

STAND. COM. REP. NO.

137

Honolulu, Hawaii

, 2025

FEB 04

RE: H.B. No. 1409

H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Housing, to which was referred H.B. No. 1409 entitled:

"A BILL FOR AN ACT RELATING TO TRANSIT-ORIENTED DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Define transit-oriented development for purposes of state implementation of transit-oriented development;
- (2) Incentivize development in county-designated transit-oriented development areas; and
- (3) Allocate a minimum percentage of the Rental Housing Revolving Fund for certain mixed-income rental housing projects or units.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Office of Planning and Sustainable Development; Hawaii Appleseed Center for Law & Economic Justice; Hawai'i YIMBY; Grassroot Institute of Hawaii; Holomua Collaborative; and Housing Hawai'i's Future. Your Committee received comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu and one individual.

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Your Committee finds that the State's housing crisis is exacerbated by a significant demand-supply imbalance, particularly in urban areas. Your Committee further finds that transit-oriented development offers a critical solution by promoting higher-density housing near public transit. Transit-oriented development not only enhances public transit ridership and reduces greenhouse gas emissions, but also supports economic equity by improving access to housing, employment, and essential services for low- and moderate-income households. This measure encourages strategic investment in regional infrastructure and the removal of restrictive development standards that will foster vibrant, walkable communities and reduce the urban sprawl.

Your Committee has amended this measure by:

- (1) Deleting language that would have required development in a county-designated transit-oriented development zone to have priority for financing under certain circumstances and instead including these requirements under the definition of "transit-supportive density";
- (2) Clarifying the types of mixed-income rental projects in an area that satisfies transit-supportive density requirements that receive prioritized funding from the Rental Housing Revolving Fund;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1409, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1409, H.D. 1, and be referred to your Committee on Water & Land.



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Respectfully submitted on
behalf of the members of the
Committee on Housing,

LAC.

LUKE A. EVSLIN, Chair

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