imi Wai wai a Ho'omāka'ika'i

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February 9, 2023

Statement of
Daniel E. Orodenker
Executive Officer
State Land Use Commission

Before the
Senate Committee on
Water and Land

Friday February 10, 2023
2:05 PM
State Capitol, Room 229

In consideration of
SB 469
RELATING TO HOUSING

Chair Inouye; Vice Chair Elefante; and members of the Senate Committee on Water and Land:

The Land Use Commission (LUC) has the following concerns on SB 469 which would allow the counties to reclassify lands up to 100 acres in size when a project would deliver at least 50% of the housing units for incomes up to 140% of the area median income.

The LUC believes that the justification for this bill is unsupported by any empirical data, lacks clarity as to purpose, severely negatively impacts comprehensive land use planning, puts many other State initiatives such as food security and clean energy self-sufficiency at risk and will not accomplish its purported purpose of increasing affordable housing. The LUC believes that this measure, while directed at a recognized need, will not have the intended result and will in fact cause significant harm to other equally important State initiatives and won't pass constitutional muster. In addition, the definition of affordable housing should be restricted to at or below 100% of median area income which is consistent with Governor Green's initiatives on increasing local housing.

At the outset it should be noted that between 2000 and the present, the LUC has approved over 40,000 homes with only a relatively small percentage actually built and/or have not begun the

development process. This is a clear indication that the State approval process is only a small factor in the housing problem facing the State of Hawai'i.

In a prior session, SB3104 (SLH2020) was introduced to address housing issues. That Omnibus bill was the culmination of discussions with all of the interested public and private sector groups involved in or concerned with the housing crisis. A minor increase to county jurisdiction was proposed but only for 100% affordable housing projects and HRS Chapter 201H affordable housing projects. That measure was negotiated and vetted amongst all stakeholders and was satisfactory in its final form. The language from that measure should be included in this one.

There is also a significant and very real concern that the current version of this bill will result in landowners engaging in "parceling" or breaking up large parcels into smaller ones to specifically avoid a more rigorous environmental review and State process. We would strongly urge that language be added that prevents parceling and requires the counties to make such a determination prior to granting a district boundary amendment.

This measure also poses significant risk to issues and land use needs outside of the housing crisis. It is well established that Hawai'i is unique in its limited land availability for competing needs. We have all been made critically aware, during the course of this crisis, how important it is that Hawai'i have a healthy agricultural industry and that Hawai'i develop policies that will promote food independence and sustainability. This large-scale planning and balancing of needs does not take place at the county level. Such State-wide issue must be balanced against the need for housing. Sprawling development, rather than re-development of the already urbanized lands in Hawai'i will not serve Hawai'i well as a whole.

Further, it is also clear that the public policy goal of developing clean, renewable energy sources needs to be balanced in relation to affordable housing. This measure would jeopardize planning and initiatives by the LUC, PUC and clean energy proponents, and the Legislature itself.

The LUC is also the only land use body that meets the State constitutional requirements of applying Public Trust Doctrine principles to its decisions. The public interest in water, the environment, traditional and customary practices, cultural resources and public access rights must be taken into account in any decision-making on district boundary changes. The counties are not designed to handle these issues (which also require contested case proceedings for proper adherence to the law). The constitutional mandate cannot be met in a legislative or ministerial proceeding.

The LUC believes that this measure, while directed at a recognized need, will not have the intended result and will in fact cause significant harm to other equally important State initiatives and won't pass constitutional muster.

However, should the Committees feel that this measure warrants further discussion, we strongly suggest that the following amendment to Section (b)(3) be made to ensure that the issues of concern that arise with this measure are mitigated.

(3) Fifteen to forty acres in the rural district and fifteen to forty acres in the agricultural district that are not designated as important agricultural lands; provided that at least seventy five per cent of the housing units on the land sought to be reclassified under this paragraph are set aside for persons and

families with incomes at or below one hundred percent of the area median income. In addition, in rendering its decision on any district boundary amendment under this section, the county shall:

- a) Provide, by condition, that failure to adhere to any of the conditions contained in the decision and order or to any representation made by the petitioner in the course of the proceedings shall be subject to enforcement proceedings by the county planning commission or the land use commission. If, after notice and hearing, the county or the land use commission finds that there has been a violation of conditions or representations, regardless of whether or not the petitioner has substantially commenced development of eth project, it may impose sanctions on the petitioner which may include reversion of the property to its prior land classification, fines, the provision of a bond sufficient to rectify any violation of the condition, or it may withhold a certificate of occupancy;
- b) A copy of the decision rendered by the county under this section, together with the complete record of the proceedings before the county, shall be transmitted to the land use commission. Within 60 days after the receipt of the complete record from the county, the land use commission shall act to approve, approve with modification, deny the petition or remand the matter back to the county for further proceedings;
- c) Grounds for the land use commission to deny or modify the petition granted by the county under this section include, but are not limited to:
 - 1) Failure by the county to adhere to proper notice requirements;
 - 2) Failure of the county to adhere to its rules;
 - 3) The decision and order is contrary to the requirements or intent of chapter 205 HRS;
 - 4) The proceedings used by the county were violative of due process and the rights of any parties, anyone requesting intervention in the proceedings or any interested party;
 - 5) A contested case hearing was not held in determination of the petition;
 - 6) Chapter 343 was not adhered to in the granting of the petition;
 - 7) The county did not properly apply the public trust doctrine or the decision does not take into account the protection of cultural or native Hawaiian resources, Hawaiian traditional gathering rights or will adversely impact aquifers, water rights, the environment or irreplaceable resources;
 - 8) The decision will result in an unreasonable burden on state resources or infrastructure;
 - 9) Climate change and sustainability issues under chapter 226 HRS were not addressed, considered or mitigated in the proceedings or decision and order; or
 - 10) There are procedural or substantive inconsistencies in the county approval process.

Thank you for the opportunity to testify on this matter.



SB469
RELATING TO HOUSING
Senate Committee on Water & Land

February 10, 2023

2:05 PM

Room 229

The Office of Hawaiian Affairs (OHA) **STRONGLY OPPOSES** SB469, which would exacerbate problems facing the State, especially in light of the climate crisis, by facilitating the expeditious urbanization and unmitigated surface hardening over Hawai‘i through the measure’s proposal for a mechanism that is meant to circumvent the statutory process of the State’s Land Use Commission (LUC) to weigh the impact of reclassification on Hawai‘i’s natural, cultural, and historical resources and to provide an opportunity for affected residents to share their concerns.

The insurrectionists, who overthrew the Hawaiian Kingdom government and stole these Islands for their own oligarchical rule converted their vast holdings of seized lands from an expansive agricultural dominion to vast tracks of real estate development intended for these thieves to maximize their own personal income.¹ They did this while attempting to destroy the Native Hawaiian people.² This system of exploitation is what the State of Hawai‘i was founded into, and the early practices of this State have never deviated from destructive boundaries of this unsustainable system of development.

Unsustainable planning and development throughout the history of the State created an urban infrastructure, spanning most of the main Hawaiian Islands, that is unsuitable for balanced and sustainable growth – this is the very reason why the Legislature is always

¹ “In January 1893, the Kingdom was overthrown by Western businessmen (primarily Americans), with the support of U.S. military forces and the U.S. diplomatic official posted in Honolulu. These westerners and their supporters established a Provisional Government in 1893 and later the ‘Republic of Hawaii,’ which lasted from 1894 to 1898. The Republic confiscated the Crown Lands, merged them administratively with the Government Lands, and established homestead programs through which some acreage was transferred into private hands. In 1898, when Hawai‘i was [illegally] annexed to the United States, the Republic ‘ceded’ the remaining Crown and Government Lands to the United States, and they became a Public Land Trust managed by the United States but maintained separately from the government’s other public lands because they were held in trust for the people of Hawai‘i. In 1959, the United States transferred about 1.4 million acres of these lands in trust to the new State of Hawai‘i but retained the remaining 373,720 acres.” Jon M. Van Dyke, *Who Owns The Crown Lands of Hawai‘i?*, pp. 8-9, 2008.

² “If we are ever to have peace and annexation the first thing to do is to obliterate the past,” stated, Samuel Mills Damon, Vice President of the Provisional Government) and Executive Council member of the Republic of Hawai‘i, Council of State (Provisional Government of the Hawaiian Islands, 1895). 26 November 1895. Hawaii State Archives Series 424 Vol. 4.



SB469
RELATING TO HOUSING
Senate Committee on Water & Land

tasked with problem solving the need to meet housing demands with grave concerns about the State's inability to feed its growing population. This current system was **never** designed to do both; it has always operated under the premise that agricultural lands and the capacity to grow food would be sacrificed for widespread real estate development. This antiquated and unsustainable system that has extensively permeated into the basic function of the State and its counties needs a complete overhaul – patchwork fixes to this broken system will only exacerbate the problems facing this State, as evidenced in the short history of the State's mismanagement of the lands and natural and cultural resources of the Hawaiian Islands.

OHA must emphasize that this measure would facilitate widespread abuses against best practices in environmental conservation and the preservation and protection of Native Hawaiian cultural resources and identity. In addition, this measure creates a direct path to rampant urbanization through the suppression of the right of residents to comment and even to challenge the permanent alienation of food-producing lands.

I. This Measure Would Circumvent The LUC's Mandate To Consider The Impact of Reclassifying All Agricultural Lands And Places That Authority With A County Division That Is Not Subject To These Same Considerations

The LUC is obligated, by law, to review all petitions for the reclassification of land and to consider the impact of that reclassification, as a matter of State concern, on the “preservation or maintenance of important natural systems or habitats;” the “maintenance of valued cultural, historical, or natural resources;” and the “maintenance of other natural resources relevant to Hawai'i's economy, including agricultural resources[.]”³ **This measure proposes to hand over the authority to reclassify between 15 and 100 acres of agricultural land, potentially resulting in their permanent alienation, to a county division that is not mandated to make these same considerations for the benefit of the State.**

II. This Measure Would Deprive Hawai'i Residents From Their Right To Inform Good Governance And To Contest The Reclassification Of Lands That Are Likely To Result In Their Harm

The LUC's decisionmaking process is subject to Chapter 91 rulemaking authority, which also requires the opportunity for contested cases.⁴ The purpose of these contested

³ HRS §205-17.

⁴ HRS §205-19.



SB469
RELATING TO HOUSING
Senate Committee on Water & Land

case hearings is to provide the LUC with the complete picture – containing all relevant information – for the LUC to make an informed and appropriate decision on any petition to reclassify those lands. Contested cases are an exercisable right of individuals who will likely be impacted by the decision of the LUC. This specific process is not available at the county level and would deprive impacted residents from being able to contest the reclassification of lands based on the LUC’s mandated criteria for review .

Every long-time resident of the State knows the need to stockpile food and water in the face of crisis – the COVID-19 pandemic highlighted the State’s need to vastly improve its food producing capacity due to the State’s vulnerability to supply chain interruptions.⁵ In spite of this, the State continues to operate within a dysfunctional system to permanently alienate agricultural lands for homes that may or may not go to long-time-multi-generationally-rooted local residents, when all agricultural lands will be needed to address the present and future needs of Hawai’i residents, especially considering the potential devastating impacts of the climate crisis – famine, being one of them. **Essentially, this measure could potentially create an unchecked mechanism for reclassifying huge swaths of lands that should be used to provide food as well as meaningful and sustainable economic opportunities.**

III. This Measure Does Not Ensure That Most Long-Time-Multi-Generationally-Rooted Residents Will Be Able To Purchase, No Less Be Able To Afford, The Homes Intended To Be Built Through This Proposed Reclassification Mechanism

This measure’s proposed mechanism to reclassify agricultural lands as large as 100 acres hinges upon the petitioned purpose to develop real estate “for persons and families with incomes at or below 140% area median income (AMI).” According to the State, 140% AMI for a family of four ranges, by county from \$133,280 (Hawai’i County) to \$182,840 (Honolulu); this means that a family of four, would not spend more than 1/3 of their income on housing costs for a house that ranges, by relevant county, from \$328,000 (lowest for Hawai’i County) to \$940,700 (highest for Honolulu).⁶ The average household (family of four) income for the State is roughly \$107,348; the median household income is \$83,173 – far below the affordability at 140% AMI.

⁵ “Under normal conditions, our market food supply is replenished every 5-8 days with most commercial warehouses maintaining a five-day supply of food in inventory.

⁶ DBEDT, Income Schedule by Family Size, 2022, available at <https://dbedt.hawaii.gov/hhfdc/files/2022/04/2022-Income-Rent-Sales-Guidelines.pdf>.



SB469
RELATING TO HOUSING
Senate Committee on Water & Land

The majority of Native Hawaiian families, in Hawai‘i, are unable to make ends meet,⁷ with 63% of Native Hawaiians reporting that they are finding it difficult to get by.⁸ Native Hawaiians have the lowest household income.⁹ Native Hawaiians have the highest poverty rates for individuals and families.¹⁰ Native Hawaiians make less money,¹¹ with lower average earnings for both men and women.¹² Native Hawaiians have the highest rate of using public assistance and homeless services.¹³ Native Hawaiians are overrepresented among the homeless in Hawai‘i.¹⁴ OHA is deeply concerned with Native Hawaiians being driven out of Hawai‘i by economic instability stemming from socio-political-economic upheaval, which has largely disconnected Native Hawaiians from their ‘āina for more than a century. Today, more Native Hawaiians live outside of the Hawaiian Islands, far beyond the boundaries of their own homeland.¹⁵ **This measure does not ensure that Native Hawaiians, let alone, most long-time-multi-generationally-rooted residents will be able to purchase or even be able to afford the home that are intended to be built through this proposed reclassification mechanism.**

Humankind is facing one of the greatest existential threats to our existence: the climate crisis. Climate change mitigation, resilience, and adaptation strategies have never called for continued unsustainable development that has largely contributed to the very creation of the crisis itself. The State needs to endeavor new sustainable strategies to balance our future growth.

OHA appreciates the opportunity to provide testimony on this measure and urges the Legislature to DEFER SB469. Mahalo nui loa.

⁷ Aloha United Way / United for ALICE, *ALICE in Hawai‘i: 2022 Facts and Figures*, Nov. 2022, p.6.

⁸ Id. at 9.

⁹ Dept. of Business, Economic Development and Tourism, *Demographic, Social, Economic, and Housing Characteristics for Selected Race Groups in Hawaii*, Mar. 2018, p.3.

¹⁰ Id. at 13.

¹¹ OHA Report, *Affordable Housing for Hawai‘i and Native Hawaiians: Exploring Ideas and Innovation*, Aug. 2020, p.10.

¹² Dept. of Native Hawaiian Health, John A. Burns School of Medicine, *Assessment and Priorities for the Health and Well-Being in Native Hawaiians and Pacific Islanders*, 2020, p.12.

¹³ Id.

¹⁴ Partners In Care, *2022 Point In Time Count*, p.7.

¹⁵ “Estimates from the American Community Survey showed that in 2011, there were about 296,400 Native Hawaiians in Hawai‘i and about 221,600 on the continental U.S. Just a decade later, those numbers flipped. In 2021, there were about 309,800 Native Hawaiians in Hawai‘i and about 370,000 in other states,” Hawaii Public Radio, *More Native Hawaiians Flock to mainland cities and leave Hawai‘i*, Jan. 23, 2023, *citing high costs*, citing the US Census Bureau’s American Community Survey 2021.

SB-469

Submitted on: 2/9/2023 2:54:09 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Nani Medeiros	Testifying for Office of the Governor, Chief Housing Officer, State of Hawaii	Support	Written Testimony Only

Comments:

In support, Mahalo.

Mitchell D. Roth
Mayor

Lee E. Lord
Managing Director

Robert H. Command
Deputy Managing Director



Susan K. Kunz
Housing Administrator

Harry M. Yada
Assistant Housing Administrator

County of Hawai'i
Office of Housing and Community Development

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February 9, 2023

TESTIMONY IN SUPPORT OF SENATE BILL 469
A BILL FOR AN ACT RELATING TO HOUSING

BEFORE THE: Senate Committee on Water and Land

Hearing Date: Friday, February 10, 2023, at 2:05 p.m.
Time/Place of Hearing: Via Video Conference/ Conference Room 229

Aloha Chair Inouye and Vice Chair Elefante, and Members of the Committee on Water and Land,

On behalf of the Office of Housing and Community Development of the County of Hawai'i, I am providing testimony on Senate Bill 469 that authorizes the counties to reclassify lands 15 to 100 acres in certain rural, urban, and agricultural districts, not including designated Important Agricultural Land, in which at least 50% of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

The Office of Housing and Community Development supports measures that streamline affordable housing production by reducing regulatory and statutory barriers that delay time and increase costs of such development.

HRS 205 §3.1 delegates decision-making authority to the County for district boundary amendments on parcels of 15 acres or less. Hawai'i County has an established procedure for approving district boundary amendments using established criteria as well as conducting public hearings at every step of the process.

Senate Bill 469 simply expands the County's decision-making process for larger parcels that include affordable housing development while continuing to allow for community input at the local level.

Thank you for the opportunity to provide testimony in **support** of this measure.



Susan K. Kunz
Housing Administrator



February 10, 2023

The Honorable Lorraine R. Inouye, Chair

Senate Committee on Water and Land
State Capitol, Conference Room 229 & Videoconference

RE: Senate Bill 469, Relating to Housing

HEARING: Friday, February 10, 2023, at 2:05 p.m.

Aloha Chair Inouye, Vice Chair Elefante, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i and its over 11,000 members. HAR **strongly supports** Senate Bill 469, which authorizes the counties to reclassify lands fifteen to one hundred acres in certain rural, urban, and agricultural districts in which at least fifty per cent of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

The Land Use Commission (LUC) is responsible for the classification of land parcels into urban, rural, agricultural and conservation districts. Additionally, the LUC acts on land use district boundary amendment petitions involving the reclassification of lands greater than 15 acres in agricultural, rural, and urban district areas, provided it is not in the conservation district or delineated as important agricultural lands. Currently, lands that are less than the 15 acres can be reclassified by the counties. Moreover, the county process involves opportunities for public input, which includes a presentation to the appropriate neighborhood board and public input at hearings before the appropriate county Planning Commission and City Council.

Hawai'i has been struggling with the issue of affordable housing for decades. Challenges range from land and infrastructure costs, financing, regulatory challenges, and permitting. According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 45,497, housing units to meet demand in Hawai'i by 2030.¹ Ultimately, we have a housing supply problem, and this measure is a creative approach to address those challenges, by increasing the acreage from 15 to 100 acres will allow for more affordable housing to be built. Additionally, more acreage makes it more economically feasible for environmental safeguards to be built, such as a wastewater treatment plants or connectivity to an existing sewer system. Smaller projects may not be able to absorb those costs.

For the foregoing reasons, Hawai'i REALTORS® strongly supports this measure. Mahalo for the opportunity to testify.

¹ Department of Business, Economic Development & Tourism. (2019). *Hawaii Housing Demand 2020-2030*. <https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf>



SIERRA CLUB OF HAWAI'I

SENATE COMMITTEE ON WATER AND LAND

February 10, 2023 2:05 PM Conference Room 229

In **OPPOSITION** to **SB469**: Relating to Housing

Aloha Chair Inouye, Vice Chair Elefante, and members of the Committee on Water and Land,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **opposes SB469**, which could remove important protections for natural and cultural resources, Native Hawaiian traditional and customary practices, food security, employment opportunities, and other public interests in major land use district boundary amendments.

The Land Use Commission (“LUC”) has long administered a critical, comprehensive process to identify and mitigate impacts to natural and cultural resources, Native Hawaiian traditional and customary rights, food security, employment opportunities, and other public interests that may arise from the reclassification of conservation, rural, agricultural, and urban lands. Over the decades, the LUC has garnered substantial institutional knowledge regarding how the public’s various interests in large-scale land use changes can be consistently protected and balanced, and has effectively and efficiently applied this knowledge to resolve and mitigate conflicts and concerns. Unlike county land use decisionmaking, the “quasi-judicial” nature of the LUC district boundary amendment process also ensures that testimony and other evidence from experts, cultural practitioners, and stakeholders are adequately and explicitly considered in district boundary amendment approvals, serving as a key mechanism for objectivity, transparency, and accountability.

By preventing the LUC from participating in district boundary amendment changes of up to 100 acres, this measure may significantly compromise the public’s environmental, cultural, agricultural, and other interests in our islands’ lands and waters.

The Sierra Club appreciates this bill’s intent to promote the production of affordable housing. **However, the Sierra Club notes that the LUC is not the apparent barrier to affordable housing production it is often purported to be.** The LUC is already required to approve or deny completed district boundary amendment applications within a year of receipt; for Chapter 201H “affordable housing” projects such as those described in this measure, this deadline is shortened to 45 days.¹ According to LUC staff, throughout the 2010s, all major 201H affordable housing projects were approved by the LUC within the 45 day timeline.²

¹ See <https://luc.hawaii.gov/about/district-boundary-amendment-procedures/>.

² A record of all LUC decisions organized by island is available online at: <http://luc.hawaii.gov/completed-dockets/decision-and-orders-for-boundary-amendments/>.

Notably, by having county planning departments solely shoulder the responsibility of balancing the various cultural, environmental, food security, housing, job production, and other interests and rights of the public in large-scale and complex development proposals, this measure may only inhibit their capacity to process other permits and applications (such as for accessory dwelling units, new or retrofitted infrastructure, increased density for existing housing structures, variances, smaller land use changes, etc.) that may be critical to addressing our multi-faceted housing crisis.

In addition, the fast-tracking of land use district changes envisioned by this measure could invite further real estate speculation on agricultural and rural lands. Such speculation would inhibit local farmers' ability to grow affordable food in furtherance of our islands' food security, and drive up land costs across the board – exacerbating, rather than relieving, Hawai'i residents' housing challenges.

The Sierra Club does believe that amendments to the LUC's authorities could facilitate housing production, and encourages the Committee to explore the potential expansion of the LUC's enforcement toolbox. Since 1980, more than 25% of all the housing authorized by the LUC has not yet been built, much of which was proposed to be affordable and workforce housing. On O'ahu alone, 23,000 units approved by the LUC have not been constructed; this includes Ho'opili (DR Horton), Koa Ridge (Castle & Cooke), Gentry Waiawa (now owned by Kamehameha Schools), and Royal Kunia Phase II. Providing the LUC with reasonably enhanced enforcement authority will help to encourage developer-follow-through on commitments made during the district boundary amendment process, including with regards to the production of affordable housing units. Possible statutory language to accomplish this could read as follows:

"§205- **Penalty.** (a) Any petitioner for an amendment
to a district boundary that:

(1) Violates; or

(2) Neglects, fails to conform to, or comply with
this chapter or any lawful order of the land use
commission may be subject to a civil penalty not
to exceed \$50,000 per day that the violation,
neglect, or failure occurs, or reversion
pursuant to section 205-4(g), but not both. The
civil penalty shall be assessed by the land use

commission after a hearing in accordance with
chapter 91.

(b) Upon written application filed within fifteen
days after service of an order imposing a civil penalty
pursuant to this section, the land use commission may
remit or mitigate the penalty upon terms that it deems
proper.

(c) If any civil penalty imposed pursuant to this
section is not paid within a time period as the land use
commission may direct, the attorney general shall
institute a civil action for recovery of the civil penalty
in circuit court."

For the reasons described above, the Sierra Club respectfully urges the Committee to **HOLD** this measure. Mahalo nui for the opportunity to testify.



**SENATE COMMITTEE ON WATER AND LAND
State Capitol
415 South Beretania Street
2:05 PM**

February 10, 2023

RE: SB 469 - RELATING TO HOUSING

Chair Inouye, Vice-Chair Elefante, and members of the Committee:

My name is Max Lindsey, 2023 Government Relations Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA Hawaii is in support of the intent of SB 469, Relating to Housing. This bill proposes to enable the counties to reclassify certain lands intended for affordable housing development, which will make larger scale projects economically feasible for infrastructure to be built.

BIA Hawaii fully supports the intent of the bill to create more housing by allowing the counties the ability to reclassify lands to create more "greenfield" projects. We are, however, concerned that this process would require significant time and money to construct the required infrastructure and would delay the need to increase the supply of housing at all price points.

We suggest that the legislature consider amending HRS Chapter 46-4 by including a section or appropriate language that would allow for, by right, the development of multi-family residential units on all commercial, business, light industrial zoned lands in each county provided there is adequate infrastructure capacity to service the proposed multi-family development. Businesses would still be allowed, and even encouraged, to continue operating. In addition, the multi-family units would be a vertical development above the existing commercial, business, and light industrial uses. The counties would have the discretion to identify these areas for potential redevelopment to create true "mixed use" neighborhoods. Focusing on areas that have infrastructure capacity would allow for numerous small/medium size multi-family projects to be built quickly. Creating opportunities for these mixed use neighborhoods would address some of the housing supply needs.

For example, on Oahu, these areas would include the King Street and Beretania Street Corridor, between Punchbowl and University Avenue; Waiialae Avenue from Kapahulu Boulevard to Kokohead Avenue; sections of lower Nuuanu Avenue and North King Street.

Hawaii is in a major housing crisis, which continues to worsen. As the Legislature is aware, the cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB).

Thank you for the opportunity to share our support of SB 469.



February 10, 2023
2:05 p.m.
Conference Room 229
Via Videoconference

To: Senate Committee on Water and Land
Senator Lorraine R. Inouye, Chair
Brandon J.C. Elefante, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: SB469 — RELATING TO HOUSING

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on [SB469](#), which would significantly expand the authority of the counties to amend district boundaries.

Under this bill, county decision-making officials would be permitted to amend district boundaries for certain land areas greater than 15 acres, but not more than 100 acres, in all districts that do not include important agricultural lands, provided that 50% of the housing units built on that land are set aside for families and persons whose income is at or below 140% of the area median income.

In raising the acreage cutoff for county decision-making to 100 acres, this bill would make an important stride toward streamlining the approval process and encouraging the growth of housing in our state.

However, the requirement that 50% of the units built be set aside for affordable housing could create an unintended barrier to growth. Known as “inclusionary zoning,” this high-percentage set-aside for affordable housing can make such projects financially unfeasible.

A large body of research shows that inclusionary zoning makes housing less affordable, since developers respond to such mandates by building fewer homes.¹ To make matters worse, the mandates force developers to raise the prices of their market-rate homes to make up for the so-called affordable homes.

Our research using the “Inclusionary Housing Calculator” developed by Grounded Solutions Network shows that in housing markets like Maui that have a 50% inclusionary zoning requirement, it is nearly impossible to make a profit building housing without a government subsidy.² As the required percentage goes up, it becomes even less feasible to build new housing.

For example, according to the calculator, a low-rise apartment project with 30 units costing \$18 million would incur a net loss of \$7 million, if built in an area with an affordable housing requirement of 50%.³

As noted by economist Carl Bonham at the Economic Research Organization at the University of Hawaii, inclusionary zoning “reduces incentives for developers to produce all forms of housing, and will reduce the overall supply of housing units and increase the price of housing.”⁴

A 2004 study by the Reason Foundation found that inclusionary zoning led to reduced housing growth in the San Francisco Bay Area region.⁵

While well-intentioned, the inclusionary zoning requirement could frustrate the intent of the bill by creating a regulatory roadblock to the increase of the housing supply.

Fortunately, there are ways to encourage the growth of affordable housing that would not hobble development before it even begins.

¹ Tom Means, Edward Stringham and Edward Lopez, “[Below-Market Housing Mandates as Takings: Measuring their Impact](#),” The Independence Institute, November 2007; “[Inclusionary Zoning: Implications for Oahu’s Housing Market](#),” The Economic Research Organization at the University of Hawaii, Feb. 12, 2010; “[How land-use regulation undermines affordable housing](#),” Mercatus Research, November 2015; Paul Kupiec and Edward Pinto, “[The high cost of ‘affordable housing’ mandates](#),” The Wall Street Journal, Feb. 12, 2018; Benjamin Powell and Edward Stringham, “[Housing supply and affordability](#),” Reason Foundation, April 1, 2004; and “[Inclusionary zoning primer](#),” National Association of Home Builders, August 2019.

² “[Inclusionary Housing Calculator 2.0](#),” Grounded Solutions Network, 2019.

³ “[Project Summary](#),” Grounded Solutions Network, accessed Feb. 9, 2021.

⁴ Carl Bonham, “[The Unintended Consequences of Affordable Housing Policy](#),” The Economic Research Organization at the University of Hawaii, Sept. 8, 2013.

⁵ Benjamin Powell and Edward Stringham, “[Housing supply and affordability](#),” Reason Foundation, April 1, 2004.

Regarding this bill, we urge you to remove — or at least reduce — the 50% requirement.

This bill should be praised for its attempt to address one of the root causes of the state's housing crisis: the excess of regulation and bureaucracy that can delay and frustrate development. That delay and regulation adds years to the time it takes to create housing and greatly drives up building costs.

A Grassroot Institute report on the problem, [“Reform the Hawaii LUC to encourage more housing.”](#) discussed how state policymakers could encourage the growth of housing by reexamining the role and purpose of the LUC.

The report included two recommendations that relate directly to the intent of the original bill: raising the acreage cutoff for LUC review of district boundary amendment requests, and allowing the counties to handle all DBAs for urban and agricultural lands, leaving the LUC free to focus on statewide environmental issues and DBAs of conservation lands.

Enacting this bill would put our state on the path to achieving those recommendations.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

February 10, 2023

HEARING BEFORE THE
SENATE COMMITTEE ON WATER AND LAND

TESTIMONY ON SB 469
RELATING TO HOUSING

Conference Room 229 & Videoconference
2:05 PM

Aloha Chair Inouye, Vice-Chair Elefante, and Members of the Committees:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau respectfully opposes SB 673, which authorizes the counties to reclassify lands fifteen to one hundred acres in certain rural, urban, and agricultural districts in which at least fifty per cent of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

HFB recognizes and supports the need for affordable housing. We also recognize that in the land category system used today, agriculture was originally the catchall land classification and that some lands included within the agricultural district were not necessarily considered optimal for agriculture.

However, agriculture has significantly evolved. Soil classification is no longer the determinant of land good for agriculture. Greenhouses, hydroponics, aquaculture, and aquaponics are just a few of the many types of agriculture that can occur on *all* classes of land (A, B, C, D, E). Some of the best floriculture and hydroponic operations in Hawai'i are on C, D, and E lands. The total environment, including rainfall amount and timing, day and night-time temperatures, wind, and humidity each contribute to whether a particular region is suitable for a specific crop. In many cases, the soil type and even the existing terrain are not determinative of whether farming can exist and thrive.

Hawai'i Farm Bureau has serious concerns about this measure; allowing residential developments to be interspersed with farming operations often causes problems that can result in the failure of farms. This cannot be allowed. Because of the pandemic, everyone better understands now the importance of agriculture in our isolated and vulnerable state.

We must protect agricultural lands from well-known threats and avoid simplistic solutions to Hawai'i's housing problems.

HFB is opposed to eliminating the oversight of the Land Use Commission and its process for agricultural boundary amendments.

The urgency to address Hawai'i's need for affordable housing should not be allowed to eliminate Hawai'i's use of productive agricultural land.

Thank you for your consideration of our concerns.

SB-469

Submitted on: 2/9/2023 8:50:04 AM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Kupuna for the Mo'opuna	Testifying for Kupuna for the Moopuna	Oppose	Written Testimony Only

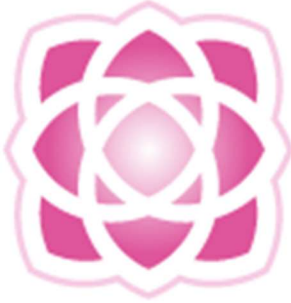
Comments:

Aloha,

We are opposed to SB 469.

The State, through the LAND USE COMMISSION, must be allowed to fulfill its constitutional duty to preserve, protect, and use Hawaii's natural resources and lands that are best for ALL.

Mahalo.



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON
WATER AND LAND
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 229
FRIDAY, FEBRUARY 10, 2023 AT 2:05 P.M.**

To The Honorable Senator Lorraine R. Inouye, Chair
The Honorable Brandon J.C. Elefante, Vice Chair
Members of the Committee on Water and Land

SUPPORT FOR SB469 RELATING TO HOUSING

The Maui Chamber of Commerce would like testify in **support for SB469** which authorizes the counties to reclassify lands fifteen to one hundred acres in certain rural, urban, and agricultural districts in which at least fifty per cent of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred forty per cent of the area median income.

The State land use commission (LUC) is responsible for the classification of certain land parcels in the urban, rural, agricultural, and conservation districts. The LUC also acts on land use district boundary amendment petitions involving the reclassification of lands in the conservation district, land areas greater than fifteen acres, and lands delineated as important agricultural lands. This process can take years to complete at the State LUC level.

The Chamber feels that enabling the counties to reclassify certain lands intended for affordable housing development will make larger scale projects (up to 100 acres) economically feasible for infrastructure to be built. Counties are able to reclassify lands that are up to 15 acres in size. Increasing that limit to 100 acres should expedite the permitting process therefore lowering the costs for affordable housing.

For these reasons, we **support SB469**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



2023
Board of
Directors

February 10, 2023



Elizabeth Reilly
President

Hawai'i State Senate

Allen Tateishi
Vice President

Committee on Water and Land

Dianne Gleis
Secretary

Meeting on February 10, 2023 at 2:05 p.m.

Marian Grey
Treasurer

Conference Room 229 & Videoconference

Dean Takebayashi
Director

RE: OPPOSING SB469 Relating to Housing

Gary Weller
Director

Aloha Chair Inouye, Vice Chair Elefante, and WTL Committee Members,

Mardi LaPrade
Director

Livable Hawaii Kai Hui testifies in **opposition** to SB469. While critics may view our position as a classic case of NIMBY-ism or speaking from a place of comfort, the fact of the matter is that sustainable development has always been a key tenet of our work, and we simply do not view SB469 as a sustainable solution for any community.

Kendrick Chang
Community Outreach

It is undoubtedly difficult to balance environmental protections and the need for real solutions to Hawai'i's housing crisis, and the Hui commends this Legislature for attempting to address the issue. However, as it is written, SB469 exploits public calls for affordable housing and land use reform by undercutting policies paramount to the health, safety, and wellbeing of the very people the bill purports to serve.

Dylan Ramos
Communications &
Operations

Without specific consumer subsidies or affordable development incentives, the poor and working class — including our sizable ALICE population — will still lack a pathway to homeownership. Even middle class families who may be able to utilize reclassified lands are unlikely to leave behind homes affordable to those most in need of them.

Website

www.hawaii.kaihui.org
www.kaiwicoast.org

Furthermore, central to the Hui's concern is that even if counties pair reclassification with effective solutions, there is still the matter of equally

Like us on Facebook
Livable Hawaii Kai Hui
Aloha Aina O Kamilo Nui
Ka Iwi Coast

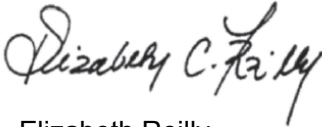
Livable Hawaii Kai Hui is a 501(c)(3) non-profit, community organization serving East Honolulu since 2004. We strive to promote sensible growth, respect for cultural & natural resources, and upholding the integrity of the East Honolulu Sustainable Communities Plan.

important community needs being ignored. At a time when resiliency is finally being recognized as a public priority, the Hui is discouraged to see a proposal like this that represents a step backward from our shared goal of truly sustainable communities.

The East Honolulu Sustainable Communities Plan — a document which the Hui has fought to create, strengthen, and protect — is just one of many examples found throughout the counties reminding the Legislature that it cannot discount the value of our agricultural lands. Yes, tough decisions must be made when it comes to housing development on small islands, but the same can be said of land use decisions affecting our 'āina, that which feeds.

The type of changes SB469 would allow directly contradicts our nearly 20 years of work to prevent unsustainable development. Livable Hawaii Kai Hui's mission in Maunaloa — even our nonprofit's own name — is a direct response to decades of policies like SB469 that threaten to make our communities unlivable, and what good is housing if people cannot live in it?

Thank you for your time and consideration of our testimony. We appreciate this Committee listening to our concerns and the similar concerns of many others. If SB469 is not amended to take these serious issues into account, we ask this Committee to please defer or outright reject the bill.

Mahalo,

Elizabeth Reilly
Founder/President

SB-469

Submitted on: 2/8/2023 8:30:35 AM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Seth Kamemoto	Individual	Oppose	Written Testimony Only

Comments:

I am a resident of the State of Hawaii testifying on behalf of myself in **opposition** to SB469. This proposed bill strips the Land Use Commission (LUC) of one of its core powers as stewards of appropriate land use in the state.

The stated purpose of this bill is to provide “creative solutions...to build more housing at all price points”, however the actual bill only calls for 50% affordable housing units, of which the only AMI cap is 140%. In Honolulu, 2022 AMI is \$113,300, so 140% AMI in Honolulu in 2022 is \$158,620. There is nothing in this bill that would incentivize any more than 50% affordable units, at any price points less than the absolute maximum of 140% AMI. So in reality, this bill would really only help create 50% more affordable units per project, and would only really help a very small segment of the state population who are making close to \$160,000 per year (if in Honolulu currently).

A developer could take a 100-acre agriculture parcel, place 100 studios on one acre and sell as “affordable units” for \$500,000 each, and then build 99 mansions on 1-acre plots and sell at market for \$25M each.

The other premise of the proposed bill is that it helps make “larger scale projects economically feasible,” however nothing in the current law explicitly prevents boundary amendments. If the amendments are such a great thing for the state, let them go through the laws already in place through the LUC in HRS 205.

Thank you for your consideration.

SB-469

Submitted on: 2/8/2023 12:54:45 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda Legrande	Individual	Oppose	Written Testimony Only

Comments:

The Land Use Commission serves a viable part of quality control of land management in our State. That authority should not be taken away. Thank you, Linda Legrande

SB-469

Submitted on: 2/8/2023 2:52:53 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Janyce Mitchell	Individual	Oppose	Written Testimony Only

Comments:

I am a long-time resident of Hawaii and am writing to express my vehement opposition to SB469. SB469 purports to support affordable housing. What this bill does instead is remove important protections for the land of Hawaii without achieving its goal.

The bill strips the authority of the Land Use Commission (LUC) over boundaries of parcels of *up to 100 acres* in both urban and rural areas. Instead, bodies, such as City/County Councils, may make these decisions. Unlike members of the LUC, members of City/County Councils are allowed to accept donations. As such, City/County Councils may be subject to influence from special interests, like developers, who donate to campaigns. The LUC provides an important, objective review of land uses in the state. This review is particularly important for such large parcels in a state with limited land. Removal of this protection by this bill jeopardizes the land of Hawaii.

Further, although the bill designed to make “larger scale projects economically feasible”, and promote affordable housing, nothing in the existing laws prevents boundary amendments provided the amendments pass through the LUC. The bill also only requires half of the housing units made to be made available for those making up to 140% of the median income without requirements on the fraction of land used for such housing. The housing units by definition are available to those that make more than the average resident. I have difficulty seeing how this is affordable. A developer might also make the 50% of housing units available to those making 130% of the median income on the smallest fraction of the parcel possible. The remainder may be luxury housing on larger lots. This is not the type of “affordable” housing that we should encourage.

I urge you to oppose HB673 and keep in place the existing protections for the land of Hawaii.

SB-469

Submitted on: 2/8/2023 3:17:40 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Brett Kurashige	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Inouye, Vice Chair Elefante, and members of the Senate Committee on Water and Land,

I STRONGLY OPPOSE Senate Bill 469 which would would wrest authority/power from the Land Use Commission and instead grant this authority/power to the Counties so they may do boundary changes for large parcels (15 acres-100 acres) of urban parcels or rural parcels, so long as at least half of that land is used for housing geared toward those who make NOT MORE THAN than 140% of median income.

Like HB673, SB469 bill proposes to change the way lands are urbanized from the agricultural district to bypass the Land Use Commission, the quasi-judicial process they use, and the important cultural and natural resource protections those bring. Like HB673, SB469 argues that this will increase the supply of affordable housing, but that’s not what these bills would do – they are a giveaway to developers and unscrupulous realtors, gutting environmental and cultural protections for what will be unaffordable “affordable housing”. This is the wrong policy direction for the State of Hawaii and our local residents.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to their campaigns. Reducing the current limits on LUC powers removes important protections for `āina around the state. This is also being done supposedly to increase affordable housing, but “affordability” is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

Mahalo nui for the opportunity to submit testimony opposing SB469.

Brett Kurashige

SB-469

Submitted on: 2/8/2023 4:43:44 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Sharde Freitas	Individual	Oppose	Written Testimony Only

Comments:

My name is Sharde Freitas and I respectfully OPPOSE SB469. There are a range of public interests that may be impacted, potentially for generations, by large scale land use changes. These interests - environmental, cultural, agricultural, socioeconomic, and others – must be carefully and transparently balanced, to address concerns, minimize unnecessary impacts, and minimize conflict and controversy. The Land Use Commission has decades of experience in doing just this, and should not have its ability to oversee land use district reclassifications limited or eliminated.

Forcing county planning departments to take on the new burden of solely administering land use district reclassification and balancing the myriad public interests in land use could have significant, long-lasting, and avoidable impacts on those interests. This could even have the inadvertent effect of delaying affordable housing production, by reducing planning departments' capacity to administer other permits and applications needed for housing development and redevelopment.

Rather than reduce the LUC's authority, the committees may wish to consider providing it with enforcement tools that can better hold developers accountable when they fail to produce promised affordable and workforce housing units after their petitions for district boundary reclassifications are approved.

Accordingly, I respectfully urge the committees to HOLD SB469. Mahalo for the opportunity to testify.

SB-469

Submitted on: 2/8/2023 6:31:49 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
jerry lam	Individual	Oppose	Written Testimony Only

Comments:

I STRONGLY OPPOSE SB 469, which proposes to circumvent the Land Use Commission’s power to redistrict lands.

This will eliminate the checks and balances we have presently and allow developers to invade preservation land and single family communities.

This bill argues that this will increase the supply of affordable housing, but that’s not what it would do – it is a giveaway to developers.

Unlike the LUC, County Councils make final land use decisions, and developers can donate to Council member campaigns. Reducing the current limits on Council powers removes important protections for `āina around the state. While this is being done supposedly to increase affordable housing, “affordability” is defined so broadly that it includes market rate units affordable to people making 140% of area median income. If we are going to develop more land for housing, it should not be for the people who can already afford to buy housing, and it should not be in return for urbanizing large tracts of ag land for the wealthy.

Please **HOLD SB 469**. Mahalo nui!

SB-469

Submitted on: 2/8/2023 7:55:57 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
ellen sofio	Individual	Oppose	Written Testimony Only

Comments:

Comments:

SB469 cites a Department of Business, Economic Development and Tourism study entitled "Housing Demand in Hawaii, 2015-2025" as it's basis in its first paragraph. The referenced DBEDT report is focussed on meeting the building and construction needs of the tourist industry (allegedly for more transient vacation rentals because hotel capacity is saturated) and of wealthy individuals desiring second homes or vacation homes. The DBEDT report on housing which is apparently the basis for this 201H-38 related progeny bill, SB469, has nothing to do with providing "affordable" housing for low income residents of Hawaii.

With the articulated priorities embodied in the DBEDT housing report it references, SB469 would however, dangerously jeopardize long established protections for our conservation lands, our critical watershed forests and the habitat they provide as well as protections for our important agricultural lands, by using the 201H-38 Godzilla law to destroy the authority of the Land Commission over boundary changes.

If passed, SB469 wil lead to deforestation, which is diametrically opposed to both former Governer DAvid Ige's and current Governor Josh Green's articulated priorities for achieving carbon neutrality and for aggressive mitigation of climate change. If passed into law, SB469 will contribute to unmitigated population growth and density increases, further threaten our already critically inadequate drinking water supply, increase flooding risks iin Waikiki and all our other makai communities and neighborhoods, and open the door to the reckless destruction of our conservation and agricultural lands.

Please vote decisively to kill SB469, Mahalo for your time and attention

SB-469

Submitted on: 2/9/2023 5:33:41 AM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Oppose	Written Testimony Only

Comments:

Hello,

My name is Nanea Lo. I'm born and raised in the Hawaiian Kingdom a Kanaka Maoli.

I'm writing in STRONGLY OPPOSE SB469.

me ke aloha 'āina,
Nanea Lo, Mō'ili'ili

SB-469

Submitted on: 2/9/2023 1:43:08 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Emma Stierhoff	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Inouye, Vice Chair Elefante, and members of the committee,

My name is Emma Stierhoff and I am writing to respectfully oppose SB469. I am concerned that reducing the Land Use Commission's authority on matters of land use district reclassifications will reduce the balance of many public interests in these decisions and potentially delay the production of affordable housing, which is desperately needed in Hawai'i. Rather than reducing the LUC's authority, they should be given the resources to hold developers accountable for building the housing units promised after their petitions for district boundary reclassifications are approved.

Accordingly, I urge the committees to HOLD SB 469. Mahalo for the opportunity to testify.

Sincerely,

Emma Stierhoff

SB-469

Submitted on: 2/9/2023 2:08:21 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristen Alice	Individual	Oppose	Written Testimony Only

Comments:

I respectfully oppose this bill. The LUC is not the barrier to affordable housing production it is often purported to be. Mahalo.

LATE

SB-469

Submitted on: 2/9/2023 8:33:16 PM

Testimony for WTL on 2/10/2023 2:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Beth Anderson	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 469 because I don't agree with reclassifying agricultural land and conservation lands in order to build housing. Oahu, for example, is already overbuilt and agricultural lands continue to get allocated to development. We should be working toward sustainable agricultural and sustainable local food supplies in our state, not building over our valuable agricultural lands. Too much agricultural land on Oahu has already been paved over and converted to housing. Filling every open space, paving over ag lands, conservations lands and special management zone lands with development projects decreases quality of life, is aesthetically damaging, decreases badly needed green spaces and climate change resiliency. Large areas of the island need to remain rural, and remain just wild, open space. We don't need to turn Oahu into one big city and housing from Honolulu to Haleiwa. Large areas have already been ceded to housing in Central Oahu and it never seems to end. Large areas that were once in agricultural are being developed. This increases native species loss, carbon sink net loss, and increases commuters on the roads.

I belong to a coalition, Hui Maunawili Kawainui Coalition, that has been successfully working to preserve precious agricultural lands and cultural in Maunawili and prevent these areas from development. The plan was to convert these lands into gentleman's estates, also known as "fake farms." We are in the process of obtaining the Royal Hawaiian Golf Course lands in Maunawili which sits on precious agricultural lands and returning this area to agricultural and wetland. This is the direction the rest of the state should be moving in.

I agree, we desperately need affordable housing but developing our agricultural and conservation lands should not be the answer. There are many, many shoddy areas of Honolulu that should be prioritized for urban redevelopment and the building of affordable housing and low income housing projects for the homeless. These can be transformed into beautiful, upscale urban neighborhoods especially if green spaces, trees, parks and recreational areas are incorporated into the development. Affordable housing near work places, schools, child care facilities, and bus services, bike lanes, parks and green spaces, eateries and shopping areas, and services which decreases and eliminates commuter traffic and pollution, commuter time and stress and costs, improves quality of life and strengthens cities.

Do not develop the too little agricultural lands, conservation lands, and special management area lands that remain. There are better alternatives to destroying these precious lands.

Thank you for considering my viewpoint.

Mahalo and aloha