



# OFFICE OF PLANNING STATE OF HAWAII

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Statement of  
**RODNEY FUNAKOSHI**  
Planning Program Administrator, Office of Planning  
before the  
**SENATE COMMITTEES ON HOUSING, AND WATER AND LAND**  
Tuesday, February 12, 2019  
1:15 PM  
State Capitol, Conference Room 225

in consideration of  
**SB 498**  
**RELATING TO HOUSING.**

Chairs Chang and Kahele, Vice Chairs Kanuha and Keith-Agaran, and Members of the Senate Committees on Housing, and Water and Land.

The Office of Planning (OP) **supports** SB 498, which includes the approval of all State agencies' redevelopment plans for parcels along the rail transit corridor among the OP's duties as lead agency to coordinate and advance smart growth and transit-oriented development (TOD) planning within the State. The bill also requires affordable housing to be included as part of every development or redevelopment plan for State TOD along the rail transit corridor unless the OP determines that housing is not feasible or desirable on a property.

OP supports measures that increase the availability of affordable housing, particularly where needed most, at the lower ends of the affordability range. The proposed measure would assist in focusing the State's efforts on affordable housing towards this segment. There is some concern with the requirement that 20 percent of all housing units be affordable to households at 80 percent and below Area Median Income (AMI) level. This level of affordability may not be feasible for developers unless the State lands are provided at little or no cost to the developer along with additional public subsidy of the affordable units.

During OP's review and approval of TOD projects, therefore, there should also be consultation with the Hawaii Housing Finance and Development Corporation. Accordingly, we recommend that the proposed amendments to HRS § 225M-2 (b) on page 7 be revised as follows (added text is double-underlined):

“(H) Approve all state agencies’ development or redevelopment plans for parcels along the rail transit corridor [-]; provided that every development or redevelopment plan shall include housing units with a least twenty per cent reserved for residents with an income less than or equal to eighty per cent of the area median income, unless the office of planning, in consultation with the Hawaii housing finance and development corporation, determines that housing, at the required affordability level is not feasible or desirable on a particular property. For the purposes of this subparagraph, “development or redevelopment plans” means conceptual land use plans that identify the location and planned uses within a defined area.”

Thank you for this opportunity to testify.

**SB-498**

Submitted on: 2/11/2019 12:49:59 PM

Testimony for HOU on 2/12/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

**SB-498**

Submitted on: 2/8/2019 9:17:56 PM

Testimony for HOU on 2/12/2019 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Erica Scott	Individual	Support	No

Comments: