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Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
HOUSE COMMITTEES ON TRANSPORTATION, AND HOUSING
Wednesday, February 8, 2017
11:00 AM
State Capitol, Conference Room 423

in consideration of
HB 1386
RELATING TO TRANSIT ORIENTED DEVELOPMENT

Chairs Aquino and Brower, Vice Chairs Quinlan and Nakamura, and Members of the House Committees on Transportation, and Housing.

The Office of Planning (OP) offers comments on House Bill 1386, which establishes Transit-Oriented Development (TOD) community development districts. The bill requires the Hawaii Community Development Authority (HCDA) to designate TOD community districts along the Honolulu rail transit corridor. HB 1386 offers guidance policies on both affordable housing development and transportation mode share.

While this proposal could potentially allow for growth in affordable housing at each transit station while reducing the number of motor vehicles within each district, OP has a number of concerns related to the bill as it is currently written:

- Some of the duties of the HCDA in coordination and planning of a community development district, currently overlap with the duties of the Hawaii Interagency Council for TOD (TOD Council) recently established pursuant to Hawaii Revised Statutes (HRS) § 226-64 (Act 130, SLH 2016). Any comprehensive planning efforts delegated to the HCDA would be duplicative of the tasks already assigned to the TOD Council.
- There is inconsistency between the one mile radius for the districts established (§ 206E-B, page 2), and the one-half mile radius established for the TOD guidance

policies (§ 206E-C, page 3). As it stands, the TOD guidance policies would only apply to half of the TOD community development district area.

- With regard to districts and boundaries established, OP believes that they should take into consideration the existing City and County of Honolulu Neighborhood TOD Plans, including the boundaries for designated State TOD districts, and current and proposed zoning designations.
- Specific transportation goals [§ 206E-C (2), page 4] should be elaborated on in a section on comprehensive Transportation Demand Management (TDM) strategies for TOD community districts, including but not limited to: parking management and pricing, carsharing and ridesharing, paratransit and telecommuting. Sustainable mobility goals and specific performance measures should be developed that emphasize the latest and best research on TDM for TOD. For example, transportation goals should be not only be reflected in mode share targets, but should also be reflected in a targets that would reduce Vehicle Miles Traveled (VMT). Specific goals should also be established for multimodal Level of Service (LOS), including bicycle and pedestrian LOS.
- TOD community districts; development guidance policies [§ 206E-C (1), page 3] may be more feasible to regulate on a project-by-project basis. However, it is not clear how the overall goal of providing 60% of all new housing developed under 180% Area Median Income (AMI) threshold would be regulated and administered on a project-by-project basis, and how the affordable housing would be spatially distributed throughout the half-mile radius.
- TOD community districts; development guidance policies [§ 206E-C (1)(A), (B), (C), and (D), page 3] should include those households less than and not simply equal to the AMI threshold. For example, language on page 3 currently reads: “*shall include affordable housing for individuals or families who meet sixty per cent of the area median income.*” In this instance, the use of the word ‘meet’ implies exactly at the 60% threshold. The language should read: “*shall include affordable housing for individuals or families at or below sixty per cent of the area median income.*”

- Section 206E-D requires further elaboration on the in-lieu fee. It is not clear how the in-lieu fee is calculated, and to our knowledge housing nexus studies have not been carried out that inform the in-lieu fee calculation. The proposal to have an in-lieu fee equal to the actual cost of designing, constructing, and selling of the development may not impose the financial disincentive the State needs to encourage the option of building affordable housing within the half-mile area.

OP would prefer that the recently established TOD Council be given the opportunity to plan and coordinate the specific development guidance policies related to both affordable housing development and transportation demand management in coordination with the Hawaii Housing Finance and Development Corporation, the Department of Transportation and other State and county agencies on the TOD Council.

Thank you for the opportunity to testify on this matter.



HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



KAKA
KALAELOA

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STATEMENT OF

JESSE K. SOUKI, EXECUTIVE DIRECTOR
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE

HOUSE COMMITTEES ON TRANSPORTATION AND HOUSING

ON

Wednesday, February 8, 2017

11:00 A.M.

State Capitol, Conference Room 423

in consideration of

HB1386 – RELATING TO TRANSIT ORIENTED DEVELOPMENT

Chair Aquino and Brower, Vice Chairs Quinlan and Nakamura, and members of the committee.

This testimony reflects my view alone. The Hawaii Community Development Authority (HCDA) has not acted on this measure.

In my capacity as the HCDA Executive Director, I respectfully offer **comments** on HB1386.

This bill requires HCDA to designate Transit Oriented Development (TOD) districts along the Honolulu Rail Transit corridor and require certain ratios of affordable housing while reducing automobile travel in the district; however, this bill does not provide clarity on whether HCDA has planning and zoning authority within the district.

While this bill closely tracks the HRS Chapter 206E in some of our Community Development Districts, it does not provide a clear boundary for the proposed TOD districts. This could lead to confusion as the proposed one-mile radius could bisect properties creating split zoning on a single parcel of land.

In order to streamline the process and to honor work already done with the community, I recommend the bill require HCDA to develop its plans in alignment with the City and County's Neighborhood TOD plans.

Developing and implementing these plans and rules will require additional

resources. The HCDA board voted to request that any increase in responsibilities be accompanied with resources to carry out the new duties. We estimate it will require an additional 4.5 FTE and \$520,000 annually with an additional \$430,000 annual operational costs for each new development district, however, we believe this new district may require considerably more resources because of the land area involved. If this bill moves forward, we would be happy to work with your staff to determine the appropriate costs to effectuate this mandate.

This bill requires 40% of housing at or below 120% of AMI, which may not be financially feasible and may have a counter productive effect on development in general. Housing above 140% of AMI is generally considered market housing; therefore, we suggest that the upper AMI limit be kept at 140% instead of 180%.

Regarding modal shift, data published by the US Census Bureau shows that the modal share in urban Honolulu is 65% car and 35% other modes of transportation (based on data from 2009 – 2013). In the Moanalua to Pearl City area, it is 86% car and 14% other modes of transportation. Given that data, it may be too ambitious to reduce car travel to less than 40% of the modal share. Notwithstanding, proper planning can change behavior and reduce car travel.

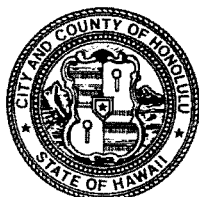
Proposed § 206E-D is ambiguous. It appears to create a fee in lieu of constructed units. I recommend this section be clarified.

Thank you for the opportunity to provide comments on this bill.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
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KATHY K. SOKUGAWA
ACTING DIRECTOR

TIMOTHY F. T. HIU
ACTING DEPUTY DIRECTOR

February 8, 2017

The Honorable Henry J. C. Aquino, Chair
and Members of the Committee on Transportation
The Honorable Tom Brower, Chair
and Members of the Committee on Housing
Hawaii House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chairs Aquino and Brower, and Committee Members:

Subject: House Bill No. 1386
Relating to Transit Oriented Development

The Department of Planning and Permitting (DPP) **strongly opposes** House Bill No. 1386, which would establish state community development districts around several rail stations, and authorize the Hawaii Community Development Authority (HCDA) to take over county roles in planning and approving transit-oriented development, and implementing infrastructure improvements. This Bill is unnecessary, premature, duplicative, usurps home rule, and will be costly to the taxpayers of Hawaii.

The DPP supports the State's role in developing State-owned lands near rail transit stations. For more than 10 years, we have invited State agency participation in our transit-oriented development (TOD) planning. State agencies have responded and influenced our TOD plans and strategies. We would be happy to share with you all of our collaborative efforts with State agencies and others in developing the TOD program, especially our efforts to expedite infrastructure improvements.

We are well aware that the State owns lands that can take advantage of their proximity to rail stations. Our draft TOD Plan for the Halawa area was developed in partnership with the Department of Accounting and General Services and the Stadium Authority. We actively participated in meetings convened by Senators Chun Oakland and Dela Cruz in 2015 that began the discussion on redevelopment of State lands near rail stations. Based on suggestions from the Senate working group, we are working with State agencies and major private landowners to develop the Iwilei-Kapalama Infrastructure Master Plan and finance district to accelerate infrastructure improvements

The Honorable Henry J. C. Aquino, Chair
and Members of the Committee on Transportation
The Honorable Tom Brower, Chair
and Members of the Committee on Housing
House Bill No. 1386
February 8, 2017
Page 2

to support affordable housing at Mayor Wright Homes and several other State properties.

By creating state development districts and extending HCDA authority over private lands, this Bill ignores these collaborative planning efforts by taking over the City's role in planning, zoning and permitting TOD projects, and planning and implementing infrastructure improvements. Rather than accelerate action on TOD and affordable housing, establishing this new authority -- and the extensive new rules, procedures and staffing it would require -- could set back progress by several years.

It is unfortunate that the proposed legislation ignores the significant progress made by State agencies, the City, and the private sector. Act 130 (2016) established the Hawaii Interagency Council for Transit Oriented Development, which is moving quickly to develop a State TOD Strategic Plan (focused on development of State lands). Working collaboratively with the City, it expects the Plan to be completed later this year. The Plan will prioritize CIP projects for recommendation to the Legislature. The Interagency Council identified priority TOD areas, and provided master planning funds.

To sum, we support the State in coordinating planning and prioritizing its investments in TOD infrastructure and projects on State lands. The City will continue to collaborate with the State on this effort. We are especially supportive of bills that help fund infrastructure upgrades and stimulate more affordable housing. However, the State should not usurp City land use planning and project approval functions. We appreciate the Bill's focus on funding mechanisms to deliver major infrastructure improvements, but suggest that better mechanisms for State contributions can be developed in collaboration with the City, without usurping local land use authority.

We believe it is critical for the State to coordinate planning and prioritize its investments in TOD infrastructure and projects on State lands. The City is eager to continue collaborating with the State on this effort. However, it should not usurp City land use planning and project approval functions. Please defer House Bill No. 1386.

Thank you for the opportunity to testify.

Very truly yours,



Kathy Sokugawa
Acting Director



**HOUSE COMMITTEE ON TRANSPORTATION, and
HOUSE COMMITTEE ON HOUSING**

Feb. 8, 2017, 11:00 A.M.

Room 225

(Testimony is 4 pages long)

TESTIMONY IN SUPPORT OF THE INTENT OF HB 1386

Aloha Chairs Aquino and Brower, Vice Chairs Quinlan and Nakamura, and members of the committees:

Blue Planet Foundation **supports the intent** of HB 1386 which would require the Hawaii community development authority to establish transit-oriented development districts along the Honolulu rail transit corridor and would also set aggressive affordable housing requirements and mode share targets for all development within those districts.

Transit-Oriented Development is Important

Blue Planet Foundation is a leading advocate for clean energy and clean transportation in Hawaii. We believe that transit oriented development (TOD) can encourage compact, mixed-use communities designed for walking, biking and transit use. Such communities can reduce travel distances, transportation energy use, household transportation costs, and the amount of land we consume for development.

Affordable Housing is Important for Achieving Promised TOD Benefits

Blue Planet Foundation also believes that it is important to ensure that housing built within TODs accommodates a mix of income groups. It is particularly important that TODs include ample housing for low and moderate income groups who are most likely to utilize walking, biking, and transit and benefit from the associated cost savings. If too much of the housing built in TOD districts is targeted at higher income groups, the transportation benefits of TOD and return on public investments in transit are likely to be significantly reduced.

Mode Share Targets are a New, More Effective Planning Tool

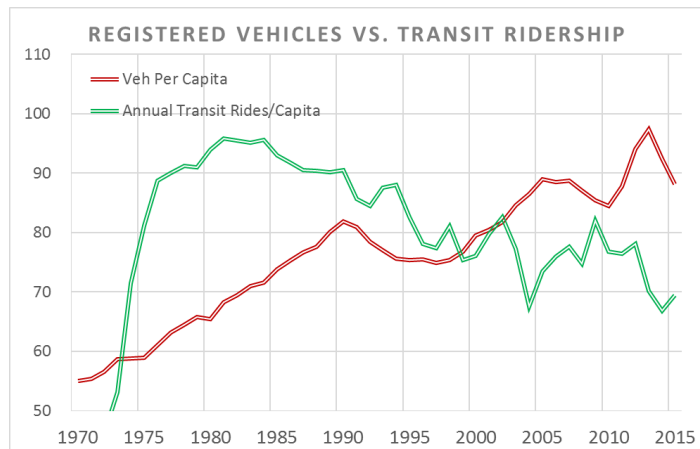
Blue Planet Foundation is a strong supporter of transportation mode share targets. For many years, State and County laws and plans have included policy objectives aiming to achieve balanced multi-modal transportation systems, efficient land use and discourage the inefficient use of personal automobiles.

Yet despite these stated objectives, auto ownership, vehicle miles traveled, and traffic congestion have all steadily increased over the last several decades. Transit ridership per capita has fallen progressively

since the early 1980's, walking and bicycling infrastructure remains relatively poor, and the state is as auto dependent today as it has ever been. State and county policy objectives have failed to translate into better land use, decreased auto dependency, or more balanced multi-modal transportation systems.

Why Traditional Planning Isn't Working

Land use development standards are primarily focused on accommodating current travel patterns. Since nearly everyone drives for the majority of their trips, county land use policies tend to favor low-density development, separation of uses, and require copious amounts of off-street parking to accommodate everyone's cars. This perpetuates the development of buildings and communities designed around the automobile.



Transportation infrastructure investments are made based on past and current travel demand, projected into future population growth. Since most people today travel by car, this approach favors expanding roadways over investments in infrastructure for alternative modes of travel, thereby solidifying the dominance of the automobile and further marginalizing alternative modes.

How Mode Share Targets are More Effective

In recent years, a number of communities around North America have begun to use a new tool to guide their land use and transportation planning and implementation: Mode Share Targets.

Rather than base land use development standards and transportation infrastructure investments on past or current travel patterns, these communities envision a preferred future where there are better communities with fewer cars and greater utilization of more sustainable modes of transportation. They set targets for achieving transportation mode shares by certain dates and then use those mode share targets as the basis for land use development standards and transportation infrastructure investments.

This approach means that instead of asking what kind of transit system investments can we justify based on current transit ridership levels; communities ask what kind of public transit system do we need to build to achieve our transit mode share target.

Instead of asking what streets can we get away with putting in a bike lane on without angering too many drivers, these communities are asking what does the bicycle network need to look like to achieve our bicycle mode share target.

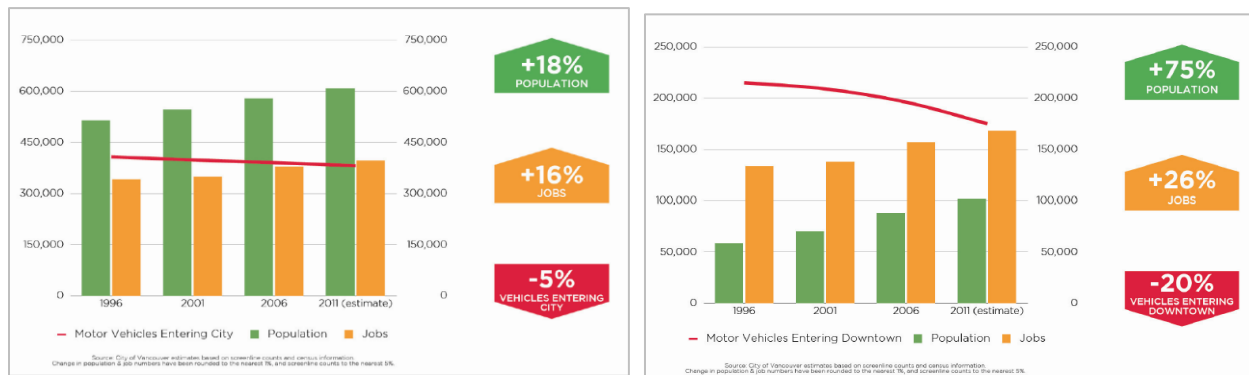
Instead of asking what development densities can we **allow** and how much off-street parking should we **require** to ensure parking doesn't overflow to the neighborhood; these communities are asking what development densities should we **require** and how much parking should we **allow**, and how should we manage on-street parking, in order to help create communities that achieve the mode share targets.

Vancouver a Model to Follow

A number of communities in recent years have set transportation mode share targets - including Seattle, Portland, Massachusetts, San Francisco, and even Kauai County. However, Vancouver, BC may be the best example of this new approach to planning.

In the late 1990s, Vancouver set a goal to have more than 50% of all trips in the city be by walking, biking and transit by the year 2020. The city then used that target to guide all land use and transportation planning and developed a coordinated set of policies and plans that were all focused on helping to achieve the target. In 2012, Vancouver updated their mode share targets and now have a goal to have more than two-thirds of all trips be by walking, biking and transit by 2040.

In the first 15 years after setting the mode share target, Vancouver's population grew 18% and the number of jobs grew 16%; however, the number of vehicles entering Vancouver actually decreased by 5%. Even more impressively, in downtown Vancouver the population grew 75% and the number of jobs increased 26% over the same time period; meanwhile, the number of cars entering downtown daily actually decreased by 20%.



Vancouver's planning and implementation efforts to achieve their mode share targets have been definitively effective. **In 2016, Vancouver achieved their 2020 target to have more than half of all trips be by walking, biking and transit...a full four years early.** Automobiles now constitute just 41% of all trips in the city.

On the Organizational Approach Proposed

Blue Planet Foundation supports the intent of the bill, and specifically supports efforts to ensure adequate provision of affordable housing and the setting of aggressive transportation mode share targets in TOD districts.

Blue Planet Foundation believes that State efforts to help facilitate TOD are necessary and warranted. We also believe that it is important, that these efforts be in the spirit of collaboration with the counties, and that they don't duplicate work already done or undermine the efforts that are already underway.

The City and County of Honolulu has an active TOD program and has been developing community-based Neighborhood TOD plans along the Honolulu Rail Project route since 2008. We defer to the City and County of Honolulu on the specific details of the bill's organizational approach.

Thank you for the opportunity to testify.

quinlan1 - Neil

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 8, 2017 5:41 AM
To: TRNtestimony
Cc: mbruhn@5.unitehere.org
Subject: *Submitted testimony for HB1386 on Feb 8, 2017 11:00AM*



HB1386

Submitted on: 2/8/2017

Testimony for TRN/HSG on Feb 8, 2017 11:00AM in Conference Room 423

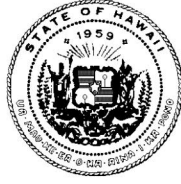
Submitted By	Organization	Testifier Position	Present at Hearing
Marsha Bruhn	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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BRIDGET HOLTHUS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
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Honolulu, Hawaii 96809-0339

February 7, 2017

TO: The Honorable Representative Henry J.C. Aquino, Chair
House Committee on Transportation

The Honorable Representative Tom Brower, Chair
House Committee on Housing

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1212 – RELATING TO URBAN DEVELOPMENT**
HB 1386 – RELATING TO TRANSIT ORIENTED DEVELOPMENT

Hearing: February 8, 2017, 11:00 a.m.
Conference Room 423, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of the above mentioned bills to the extent the measures do not adversely impact priorities identified in the Governor's Executive Budget request, and offers comments. DHS defers to the Department of Business, Economic Development, and Tourism regarding administrative issues related to the proposed transit oriented development authority.

PURPOSE: The purpose of HB 1212 is to establish the Transit Oriented Development Authority in order to address economic diversification and affordable housing shortages through transit-oriented development (TOD).

The purpose of HB 1386 is to require the Hawaii Community Development Authority (HCDA) to designate TOD community districts along the Honolulu rail station transit corridor that allow for growth in affordable housing at each transit station while reducing the number of motor vehicles within each district.

The Director of DHS is a member of the Hawaii Interagency Council for Transit Oriented Development created by Act 130, Session Laws of Hawaii 2016. As a department,

AN EQUAL OPPORTUNITY AGENCY

DHS provides benefits to and services one in four residents in Hawaii. DHS strives to encourage self-sufficiency and support the well-being of individuals, families, and communities in Hawaii through its major benefit programs that provide financial assistance, Supplemental Nutrition Assistance Program (SNAP), medical insurance coverage (through Med-QUEST), vocational rehabilitation services, and protective services for vulnerable children and adults.

One of the primary determinants of well-being is access to stable and affordable housing. Affordable and stable housing is linked with improved health, education and economic outcomes for families and children. When housing is stable and affordable, families can spend more time and resources on education, medical care, nutritious food, and quality child care.

Strengthening communities by incorporating safe, adequate, and affordable housing in State development projects near Honolulu rail transit stations would also reduce the likelihood that low- and moderate-income households currently living in growing TOD areas would be displaced due to gentrification pressures.

Additionally, the presence of adequate and affordable housing in TOD areas would generate strong rail ridership, as the core users of public transportation are often low- to moderate-income individuals.

Given the shortage of affordable housing in Hawaii, it is crucial that the State, as the largest landowner along the Honolulu rail corridor, utilize its resources to create safe communities where families can thrive, and increase the supply of affordable housing units in TOD areas without displacing long-standing or low-income residents.

Thank you for this opportunity to provide comments on these measures.



Eric W. Gill, Financial Secretary-Treasurer

Gemma G. Weinstein, President

Godfrey Maeshiro, Senior Vice-President

Tuesday, February 7, 2017

House Committees on Transportation, Labor & Public Employment and Housing
Hawaii State Legislature
State Capitol
415 South Beretania Street

Aloha Chair Aquino, Chair Johanson, Chair Brower and committee members,

UNITE HERE Local 5 – a local labor organization representing 11,000 hotel, health care and food service workers throughout Hawaii would like to register our support for HB 1386.

As the Legislature considers the City’s request to continue funding for rail, we ask that your Committees take the crucial step of doing all we can to also ensure that as many affordable homes become available in the next few years as possible. Today, there are an estimated 33,000 vacation rentals throughout Hawaii. In two years that number will grow to 40,000. Each vacation rental made available to non-residents – particular entire homes – only adds to our statewide housing crisis.

Transient oriented development is a valuable tool that must be utilized and leveraged to support the construction of more affordable homes. HB 1386 is worthy of our support as it remains one of the only measures before the Legislature that attempts to make housing a priority as it relates to rail and transient oriented development.

We respectfully ask for your committees support in passing HB 1386.

Thank you.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 7, 2017 8:53 PM
To: TRNtestimony
Cc: paolarodelas@gmail.com
Subject: Submitted testimony for HB1386 on Feb 8, 2017 11:00AM

LATE

HB1386

Submitted on: 2/7/2017

Testimony for TRN/HSG on Feb 8, 2017 11:00AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Paola Rodelas	Individual	Support	No

Comments: Aloha, Chairs Aquino and Brower and the Committees: I strongly support HB1386. I am sick and tired of luxury condos being permitted and built. This is partly due to the fact that there are no real affordable housing mandates. It's even more infuriating that the Manaolana luxury condotel was approved and will be built along the rail line. The promise of rail and transient-oriented development was that it'd lead to the development of truly affordable housing. This is off to a terrible start. My husband and I are young, working professionals who live and work in Honolulu, and we want to settle down here. But if the cost of housing continues to skyrocket, this will not be possible for us and for most local people. Please stand with local residents who desperately need and want affordable housing. Thank you! Sincerely, Paola Rodelas Kapahulu resident

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From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 8, 2017 11:35 AM
To: TRNtestimony
Cc: lgrand@hawaii.edu
Subject: Submitted testimony for HB1386 on Feb 8, 2017 11:00AM



HB1386

Submitted on: 2/8/2017

Testimony for TRN/HSG on Feb 8, 2017 11:00AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Lisa Grandinetti	Individual	Support	No

Comments: We need affordable housing!!! This bill would help us address the real problem of our housing crisis rather than continuing to apply bandaids to it. The community - and only some of it - was only convinced that the rail might be a good thing for us because of the transit oriented development aspect of it. We were convinced by legislators when they claimed that developers would build affordable housing around the rail for ordinary working people, which we desperately need. I strongly urge you to support this bill to ensure that was not a complete lie.

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