

LATE TESTIMONY



Via Capitol Website

February 4, 2009

**Senate Committee on Education and Housing
Hearing Date: Wednesday, February 04, 2009, 1:15 p.m. in CR 225**

**Testimony in Support of SB 444: Relating to Housing
(Dedication Request; 60 Day Limit on Counties)**

Honorable Chair Norman Sakamoto, Vice-Chair Michelle Kidani
and Members of the EDH Committee:

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

LURF appreciates the opportunity to provide our testimony **in support of the SB 444**, which requires a county to accept or reject within sixty days a request for dedication of infrastructure, for an affordable, workforce, mixed-use, or rental housing project constructed to county building code standards and under chapter 201H, Hawaii Revised Statutes, to connect the project's infrastructure to the county's infrastructure.

Background. The lack of affordable housing remains a significant problem affecting Hawaii. Finding ways to provide sufficient affordable housing and market housing for Hawaii's residents has been a major objective for our elected officials, and state and county agencies, and members of the housing industry and business community. For the past two years, LURF has participated in a statewide task force comprised of representatives from all four counties, business, labor, developers, architects, nonprofit providers of services, the State, and the legislature, whose purpose was to identify, address and propose regulatory reform and solutions to remove the barriers to the production of affordable housing. **SB 444** is part of the legislative recommendations of that task force.

SB 444. The purpose of this bill is to require counties to accept or reject a dedication of public infrastructure request of an affordable housing project within a specified time (60 days) and under certain conditions, or the request is deemed dedicated. The pertinent provisions of SB 444 are as follows:

(a) A county shall accept or reject within sixty days, a dedication request from an affordable, workforce, mixed-use, or rental housing project constructed under chapter 201H to connect its infrastructure to the county's infrastructure, including but not limited to its roadways, water, sewer, and drainage systems, upon the payment of the applicable meter and connection fees and utility costs; provided that the dedicated infrastructure conforms to county building codes; provided further that the dedicated infrastructure is certified to be in compliance by either the county inspector responsible for accepting dedicated infrastructure, or a licensed third-party building inspector.

(b) If the infrastructure dedication is in compliance with the provisos in subsection (a) and is not accepted or rejected by the county within sixty days of the dedication request, the dedication shall be deemed to be accepted."

Section 3 of SB 444 also proposes an amendment to HRS Section 264-1, by amending subsection (c) to read as follows:

"(c) (3) Dedication of public highways or trails shall be deemed to have taken place if the road, alley, street, bikeway, way, lane, trail, or bridge is part of an affordable housing development; provided that the dedicated infrastructure conforms to county building codes; provided further that the dedicated infrastructure is certified to be in compliance by either the county inspector responsible for accepting dedicated infrastructure, or a licensed third-party building inspector. If the infrastructure dedication is in compliance with the foregoing provisos in this paragraph and is not accepted or rejected by the county within sixty days of the dedication request, the dedication shall be deemed to be accepted."

LURF's Position. SB 444 is being proposed because there has been an apparent problem with the delay of counties in affirmatively accepting or rejecting public infrastructure improvements that have been developed as part of a housing project. Thus, it is necessary to expedite such infrastructure dedication requests involving affordable housing projects, because of the increased cost incurred with any delays in housing projects are ultimately paid by consumers. This bill provides some assurance to the developer that dedication of infrastructure will happen within a set amount of time (60 days for filing for dedication), if all conditions for dedication listed in the Bill are met.

Thank you for the opportunity to express our views on this matter.