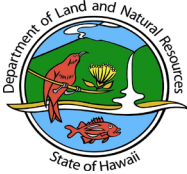


DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
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**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committees on
HOUSING
and
TRANSPORTATION**

**Thursday, February 10, 2022
1:30 PM**

State Capitol, Conference Room 225, Via Videoconference

**In consideration of
SENATE BILL 2193
RELATING TO HOUSING**

Senate Bill 2133 proposes to require the inclusion of an unspecified minimum percentage of affordable housing units in State agencies' development and redevelopment plans along the rail transit corridor. The measure also proposes to allow the Office of Planning and Sustainable Development to make exceptions to the affordable housing requirement. **The Department of Land and Natural Resources (Department) offers the following comments on this measure.**

The Department is currently in the planning process for its East Kapolei Transit Oriented Development (TOD) project. The East Kapolei TOD Project consists of four parcels adjacent or in close proximity to the planned Keone'ae rail station in East Kapolei across from the University of Hawaii West Oahu campus. The Department's long-term objective is to lease the parcels for income generating purposes to support the Department's natural resource management and protection programs. The Department also recognizes the State's obligation to provide affordable housing to residents in need and notes that planned uses for the parcels include affordable rental housing units. Other proposed uses include transit oriented mixed uses including commercial, retail, hotel, and medical. Additionally, the Department intends to include light industrial uses for parcels located further away from the rail station. Beyond generating income to support its programs, the Department believes that the proposed project will be a critical economic, employment and residential component of the East Kapolei community.

While the development of affordable housing is a key component of the project, the Department notes that this will be rental housing. The Department does not sell lands, as it would result in diminishing the public land trust corpus. By its reference to "owner-occupants", the measure as currently drafted appears to limit the scope of its affordable housing requirement to exclude

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

rental housing. The Department does not support sales of public lands, even for affordable housing purposes, as it believes it to be inconsistent with its public trust obligations. In order to resolve this issue, the Department offers the following amendment:

(H) Approve all state agencies' development plans for parcels along the rail transit corridor[.]; provided that every development or redevelopment plan shall include rental housing units with at least ___ per cent reserved for residents who:

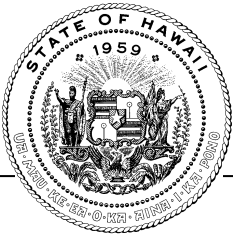
(i) Are residents of the State;

(ii) Are the ~~owner~~-occupants of the unit; and

(iii) Own no other property,

unless the office of planning and sustainable development determines that rental housing is not feasible or desirable on a particular property; provided further that this subparagraph shall not apply to the rail transit corridor located in Halawa.

Thank you for the opportunity to testify on this measure.



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

DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
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Statement of
MARY ALICE EVANS
Director, Office of Planning and Sustainable Development
before the
**SENATE COMMITTEE ON HOUSING
AND
SENATE COMMITTEE ON TRANSPORTATION**
Thursday, February 10, 2022
1:30 PM
State Capitol, Conference Room 225
in consideration of
SB 2193
RELATING TO HOUSING.

Chairs Chang and Lee, Vice Chairs Kanuha and Inouye, and Members of the Senate Committees on Housing and Transportation.

The Office of Planning and Sustainable Development (OPSD) offers the following comments on SB 2193. SB 2193 would specify a minimum percentage of affordable housing units in State agencies' development and redevelopment plans along the rail transit corridor, while allowing the OSPD to make exceptions to the affordable housing requirement.

OPSD supports measures that would promote the development of affordable housing. We note, however, that numerous affordable housing projects are planned and underway on State lands along the rail corridor as presented at the legislative briefing to the joint House and Senate Committees on Housing by OPSD, the Hawai'i Housing Finance and Development Corporation, and State and City representatives of the Hawai'i Interagency Council for Transit-Oriented Development. Once completed, these public and private projects are expected to produce approximately 47,100 new housing units, of which 25,700 will be affordable units.

Given these efforts, OPSD would prefer that lines 4 through 16 on page 12 of the bill be replaced with the following language:

“(H) Approve all state agencies’ development plans for parcels along the rail transit corridor [-]; provided that state agencies shall consult with the office of planning and sustainable development and the Hawaii housing finance and development corporation early in the formulation of agencies’ development plans to determine whether housing is appropriate on the parcels, and if determined to be appropriate, how the provision of affordable housing units could be maximized on the parcel or parcels.”

Thank you for the opportunity to testify on this measure.