

STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

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JOSH GREEN, M.D.

SYLVIA LUKE

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Statement of MARY ALICE EVANS, Interim Director

before the
HOUSE COMMITTEES ON HOUSING
AND
WATER AND LAND
AND
JUDICIARY AND HAWAIIAN AFFAIRS

Monday, April 1, 2024 2:00 PM State Capitol, Conference Room 325

in consideration of SENATE BILL NO SB 3202, SD2 RELATING TO URBAN DEVELOPMENT.

Chairs Evslin, Ichiyama, and Tarnas; Vice Chairs Aiu, Poepoe, and Takayama; and members of the House Committees on Housing, Water and Land, and Judiciary and Hawaiian Affairs:

The Office of Planning and Sustainable Development (OPSD) **supports** SB 3202, SD2. The current form of the Bill requires counties to allow the development of at least two additional dwelling units on residential lots within the State Urban District; prohibits private covenants for residential lots from including certain limitations or restrictions on residential units; allows the counties to adopt rules to define the development standards and infrastructure conditions to receive ministerial approval of applications for subdivision, consolidation, or re-subdivision of certain parcels within the State Urban District; and amends the calculation of impact fees for certain developments.

The SD2 achieves a balance between reducing the regulatory barriers that impede the creation of housing in areas with urban infrastructure and form, while maintaining county home rule authority. This Bill marks a crucial step towards minimizing development pressures affecting our agricultural lands and open space resources.

OPSD offers technical clarifying comments to further improve the measure. Page 3, line 10 does not allow counties to adopt, "[s]etback and design requirements more restrictive than the principal unit." Yet, page 2, line 19 allows counties to "[a]dopt by ordinance or rule additional design guidelines specifically for additional dwelling units..." OPSD recommends striking the paragraph beginning on page 3, line 10.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300 HONOLULU, HAWAII 96813

FAX: (808) 587-0600

Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING HOUSE COMMITTEE ON WATER & LAND AND

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Monday, April 01, 2024 at 2:00 p.m. State Capitol, Room 325

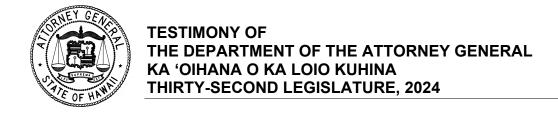
In consideration of S.B. 3202 SD2 RELATING TO URBAN DEVELOPMENT.

Chairs Evslin, Ichiyama, and Tarnas; Vice Chairs Aiu, Poepoe, and Takayama; and members of the Committees.

HHFDC <u>supports</u> SB 3202 SD2, which would: 1) allow for the development of a minimum of two additional dwelling units per residential lot in the State Urban Land Use District and prospectively prohibit the imposition of more restrictive private covenants in the same areas; 2) require that applications for subdivisions, consolidations, or resubdivisions of certain parcels with a minimum lot size of 2,000 square feet in the State Urban Land Use District be reviewed and acted upon by the director of the county agency responsible for land use; and 3) amend the calculation of impact fees for certain developments, among other things.

This measure promotes higher density, compact development, and the efficient use of the state's limited lands that are suitable for residential development. Promoting higher density development in urban areas aids in addressing the state's shortfall of housing units and reduces the pressure to convert agricultural and conservation lands into urban uses.

Thank you for the opportunity to testify on this bill.



ON THE FOLLOWING MEASURE:

S.B. NO. 3202, S.D. 2, RELATING TO URBAN DEVELOPMENT.

BEFORE THE:

HOUSE COMMITTEES ON HOUSING AND ON WATER AND LAND AND ON JUDICIARY AND HAWAIIAN AFFAIRS

DATE: Monday, April 1, 2024 **TIME:** 2:00 p.m.

LOCATION: State Capitol, Room 325 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General, or

Alison S. Kato or Bryan C. Yee, Deputy Attorneys General

Chairs Evslin, Ichiyama, and Tarnas and Members of the Committees:

The Department of the Attorney General provides the following technical comments on this bill.

This bill: (1) adds a new section to chapter 46, Hawaii Revised Statutes (HRS), to require the counties to allow at least two additional dwelling units per residential lot in the state urban land use district (section 1, page 1, line 2, through page 4, line 5); (2) adds a new section to chapter 205, HRS, to prohibit a private covenant for a residential lot within the state urban land use district that limits the number of residential units below the amount allowed under the proposed section 46- , HRS, or that restricts the long-term rental of residential units on the lots (section 2, page 4, lines 6-17); (3) amends 46-4, HRS, to require an application for subdivision, consolidation, or resubdivision of parcels within the state urban land use district to be reviewed and acted upon by the director of the county agency responsible for land use subject to certain provisos (section 3, page 4, line 19, through page 13, line 13); and (4) amends section 46-143, HRS, to amend the calculation of the impact fee for certain development (section 4, page 13, line 15, through page 16, line 7).

Starting at page 10, line 18, section 3, this bill adds a new subsection (g) to section 46-4, HRS, that is ambiguous as currently worded. The proposed section 46-4(g) can be interpreted in two ways: (1) all subdivision, consolidation, or resubdivision

applications within the state urban land use district are required to meet the conditions specified on page 11, line 3, through page 13, line 6; or (2) only subdivision, consolidation, or resubdivision applications within the state urban land use district that meet the conditions specified on page 11, line 3, through page 13, line 6, are required to be approved pursuant to the proposed section 46-4(g). The first interpretation may be unintended as it would have the effect of prohibiting any subdivision in the state urban land use district that does not result in residential lots. The second interpretation would instead create a separate subdivision process for only those applications that meet certain conditions, while leaving the current subdivision process unchanged for other applications.

To clarify this issue and to distinguish a proviso from the list of conditions, we recommend the following revisions to the proposed section 46-4(g) for clarification:

Revise page 10, line 21, through page 11, line 2, to read as follows:

... district as designated pursuant to section 205-2 for which the following conditions are true shall be reviewed and acted upon by the director of the county agency responsible for land use[; provided that]:

We further recommend moving the new condominium property regime prohibition in the proposed section 46-4(g)(4) on page 13, lines 1 to 3, to page 13, line 7, to read as follows:

provided that chapter 514B shall not apply to resulting parcels from the utilization of this subsection for the purposes of subdivisions; and provided further

Thank you for the opportunity to offer comments.



SB3202 SD2

RELATING TO URBAN DEVELOPMENT

House Committee on Housing
House Committee on Water & Land
House Committee on Judiciary & Hawaiian Affairs

April 1, 2024 2:00 p.m. Conference Room 325

The Office of Hawaiian Affairs (OHA) Administration will recommend to the Board of Trustees (BOT) that it provides **COMMENTS on SB3202 SD2**, which provides that for residentially zoned lots within an urban district each county shall allow for at least 2 additional dwelling units, establishes provisions by which a parcel zoned for residential use that is in the state urban land use district may or may not be prohibited from being subdivided, consolidated, or resubdivided, requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs and permits the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facility.

In 2020, the Office of Hawaiian Affairs developed a strategic plan that is rooted in three foundations: 'ohana (family), mo'omeheu (culture) and 'āina (land and water). From this foundation, our agency identified four strategic directions: education pathways, health outcomes, economic stability and quality housing. One of the reasons housing is identified as one of the four directions is because we understand how critical it is for Native Hawaiians to have access to housing to be able to live and thrive in our homeland. We look to make impacts on Hawaiians' who rent, increase the number of kānaka maoli who own and ensure our people can be part of communities that are safe, stable and encourage strong cultural and social networks. Thus, OHA has a vested interest in pursuing policies and investments that increase Native Hawaiians' access to housing stock as well as capital. Additionally, we look to advance policies that make multi-generational and community-connected housing desirable options.

OHA recognizes that SB3202 stems from a shared desire to increase housing stock and especially increasing housing that residents, especially Hawaiians, can afford. We also acknowledge and appreciate that the bill as its currently written provides greater



SB3202 SD2

RELATING TO URBAN DEVELOPMENT

House Committee on Housing
House Committee on Water & Land
House Committee on Judiciary & Hawaiian Affairs

latitude for accessory dwelling units, which could allow Native Hawaiian 'ohana the ability to expand housing options for family on their existing lands. We believe portions of this bill—especially those that reduce burdens for kānaka maoli to increase housing options for their 'ohana on their own land—have true promise.

OHA would like to express our concerns though for the ways in which Part II of the current draft may further alienate land from Native Hawaiian families. We understand the intent is to make it easier to build and thus buy smaller homes, known as "starter homes." However, over the centuries that Hawaiians have called Hawai'i home, we have seen the ways in which efforts like this lead to the dispossession rather than acquisition of land for Native Hawaiians. One need look no further than the Māhele—an innovative policy that Kamehameha III pursued to maintain Hawaiian ownership and control of lands—to see how it eventually led to the dispossession of large tracts of lands that kānaka maoli called home.

We recognize much has changed since the mid-19th century. However, we have serious concerns that allowing greater subdivision absent direct capital and equity assistance for Native Hawaiians could result in lands being further alienated from kānaka maoli ownership. If landowners are allowed to further subdivide and sell "starter homes," it may be within reach for those moving to Hawai'i but would likely remain out of reach for Native Hawaiian families, especially on O'ahu. With the current median single-family home price on O'ahu sitting at just over \$1 million, OHA is concerned that even small homes will sell for near-market price. As our strategic plan acknowledges, we must reckon with the simple truth that most kānaka maoli do not have access to the financial capital needed to purchase homes at the current market rate. We strongly believe that policy options like "starter homes" proposed in this bill must be coupled with direct access for Native Hawaiians to financial capital to have the positive impact intended.

Mahalo for the opportunity to provide comments on this bill and the important topic of housing for Native Hawaiians.



HAWAII KAI NEIGHBORHOOD BOARD NO. 1

March 5, 2024

ROBERTA MAYOR

Sub district #10 Chairperson

ELIZABETH REILLY

At-Large Vice Chairperson

HOLLY LYONS

Sub district #2 Secretary

CHELSEA CHAE

At-Large

GREG KNUDSEN

At-Large

STACEY MARTIN

At-Large

ILSE SILVA-KROTT

Sub district #1

Vacant

Sub district #3

SAMUEL WOLFF

Sub district #4

ELIJAH LEE

Sub district #5

HERB SCHREINER

Sub district #6

KIM HOLLANDSWORTH

Sub district #7

Vacant

Sub district #8

Vacant

Sub district #9

PAIGE ALTONN

Sub district #11

Hawaii Kai Neighborhood Board #1

c/o Neighborhood Commission Office 925 Dillingham Blvd., #160 Honolulu, Hawaii 96817 Phone: (808) 768-3710 Fax: (808) 768-3711 www.honolulu.gov/nco

The Board meets the last Tuesday of every month except Dec., 7 pm, Haha'ione Elementary School cafeteria. The public is welcome to attend.

TESTIMONY SUBMITTED IN OPPOSITION TO SB 3202 AND HB 1630

At its regular scheduled meeting of February 27, 2024, the Hawaii Kai Neighborhood Board No. 1 voted unanimously to oppose SB 3202 and HB1630 and offer these comments in opposition.

- 1. The affordable housing crises should not be used as an excuse to replace those laws that protect the quality of life in our community.
- 2. Green space is essential to the fabric of our neighborhoods and the density of multiple units on single lots would change the character of our community.
- 3. The legislation would allow residential lots to be subdivided into lots as small as 2,000 square feet and allow for three houses on each lot, and would allow the construction of 15 houses on a 10,000 square foot lot that currently has only one home on it.
- 4. The legislation proposes to override county authority in determining where density should increase.
- 5. The current community infrastructure will be unable to support the increase in density of homes and population.

The Hawaii Kai Neighborhood Board strongly opposes SB 3202 and HB 1630 and any proposed legislation that would allow for the development of three or more dwelling units on a single residential lot, the subdivision of lots to 2,000 square feet, and any proposal to undermine the county's authority to determine where density should occur.

Mahalo for your kind consideration of our testimony and concerns.

Roberta Mayor, Chairperson

Hawaii Kai Neighborhood Board #1

Cc via Email: Governor Josh Green Mayor Rick Blangiardi

City Council Chair Tommy Waters and City Council Members

Hawaii Kai Neighborhood Board Members

Oahu's Neighborhood Board System - Established 1973

COUNTY COUNCIL

Mel Rapozo, Chair KipuKai Kuali'i, Vice Chair Addison Bulosan Bernard P. Carvalho, Jr. Felicia Cowden Bill DeCosta Ross Kagawa



Council Services Division 4396 Rice Street, Suite 209 Līhu'e, Kaua'i, Hawai'i 96766

March 25, 2024

inu e, Kaua i, Hawai i 9

OFFICE OF THE COUNTY CLERK

Jade K. Fountain-Tanigawa, County Clerk Lyndon M. Yoshioka, Deputy County Clerk

> Telephone: (808) 241-4188 Facsimile: (808) 241-6349 Email: cokcouncil@kauai.gov

TESTIMONY OF ADDISON BULOSAN COUNCILMEMBER, KAUA'I COUNTY COUNCIL ON

SB 3202, SD 2, RELATING TO URBAN DEVELOPMENT
House Committee on Housing
House Committee on Water & Land
House Committee on Judiciary & Hawaiian Affairs
Monday, April 1, 2024
2:00 p.m.
Conference Room 325

Via Videoconference

Dear Chair Evslin, Chair Ichiyama, Chair Tarnas, and Members of the Committees:

Thank you for this opportunity to provide testimony in SUPPORT of SB 3202, SD 2, Relating to Urban Development. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council.

I wholeheartedly support the intent of SB 3202, SD 2, which would greatly affect the Kaua'i community.

Thank you again for this opportunity to provide testimony in support of SB 3202, SD 2. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

ADDISON BULOSAN

Councilmember, Kaua'i County Council

AAO:mn



ESTHER KIA'ĀINA VICE CHAIR HOPE LUNA HO'OMALU HONOLULU CITY COUNCIL DISTRICT III TELEPHONE: (808) 768-5003 FAX: (808) 768-1223

EMAIL: ekiaaina@honolulu.gov

March 25, 2024

Dear Chairs Evslin, Ichiyama, and Tarnas; Vice Chairs Aiu, Poepoe, and Takayama; and members of House Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs:

I strongly oppose **SB3202 SD2**, which in its current form would mandate increased density for residentially zoned lots within the State Land Use Urban District by creating a right to three dwelling units per zoning lot and a minimum zoning lot size of 2,000 square feet. My colleagues at the Honolulu City Council agree, and passed Resolution 24-65 CD1, on March 25, 2024, expressing opposition to SB3202 SD2 and HB1630 HD1.

As a Native Hawaiian I wholeheartedly support more affordable housing for our Oʻahu ʻohana so they can continue to live, work, and play here at home, however, SB3202 SD2 does not do that.

Instead, the bill is confusing, it is not clear exactly how it would work, and I worry that the bill could instead increase already problematic speculation by outside investors. Some of the most serious concerns I have with the bill are listed below.

- The bill's applicability in the urban district could be misunderstood. In the City and County of Honolulu, "urban Honolulu" typically refers to the Primary Urban Center Development Plan area, which has the highest density, and where the most intense development is already directed. While the bill's intended reference is the State Land Use Urban District, which includes lands across the entire island of O'ahu, including lands across Ko'olaupoko and Ko'olauloa, much more rural areas, this reference to State land use designations, while at the same time trying to regulate density at the county level, is confusing and could be misleading.
- The bill upends and undermines the comprehensive zoning requirements in HRS § 46-4 and HRS Chapter 205, which require the counties to apply zoning according to a comprehensive plan, and which the City has put in place through adoption of its General Plan, Development Plan, and Sustainable Communities Plans. These plans guide areas to be developed and the intensity of that development, but the bill turns this comprehensive zoning scheme upside down, with the zoning process driving the planning process, instead of the other way around.

- The bill creates conflicts and inconsistencies with the City's Land Use Ordinance, which among other things establishes five residential zoning districts (R-20, R-10, R-7.5, R-5, and R-3.5). These residential zoning districts are intended to provide for different standards of living through a planned mix of zoning lot sizes, density allowances, and number of dwelling units. By having the bill apply evenly across the various residential zoning districts, it disregards the City's carefully laid out plans for our residential communities, potentially eliminates important buffers between residential and other zoning districts, and renders all of the City's residential zoning districts moot.
- The bill could fundamentally and significantly alter the character of our neighborhoods and communities. For example, allowing three dwelling units per zoning lot, together with the possibility of subdividing zoning lots into a minimum 2,000 square feet in size, could result in a 10,000 square foot zoning lot being subdivided into five zoning lots of 2,000 square feet each, with three dwelling units per zoning lot, resulting in 15 dwelling units within a 10,000 square foot area. This type of density would look more like an apartment district than a residential district, with a severe lack of open space, and may encourage the construction of monster homes.
- The bill noticeably lacks provisions to ensure the affordability of the additional dwelling units and markedly prohibits owner-occupancy requirements, which investors may take advantage of by exploiting the ability to take one dwelling unit, turn it into three dwelling units, and sell each unit at prices that are out of reach of many of our residents. Not to mention potential increased real property tax valuations and housing costs due to the increased development potential the bill would create. The creation of small dwelling units, primarily studio and one-bedroom units in areas set aside for larger family homes could make homes for families more scarce and expensive.
- The bill would put the cart before the horse and attempt to do things in the wrong order by mandating increased density and additional structures before addressing the inadequacy of infrastructure, which is already burdened and stressed in many areas on O'ahu. These basic support structures include roadways and traffic conditions, lack of off-street parking, sewer, water, parks and recreational space, and lack of first-responder resources. The bill may also give rise to false expectations if housing development is stymied by the lack of adequate infrastructure.
- The bill contains numerous ambiguous provisions and undefined terms that may be subject to different interpretations, result in unintended outcomes, and potentially subject the City to costly legal challenges. Taxpayer dollars could be much better spent on providing critical government services to our residents.

• The bill ignores the City's recent deliberate and strategic efforts and policies to address the shortage of affordable housing on O'ahu, including provisions in Bill 64 (2023), which is being considered by the Council and relates to land use regulations, to allow for residential uses in the business zoning districts, and to allow both an accessory dwelling unit and an ohana unit in the residential zoning districts. Instead, the bill takes a mandated approach that was never a part of the City's comprehensive zoning scheme, which the City has carefully and thoughtfully put in place as required by statute.

While I believe it is all of our kuleana to address the affordable housing crisis that is affecting so many of our residents, and that the State and the counties must work together to come up with a solution, the top-down approach of SB3202 SD2, without regard to the existing land use regulations of the counties, could instead be harmful to county efforts, and would not achieve the desired outcome of helping local families in most need of affordable housing. I strongly urge that SB3202 SD2 be held in committee, or if the committee insists on moving the bill forward, that it be amended to exempt the City and County of Honolulu from the bill's applicability.



KAILUA NEIGHBORHOOD BOARD NO. 31

WILLIAM M. HICKS, CHAIRMAN • 923 AKUMU STREET • KAILUA, HAWAII, 96734-4004 PHONE (808) 230-2293 (home) (808) 452-2761 (cell) • E-MAIL billhicksknb@gmail.com

March 25, 2024

https://www.capitol.hawaii.gov/account/submittestimony.aspx

Subject: Kailua Neighborhood Board Testimony Opposed to SB 3202 Relating to Urban Development

Aloha Committee on Housing Chair Evslin, Committee on Water and Land Chair Ichiyama, and Committee on Judiciary and Hawaiian Affairs Chair Tarnas,

At the Kailua Neighborhood Board meeting on March 7, 2024 the following resolution was adopted:

The Kailua Neighborhood Board opposes Senate Bill 3202 and House Bill 1630 which require the counties to allow the development of a minimum of 3 housing units per existing residential lot.

The basis for our strong opposition includes:

- (1) Zoning and land use determinations for residential lots are inherently a local function that should not be mandated from the state level since neighborhood composition is better understood at the county level. Hawaii Revised Statute (HRS) 46-4 regarding County Zoning states that "Zoning in all counties shall be accomplished within the framework of a long-range, comprehensive general plan prepared or being prepared to guide the overall future development of the county. Zoning shall be one of the tools available to the county to put the general plan into effect in an orderly manner." SB 3202 and HB 1630 take away the counties' ability to comprehensively plan for each county and the public's ability to participate in the planning process by dictating that a minimum of 3 housing units be allowed per existing residential lot.
- (2) These bills would eliminate the counties' ability to comprehensively plan for the health, safety, and welfare of its residents because, if passed, these bills would mandate 3 or more housing units on residential lots as small as 2,000 sq. ft. or less, which would further stress sewer capacity, street capacity, parking availability, pedestrian walkways, and bike lanes. These bills furthermore allow for subdividing residential lots with each resulting small subdivided lot also entitled to 3 housing units. Increased density in an unplanned fashion means less green space and more impermeable surfaces which increase storm water runoff. Increased density also creates more traffic congestion on neighborhood streets.
- (3) A typical Kailua neighborhood is zoned R-5 with one single family home and perhaps one accessory dwelling unit on lots that have at least 5,000 square feet. As written, these bills would require the county to permit a 6,000 square feet lot to have 3 residential units. Furthermore, that 6,000 square feet lot could be subdivided into 3 separate lots, each of which could have 3 residential units. If a developer purchased the house on either side of your house, and applied the maximum density allowed by these bills, your single house, that currently has one house on either side, could be transformed to your single house with 9 individual housing units to the left and another 9 individual housing units to the right. Presumably each of the 18 housing units next door to your house would be 2 stories high to maximize the utilization of their small lots. Replacing 2 neighboring houses with 18 individual neighboring housing units suggests an even greater density than "monster houses" and would decimate green space. Allowing such a drastic increase in housing density would be out of character with the surrounding neighborhood. Local ordinances serve a public purpose and should not be allowed to be so radically overridden.
- (4) The stated reason for HB 1630 is that more houses are needed. Yet, the Honolulu Department of Planning and Permitting 2021 annual report (page 23, Table II-2) shows that, without taking the radical action of these bills, the "remaining housing unit capacity" on Oahu is 80,225 based upon "the quantity of housing projects committed or proposed". Furthermore, there are between 10,000 and 14,000 illegal short-term vacation rental units on Oahu which, if returned to residential use as has been urged by the Kailua Neighborhood Board, would provide substantially more housing for Oahu residents. Finally, HB 1630 cites that over the last five years Hawaii has already added 27,000 homes to the housing inventory; it should be noted that Hawaii's population has actually decreased by over 16,000 between 2020 and

2023, so increasing housing inventory when combined with decreasing population is already starting to help the housing shortage problem without resorting to the radical measures contained in these bills. There are many other constructive initiatives at both the state and county level that support the goal of more housing, and in particular more affordable housing, without creating the particular harm to established neighborhoods that these bills would cause.

(5) These bills mention urban districts established by Chapter 205. It should be noted that Chapter 205 says all lands shall be classified as urban, rural, agricultural, or conservation and provides a definition of rural as "low density residential lots of not more than one dwelling house per one-half acre". This means virtually all residential lots in Kailua are classified as "urban" and would fall under the jurisdiction of these bills.

We further note that the recently enacted Honolulu City Council Resolution 24-65 substantially aligns with our concerns about SB 3202 and HB 1630 and in fact opposes SB 3202 and HB 1630. Should either of these bills be enacted, Resolution 24-65 specifically requests that the City and County of Honolulu be exempt from each bill's applicability.

Mahalo!

Aloha,

William M. Hicks

William M. Hicks Chairman, Kailua Neighborhood Board

Copy to:

Senator Jarrett Keohokalole (SD 24) senator Chris Lee (SD 25) senlee@capitol.hawaii.gov
Representative Scot Matayoshi (HD 49) repmatayoshi@capitol.hawaii.gov
Representative Natalia Hussey-Burdick (HD 50) repmarten@capitol.hawaii.gov
Representative Lisa Marten (HD 51) repmarten@capitol.hawaii.gov
Councilmember Esther Kia'aina ekiaaina@honolulu.gov



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 202
HONOLULU, HAWAII 96813-3065
TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

Councilmember District 5 Telephone: (808) 768-5005 Email: ckysay@honolulu.gov

The Honorable Luke A. Evslin, Chair and Members of the Committee on Housing Hawaii State House of Representatives Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Evslin and Committee Members:

Subject Senate Bill 3202 – RELATING TO URBAN DEVELOPMENT

I am writing to express my **strong opposition** to **Senate Bill 3202 SD2**, which proposes significant amendments to Chapter 46 of the Hawaii Revised Statutes regarding additional dwelling units in urban districts. While I acknowledge the importance of addressing Hawaii's housing affordability crisis, I believe this bill fails to adequately consider the unique challenges faced by communities in Honolulu City Council's District 5.

District 5 comprises many neighborhoods with limited and aging infrastructure, including Manoa, where ingress and egress roads are already strained beyond capacity. Implementing the proposed measures to allow additional dwelling units without sufficient consideration for existing infrastructure limitations will exacerbate traffic congestion and safety concerns in these communities. Additionally, the bill fails to address the strain on emergency services and infrastructure in District 5 caused by the increasing density of high-rise developments. Affordable high rises are being approved through the State's 201H process and are quickly and disproportionately affecting communities in District 5. Adding more housing units without addressing the existing strain on resources will only compound the challenges faced by residents and strain the capacity of our essential public services further.

Moreover, many of the neighborhoods in District 5 are characterized by historic homes, which contribute to the cultural and architectural heritage of our state. Allowing unrestricted development of additional dwelling units without appropriate safeguards could jeopardize the preservation of these historic properties and the unique character of our communities.

While I understand the need for measures to increase affordable housing, I am concerned that the bill's focus on "missing middle housing" may not adequately address the needs of low-income and vulnerable populations in our communities. Without robust provisions to ensure affordability and accessibility, the proposed amendments may inadvertently exacerbate housing inequality and displacement.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
5 3 0 SOUTH KING STREET, ROOM 2 0 2
HONOLULU, HAWAII 9 6 8 1 3 - 3 0 6 5
TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

I support efforts to address Hawaii's housing crisis, however I urge the committee to reconsider the provisions of **SB3202** in light of the unique challenges faced by communities throughout O'ahu. Any measures to increase housing supply must be accompanied by thoughtful planning, infrastructure investment, and safeguards to protect our neighborhoods' character and the well-being of our residents.

Calvin K.Y. Say

District 5,

Honolulu City Council

Mitchell D. Roth *Mayor*

Deanna S. Sako *Managing Director*

West Hawai'i Office 74-5044 Ane Keohokālole Hwy Kailua-Kona, Hawai'i 96740 Phone (808) 323-4770 Fax (808) 327-3563



Zendo Kern Director

Jeffrey W. Darrow Deputy Director

East Hawai'i Office 101 Pauahi Street, Suite 3 Hilo, Hawai'i 96720 Phone (808) 961-8288 Fax (808) 961-8742

March 28, 2024

Testimony of
Zendo Kern
Director, County of Hawai'i, Department of Planning
before the

HOUSE COMMITTEE ON HOUSING & COMMITTEE ON WATER AND LAND & COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Monday, April 1, 2024
10:00 a.m.
State Capitol, Conference Room 325
In consideration of
SENATE BILL NO. 3202, SD 2
RELATING TO URBAN DEVELOPMENT

Chair Evslin, Vice Chair Aiu, and Members of the House Committee on Housing.

Chair Ichiyama, Vice Chair Poepoe and Members of the House Committee on Water and Land.

Chair Tarnas, Vice Chair Takayama and Members of the House Committee on Judidicary & Hawaiian Affairs.

The County of Hawai'i Planning Department **strongly supports** SB 3202 SD 2, which will allow for the development of a minimum two additional dwelling units per lot in the state urban land use district, shall not prohibit a parcel from being subdivided, consolidated, or resubdivided under certain conditions, and requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs.

The goals of SB 3202 seek to enhance the zoning entitlement process which is often seen as a major obstacle in the development of housing. We commend the Legislature for considering new ways to help address the state housing crisis and the County of Hawai'i Planning Department urges the committee to support the intent of SB 3202.

Thank you for the opportunity to testify on this measure.

DEPARTMENT OF PLANNING AND PERMITTING KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-8000 • FAX: (808) 768-6041 • WEB: honolulu.gov/dpp

RICK BLANGIARDI MAYOR



DAWN TAKEUCHI APUNA DIRECTOR PO'O

JIRO A. SUMADA DEPUTY DIRECTOR HOPE PO'O

April 1, 2024

The Honorable Luke Evslin, Chair and Members of the Committee on Housing The Honorable Linda Ichiyama, Chair and Members of the Committee on Water & Land The Honorable David A. Tarnas, Chair and Members of the Committee on Judiciary and Hawaiian Affairs
Hawai'i House of Representatives
Hawai'i State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Subject: Senate Bill No. 3202, SD 2
Relating to Urban Development

Dear Chair Evslin and Committee Members:

The Department of Planning and Permitting (DPP) offers comments on Senate Bill No. 3202, SD 2, which would provide that for residentially zoned lots within an urban district, each county shall allow for at least 2 additional dwelling units. This Bill would also: establish provisions by which a parcel zoned for residential use that is in the state urban land use district may or may not be prohibited from being subdivided; consolidated, or resubdivided; require the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs; and permit the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facility.

We support the intent of the legislation, which is aimed at increasing the supply of housing and appreciate the boldness of this measure to create major changes to produce housing. The DPP is tasked with ensuring orderly development and liveable communities, while balancing the need to effectively address the housing crisis. We ask that you consider the following in light of DPP's duties:

- 1. Each county is unique and has varying levels of density, open space, infrastructure and land use challenges. Counties should be allowed to enforce zoning, development standards and infrastructure requirements for subdivision and building permit approvals. In addition, development standards should be enforceable whether they are adopted by ordinance or administrative rule.
- 2. The term "residential lot" should be defined or clarified. We understand "residential lots" to refer to lots that are zoned "residential" and set aside primarily for one and two family dwellings. However, other county zoning districts such as Oahu's country and AG-2 districts allow for residential uses. We seek to clarify that lots in these county zoning districts are not "residential lots" for the purposes of this legislation, even if they are located in the State urban district.
- 3. Counties should be allowed to enforce minimum lot sizes established pursuant to their zoning ordinances and comprehensive planning documents (e.g., county general and community development plans). In addition, no more than three total dwellings should be required on each zoning lot approved by a county.
- 4. Counties should be allowed, but not required, to hold hearings on proposed subdivisions of land.
- 5. Counties should be allowed to amortize rather than merely prohibit short-term rentals.
- 6. Counties must be allowed to enforce requirements arising directly under HRS chapter 205A, in addition to requirements arising under rules that are adopted pursuant to HRS chapter 205A itself.

We look forward to working with the Legislature to further develop this Bill. Thank you for the opportunity to testify.

Very truly yours,

Dawn Takeuchi Apuna

Director

APPROVED:

Michael D. Formby Managing Director



MĀNOA NEIGHBORHOOD BOARD NO. 7

C/o NEIGHBORHOOD COMMISSION • 925 DILLINGHAM BOULEVARD, SUITE 160 • HONOLULU, HAWAII, 96817 PHONE (808) 768-3710 • FAX (808) 768-3711 • INTERNET http:///www.honolulu.gov/nco

RESOLUTION OPPOSING SENATE BILL 3202 AND HOUSE BILL 1630

Mānoa Neighborhood Board No.7 March 6, 2024

WHEREAS members of the Mānoa community have long raised concerns about the impacts that Highdensity housing has had, and continues to have, on their community; and

WHEREAS High-density housing has proliferated in our older working-class neighborhoods like Mānoa, Kaimukī, Kalihi, Kapahulu and Pālolo because of the density allowed on R-3.5 and R-5 zoning lots; and

WHEREAS High-density housing often features concrete, pin to pin, which heats up our neighborhoods, starves our aquifers, increases flooding, and destroys our natural beauty; and

WHEREAS High-density housing is devoid of green space that is characteristic of our older neighborhoods; and

WHEREAS High-density housing exacerbates parking problems and traffic congestion, particularly in older neighborhoods with narrow roadways and non-existent sidewalks; and

WHEREAS High-density housing increases neighborhood density, noise, and runoff; and

WHEREAS proponents of high-density housing continue to push for legislation, such as SB3202 (2024) and HB1630 (2024), which allow for the construction of high-density housing that adversely impact communities, and the development of three or more homes per 1,200 or 2,000 square foot lot in our neighborhoods and for the subdivision of parcels with a minimum lot size of 1,200 or 2,000 square feet in the state urban land use district; and

WHEREAS Mānoa Neighborhood Board No. 7 opposes the concept of increasing density in mature established neighborhoods where the infrastructure cannot be reasonably adapted to increase the population.

BE IT RESOLVED Mānoa Neighborhood Board No. 7 opposes legislation or policies that would allow for the development of three or more dwelling units on residential lots 3,500 square feet or less and the subdivision of lots to 3,500 square feet or less on any lot for residential in Mānoa including SB 3202 and HB 1630; and

BE IT FURTHER RESOLVED that copies of this Resolution be sent to the following government officials: the Governor of the State of Hawai'i, each member of the Hawai'i State Legislature, the Mayor of the City and County of Honolulu, Honolulu City Councilmembers, the Director of the Department of Planning and Permitting, and the Chairs in the O'ahu Neighborhood Board system.

This resolution was adopted on March 6, 2024 by a vote of 10-0-0; (AYE Robert Zane, Ellen Watson, Whitney Bosel, Dave Nagaji, Elton Fukumoto, Clyde Lewman, Phil Lee, Diane Chong, Christopher Moylan, and Robert Fox; NAY: None; ABSTAIN: None).

Submitted By:
Robert Zane, Board Chair

DEPARTMENT OF PLANNING

KA'ĀINA HULL, DIRECTOR JODI A. HIGUCHI SAYEGUSA, DEPUTY DIRECTOR



Testimony of Ka'āina Hull

Planning Director, Planning Department, County of Kaua'i

Before the

House Committee on Housing, House Committee on Water and Land, and House Committee on Judiciary & Hawaiian Affairs

In consideration of Senate Bill 3202 Relating to Housing

Dear Chair Evslin, Chair Ichiyama, Chair Tarnas, and Members of the Committees:

The County of Kaua'i Planning Department strongly **SUPPORTS** SB 3202, recognizing that zoning reform is one of several solutions needed to help mitigate the State's housing crisis. We acknowledge the Legislature's findings on the imbalance between housing costs and median household income, resulting in heightened vulnerability for local families and detrimental impacts to our broader community. The proposed amendments to Chapter 46, Hawaii Revised Statutes, align with the need to promote efficient urbanization, reduce housing costs, and limit urban sprawl, all while still maintaining County home rule.

Under the administration of Mayor Derek K. Kawakami, the County of Kaua'i has proactively implemented zoning reform to stimulate multi-family and infill housing development, consistent with the County's General Plan. This includes increased density allowances in the Lihue Town Core; incentivizing additional dwelling units; allowing additional rental units; and providing site design flexibility through reduced setback and lot coverage requirements. These efforts are in harmony with the goals of SB 3202 and seek to enhance the housing inventory through affordable housing options.

While the County has made progress in this regard, the specific provisions of SB 3202, such as allowing a two additional dwelling units per lot in the state urban land use district, approving subdivisions with smaller lot sizes, and amending impact fee calculations, will help advance zoning reform statewide. The proposal's policy still authorizes Counties to adopt associated regulations that preserve our home rule authority, specifically citing infrastructure, hazard zones, and coastal development areas where Counties should consider further restrictions on development capacity.

Additionally, Counties will still maintain the authority to establish lot coverage standards, setbacks, height envelopes, and other design standards. With these tools, the zoning ability to have up to two additional rental units per residential lot will not drastically alter the character of our neighborhoods. These proposed amendments will provide flexibility in land use regulations while upholding the principles of the Hawaii State Planning Act.

The County of Kaua'i Planning Department urges the committee to support the advancement of SB 3202 and move forward the solutions required to effectively address Hawaii's housing crisis.

Sincerely,

Ka'āina Hull

Planning Director, County of Kaua'i

RICHARD T. BISSEN, JR.

Mayor

JOSIAH K. NISHITA

Managing Director





OFFICE OF THE MAYOR

COUNTY OF MAUI 200 SOUTH HIGH STREET WAILUKU, MAUI, HAWAI'I 96793

www.mauicounty.gov

TO: Representative Luke A. Evslin, Chair

Representative Micah P.K. Aiu, Vice Chair

Committee on Housing

Representative Linda Ichiyama, Chair Representative Mahina Poepoe, Vice Chair

Committee on Water and Land

Representative David A. Tarnas, Chair

Representative Gregg Takayama, Vice Chair Committee on Judiciary & Hawaiian Affairs

FROM: Richard T. Bissen, Jr., Mayor

Kate L.K. Blystone, Planning Director

DATE: March 25, 2024

SUBJECT: SUPPORT OF SB3202 SD2, RELATING TO URBAN DEVELOPMENT

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The Act prohibits a county zoning ordinance from not allowing two additional dwelling units, which shall be considered accessory to any dwelling unit or residential unit duly permitted by ordinance within a residentially zoned lot, with specific provisions. It also provides for approval of residential subdivisions of parcels with a minimum lot size of 2,000 square feet with specific provisions.

We **SUPPORT** this measure for the following reasons:

We acknowledge the inequality in housing opportunities for so many households statewide and the effects of those housing inequities on a household's vulnerability to stress, mental health problems and increase risk of disease. Importantly, the proposed Bill will create housing Committee on Housing Committee on Water and Land Committee on Judiciary & Hawaiian Affairs March 25, 2024 Page two

opportunities for those residents that are critical to the economy and community whom cannot afford the high cost of currently available market-rate housing.

We also appreciate the proposal's policy to still authorize counties to adopt associated regulations that preserve our home rule authority. Specifically, the proposed policy cites a county's ability to consider infrastructure availability, hazard zones and special management areas where counties should consider further restrictions on development capacity. Additionally, we appreciate that counties will still maintain the authority to establish lot coverage standards, setbacks, height envelopes, and other design standards provided that they are no more restrictive than those for the lot's principal unit.

Finally, as you are aware the County of Maui has experienced significant loss as a result of the wildfires in August 2023. As property owners begin the process of re-building, this legislation will help in providing additional housing opportunities through increased density that will support many of those affected.

For the foregoing reasons, we **SUPPORT** this measure.

HEATHER L. KIMBALL COUNCIL CHAIR

Council District 1 (North Hilo, Hāmākua, and portion of Waimea)



Phone: (808) 961-8828 Fax: (808) 961-8912

Email: Heather.Kimball@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

25 Aupuni Street, Ste. 1402. Hilo, Hawai'i 96720

March 27, 2024

House Committee on Housing Honorable Representative Luke A. Evslin, Chair

House Committee on Water and Land Honorable Representative Linda Ichiyama, Chair

House Committee on Judiciary and Hawaiian Affairs Honorable Representative David A. Tarnas, Chair Submission via online testimony only

RE: Support of SB 3202, SD2 with comments

Dear Chair Evslin, Chair Ichiyama, Chair Tarnas, and Members of the Committee on Housing, the Committee on Water and Land, and the Committee on Judiciary and Hawaiian Affairs:

As the Chair of the Hawai'i County Council, I thank you for the opportunity to submit **testimony in** SUPPORT of SB 3202, SD2 with comments relating to urban development. Increasing allowable density in urban areas with existing infrastructure has a number of benefits both to the County and to the community. In creasing density in already urbanized areas prevents sprawl which is costly for both the county and homeowners. Increasing density in already developed areas keeps people closer to the areas where they work, go to school and recreate.

I support the 2 ADU unit per lot by right proposal in SB 3202, though I suggest that there be a requirement of owner occupancy at the time of permitting. I also support restricting the ability of HOAs to prohibit ADUs and the removal of impact fees ties to ADU development. I would suggest that the 2000 sq ft. Lot size as the minimum lots size for subdivisions is too small for this initial proposal and should be increased to 5000 sq ft.

Thank you for the opportunity to submit this testimony. If you would like to discuss my knowledge of this matter further, please do not hesitate to contact me directly.

Sincerely, Hugher Kilall



TOMMY WATERS
CHAIR & PRESIDING OFFICER
LUNA HO'OMALU
HONOLULU CITY COUNCIL
DISTRICT IV

TELEPHONE: (808) 768-5004 FAX: (808) 768-1220 EMAIL: tommy.waters@honolulu.gov

The Honorable Luke Evslin, Chair and Members of the House Committee on Housing Hawaii State House Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Evslin and Committee Members:

Subject Senate Bill 3202 – RELATING TO URBAN DEVELOPMENT

I wish to submit **COMMENTS** on SB3202 SD2. The concept of County homerule with regards to planning and development recognizes the importance of each County being able to preserve and protect the unique qualities and values of their residents. As such, any effort to diminish the long standing powers of the counties must be carefully considered and even then approached in the narrowest way possible. This bill seeks to impose a one size fits all mandate on all counties, even those, like Honolulu that are already seeking to address the affordable housing shortage in a well-planned manner that takes into account the desire of its residents.

SB3202, in all of its iterations thus far, has raised substantial concerns in a number of the communities that I represent. Many across Oahu, worry this bill would forever change the look of our island home, invalidate the - statutorily mandated - general, development, and sustainable community plans that have been thoughtfully constructed with public input over decades, and negatively impact our ability to combat the increasing prevalence of monster homes across our city. I also have general concerns with this top-down, one size fits all approach, as I firmly believe that the county councils are far better positioned to work with our individual communities and assess each of their unique situations on a case-by-case basis. As currently drafted this measure would hinder our ability to make informed and reasonable decisions as it relates to zoning and development.

I have a number of primary concerns with this current draft, and they are as follows:

- 1. The ambiguity of much of the language will create an assumption of development and use rights that will tie up all of the counties, particularly Honolulu, in unnecessary litigation for years into the future, entirely at the cost to our taxpayers
- 2. This measure will only exacerbate our existing out-of-state investor and speculation issues State law currently prevents the counties from taking away development or use rights that have already been granted to a property owner, so should the state realize its mistake after the fact, the damage will be irreversible.
- 3. With a concerning lack of regard for existing general, development, and sustainable communities plans, the measure would leave infrastructure availability as the sole determinant of allowable neighborhood density
- 4. By disregarding long-term development plans that have been constructed over decades with substantial community input, it would leave our communities with no legitimate recourse or

- opportunity moving forward to present their concerns regarding over-development in their neighborhoods
- 5. The use of the term "Urban" throughout the measures is particularly misleading in that many would assume that the extreme density proposed in this measure would be confined to the urban/city areas of Honolulu, but the legal application of "Urban" in this context would be to most if not all of the residential areas on Oahu (Pacific Palisades, Makakilo, Salt Lake, Halawa, Laie, Pupukea, Wahiawa, Kahalu`u, Kanehohe, Kailua, Hawaii Kai, Aina Haina, and Kahala etc.)
- 6. The measure does not adequately account for the differences in terminology used across the various counties. Honolulu is particularly concerned with the ramifications of eroding the city's definition and application of "accessory units"
- 7. The mandates established by this meausure disempower the counties from being able to address abusive practices of overdevelopment of individual lots and the proliferation of monster homes; and
- 8. This measure fails to even attempt to mandate affordability of homes that is included its stated purpose

While I truly believe that this measure is well intentioned and seeks to create more affordable housing, as currently drafted this measure could cause irreparable damage to a number of our communities here on Oahu. Having said that, I do believe that there is a path forward that would draw more universal support from the counties, and the communities that we represent. To that end, I have attached a Proposed HD1 that seeks to address some of the more significant issues that I see with the current draft of the measure. The general summary and rationale of the amendments are as follows:

- 1. Clarifying amendments that additional units are accessory to the primary residential unit
 - a. Rationale: This would minimize impacts to existing zoning and planning efforts in all counties
- 2. Clarifying amendments that the measure would enable a total of three residential units per lot, not 2 additional units to what is already allowed
 - a. Rationale: This is largely a clarification of what already appears to be the intent of the current draft
- 3. Various amendments to ensure a county's continued control over the design and use guidelines related to accessory dwellings on an individual lot
 - Rationale: General Law typically has issues in accounting for all scenarios. Continuing to vest basic controls at the county level ensures that we can act accordingly as the need arises
- 4. Inclusion of language to allow each county to define "infrastructure"
 - a. Rationale: This would allow for more appropriate and comprehensive planning of neighborhoods and communities and ensure that a neighborhood can adequately absorb any additional residential units as well as helping to guide future infrastructure investment. We are particularly interested in ensuring that road, parking, traffic, fire, and police capacity are accounted for in future developments
- 5. A more significant re-write of the subdivision section of the measure to remove the 2,000 ft² minimum, continuing to vest the control of lot size requirements with the counties for the purposes of zoning and development plans, all while maintaining a more consistent approval process state-wide as it relates to subdivision review and approvals
 - a. Rationale: Honolulu's most significant concern with the measure centers on the 2,000 ft² mandate across the entire state, which effectively invalidates all of the County's existing development plans. With that said, in our discussions with the other counties,

there may be value in ensuring a more ministerial process state-wide, provided adequate controls are in place at the county level. This would provide more certainty to both the counties and private land owners as it relates to the subdivision of lots.

In addition to these amendments, I would be supportive of any additional changes to ensure the affordability of any future units developed as a result of this measure's passage, but would defer to the committees on how to best achieve that end. I would also note that there may be remaining issues related to the inconsistent use of terms across the counties and the need for additional technical edits for clarity.

I do want to be clear, we must increase the housing supply if we are to address this housing crisis, but we have a shared kuleana to do so responsibly. This measure as currently drafted is simply not the answer. As it stands right now, this measure is overly simplistic, and concerningly shortsighted. I respectfully ask that this measure be amended to adopt the attached Proposed Draft HD1, adopt other amendments to address the concerns raised, or be held until a better solution can be constructed.

Mahalo,

Tommy Waters

Honolulu City Council, Chair

A BILL FOR AN ACT

RELATING TO URBAN DEVELOPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	PART I
2	SECTION 1. Chapter 46, Hawaii Revised Statutes, is amended
3	by adding a new section to part I to be appropriately designated
4	and to read as follows:
5	"§46- Additional dwelling units in urban districts.
6	(a) For residentially zoned lots within an urban district
7	established by chapter 205, each county shall allow for at least
8	two accessory dwelling units on each residentially zoned lot;
9	provided that each county is authorized to continue to exercise
10	its zoning power under section 46-4 to effectuate the
11	requirements of subsection (a), including by:
12	(1) Continuing to apply any ordinance enacted pursuant to
13	section 46-4 relating to location; height; bulk;
14	number of stories; size of buildings; building setback
15	lines; future street lines; percentage of a lot that
16	may be occupied; open spaces; areas in which
17	particular uses may be subjected to special

1		restrictions; and building, electrical, mechanical,
2		plumbing, fire, and housing code regulations that
3		promote and protect the public health, safety, and
4		<pre>welfare;</pre>
5	(2)	Restricting short-term rentals, as defined by each
6		county, including by imposing mandatory owner-
7		occupancy requirements for short-term rentals;
8	(3)	Rejecting a permit application for development on the
9		residentially zoned lot if the county determines there
10		is insufficient infrastructure, as defined by each
11		<pre>county, for the development;</pre>
12	(4)	Adopting, by ordinance or rule, additional development
13		and design standards specifically for the accessory
14		dwelling units required by subsection (a)(1);
15	(5)	Specifying, by ordinance or rule, that any dwelling
16		unit or residential unit that is accessory to a
17		principal dwelling unit and is constructed and
18		permitted by ordinance or rule in effect prior to the
19		effective date of Act , Session Laws of Hawaii 2024,
20		is considered an accessory dwelling unit that may be
21		counted toward satisfying the requirements of
22		subsection (a); and

1	(6) Prohibiting the application of chapter 514B to sever
2	the ownership of the principal dwelling unit from
3	ownership of the accessory dwelling units.
4	(b) The counties shall not adopt prohibitions on long-term
5	rentals, as defined by each county, for the accessory dwelling
6	units required by subsection (a).
7	(c) This section shall not apply to:
8	(1) County powers within special management areas
9	delineated pursuant to chapter 205A; and
10	(2) Any area within an urban district that a county deems
11	to be at high risk of a natural hazard such as
12	flooding, lava, or fire, as determined by the most
13	current data and maps issued by a state or federal
14	department or agency.
15	(d) The dwelling units required by subsection (a) shall be
16	considered accessory to the principal dwelling unit or principal
17	residential unit duly permitted by ordinance on a residentially
18	zoned lot.
19	(e) For purposes of this section, "dwelling unit" has the same
20	meaning as in section 521-8 and "residentially zoned lot" has
21	the same meaning as in section 516-1."

S.B. NO. S.D. 2

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1
         SECTION 2. Chapter 205, Hawaii Revised Statutes, is
    amended by adding a new section to part I to be appropriately
2
    designated and to read as follows:
3
         "$205- Private covenants; residentially zoned lots;
4
5
    <u>urban district.</u> No private covenant for a residentially zoned
6
    lot within an urban district adopted after the effective date of
7
    Act , Session Laws of Hawaii 2024, shall:
         (1) Limit the number of residential units on that lot to
8
9
              less than the amount allowed pursuant to section 46-
10
              ; or
         (2) Restrict the long-term rental of residential units on
11
              that lot."
12
13
                                 PART II
         SECTION 3. Section 46-4, Hawaii Revised Statutes, is
14
    amended to read as follows:
15
         "$46-4 County zoning. (a) This section and any
16
17
    ordinance, rule, or regulation adopted in accordance with this
    section shall apply to lands not contained within the forest
18
    reserve boundaries as established on January 31, 1957, or as
19
    subsequently amended.
20
         Zoning in all counties shall be accomplished within the
21
    framework of a long-range, comprehensive general plan prepared
22
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S.B. NO. 3202 S.D. 2

- 1 or being prepared to guide the overall future development of the
- 2 county. Zoning shall be one of the tools available to the
- 3 county to put the general plan into effect in an orderly manner.
- 4 Zoning in the counties of Hawaii, Maui, and Kauai means the
- 5 establishment of districts of such number, shape, and area, and
- 6 the adoption of regulations for each district to carry out the
- 7 purposes of this section. In establishing or regulating the
- 8 districts, full consideration shall be given to all available
- 9 data as to soil classification and physical use capabilities of
- 10 the land to allow and encourage the most beneficial use of the
- 11 land consonant with good zoning practices. The zoning power
- 12 granted herein shall be exercised by ordinance [which] that may
- 13 relate to:

1	(\(\(\)	The areas within which agriculture, forestry,
2		industry, trade, and business may be conducted;
3	(2)	The areas in which residential uses may be regulated
4		or prohibited;
5	(3)	The areas bordering natural watercourses, channels,
6		and streams, in which trades or industries, filling or
7		dumping, erection of structures, and the location of
8		buildings may be prohibited or restricted;
9	(4)	The areas in which particular uses may be subjected to
10		special restrictions;
11	(5)	The location of buildings and structures designed for
12		specific uses and designation of uses for which
13		buildings and structures may not be used or altered;
14	(6)	The location, height, bulk, number of stories, and
15		size of buildings and other structures;
16	(7)	The location of roads, schools, and recreation areas;
17	(8)	Building setback lines and future street lines;
18	(9)	The density and distribution of population;
19	(10)	The percentage of a lot that may be occupied, size of
20		yards, courts, and other open spaces;
21	(11)	Minimum and maximum lot sizes; and

S.B. NO. S.D. 2 S.D. 2 H.D. 1

1	(12) Other regulations the boards or city council find
2	necessary and proper to permit and encourage the
3	orderly development of land resources within their
4	jurisdictions.
5	The council of any county shall prescribe rules,
6	regulations, and administrative procedures and provide personnel
7	it finds necessary to enforce this section and any ordinance
8	enacted in accordance with this section. The ordinances may be
9	enforced by appropriate fines and penalties, civil or criminal,
10	or by court order at the suit of the county or the owner or
11	owners of real estate directly affected by the ordinances.
12	Any civil fine or penalty provided by ordinance under this
13	section may be imposed by the district court, or by the zoning
14	agency after an opportunity for a hearing pursuant to chapter
15	91. The proceeding shall not be a prerequisite for any
16	injunctive relief ordered by the circuit court.
17	Nothing in this section shall invalidate any zoning
18	ordinance or regulation adopted by any county or other agency of
19	government pursuant to the statutes in effect prior to
20	July 1, 1957.

S.B. NO. S.D. 2

1 The powers granted [herein] in this section shall be liberally construed in favor of the county exercising them, and 2 in [such] a manner [as to promote] that promotes the orderly 3 development of each county or city and county in accordance with 4 5 a long-range, comprehensive general plan to ensure the greatest benefit for the State as a whole. This section shall not be 6 7 construed to limit or repeal any powers of any county to achieve these ends through zoning and building regulations, except 8 9 insofar as forest and water reserve zones are concerned and as provided in subsections (c) [and], (d) [-], (g), and 10 section 46- . 11 Neither this section nor any ordinance enacted pursuant to 12 13 this section shall prohibit the continued lawful use of any building or premises for any trade, industrial, residential, 14 agricultural, or other purpose for which the building or 15 premises is used at the time this section or the ordinance takes 16 17 effect; provided that a zoning ordinance may provide for elimination of nonconforming uses as the uses are discontinued, 18 or for the amortization or phasing out of nonconforming uses or 19 signs over a reasonable period of time in commercial, 20 21 industrial, resort, and apartment zoned areas only. In no event

S.B. NO. S.D. 2

- 1 shall [such] the amortization or phasing out of nonconforming
- 2 uses apply to any existing building or premises used for
- 3 residential (single-family or duplex) or agricultural uses.
- 4 Nothing in this section shall affect or impair the powers and
- 5 duties of the director of transportation as set forth in chapter
- 6 262.
- 7 (b) Any final order of a zoning agency established under
- 8 this section may be appealed to the circuit court of the circuit
- 9 in which the land in question is found. The appeal shall be in
- 10 accordance with the Hawaii rules of civil procedure.
- 11 (c) [Each] Except as provided in section 46- , each
- 12 county may adopt reasonable standards to allow the construction
- 13 of two single-family dwelling units on any lot where a
- 14 residential dwelling unit is permitted.
- 15 (d) Neither this section nor any other law, county
- 16 ordinance, or rule shall prohibit group living in facilities
- 17 with eight or fewer residents for purposes or functions that are
- 18 licensed, certified, registered, or monitored by the State;
- 19 provided that a resident manager or a resident supervisor and
- 20 the resident manager's or resident supervisor's family shall not
- 21 be included in this resident count. These group living

S.B. NO. S.D. 2

- 1 facilities shall meet all applicable county requirements not
- 2 inconsistent with the intent of this subsection, including but
- 3 not limited to building height, setback, maximum lot coverage,
- 4 parking, and floor area requirements.
- 5 (e) Neither this section nor any other law, county
- 6 ordinance, or rule shall prohibit the use of land for employee
- 7 housing and community buildings in plantation community
- 8 subdivisions as defined in section 205-4.5(a)(12); in addition,
- 9 no zoning ordinance shall provide for the elimination,
- 10 amortization, or phasing out of plantation community
- 11 subdivisions as a nonconforming use.
- 12 (f) Neither this section nor any other law, county
- 13 ordinance, or rule shall prohibit the use of land for medical
- 14 cannabis production centers or medical cannabis dispensaries
- 15 established and licensed pursuant to chapter 329D; provided that
- 16 the land is otherwise zoned for agriculture, manufacturing, or
- 17 retail purposes.
- 18 (g) Notwithstanding any other law, county charter
- 19 provision, county ordinance, or rule, the director of the county
- 20 agency responsible for land use is authorized to review and
- 21 approve, disapprove, or otherwise act upon any application for
- 22 subdivision, consolidation, or resubdivision of parcels within

1	the state	urban	land use district as designated pursuant to	
2	<pre>chapter205; provided that:</pre>			
3	(1)	Each county shall have the power to enact ordinances		
4		or adopt rules pursuant to chapter 91, or both, that		
5		govern eligibility requirements and standards for the		
6		subdi	vision, consolidation, or resubdivision of	
7		parce	ls within the state urban land use district and	
8		that	are in accord with each county's general plan;	
9	(2)	Follo	wing the enactment or adoption of ordinances or	
10		rules	as provided for in this subsection, no land may	
11		be subdivided, consolidated, or resubdivided unless:		
12		(A)	The proposed subdivision plans are in conformity	
13			with the ordinances or rules governing the	
14			subdivision, consolidation, or resubdivision of	
15			land; and	
16		(B)	The application for subdivision, consolidation,	
17			or resubdivision of parcels has been approved by	
18			the director of the county agency responsible for	
19			land use; and	
20	(3)	No ap	plication for subdivision, consolidation, or	
21		resubdivision that has been approved by the director		

1	of the county agency responsible for land use shall			
2	require any additional county approval."			
3	PART III			
4	SECTION 4. Section 46-143, Hawaii Revised Statutes, is			
5	amended by amending subsection (d) to read as follows:			
6	"(d) An impact fee shall be substantially related to the			
7	needs arising from the development and shall not exceed a			
8	proportionate share of the costs incurred or to be incurred in			
9	accommodating the development. The following [seven] factors			
10	shall be considered in determining a proportionate share of			
11	public facility capital improvement costs:			
12	(1) The level of public facility capital improvements			
13	required to appropriately serve a development, based			
14	on a needs assessment study that identifies:			
15	(A) Deficiencies in existing public facilities;			
16	(B) The means, other than impact fees, by which			
17	existing deficiencies will be eliminated within a			
18	reasonable period of time; and			
19	(C) Additional demands anticipated to be placed on			
20	specified public facilities by a development;			
21	(2) The availability of other funding for public facility			
22	capital improvements, including but not limited to			

1		user charges, taxes, bonds, intergovernmental
2		transfers, and special taxation or assessments;
3	(3)	The cost of existing public facility capital
4		improvements;
5	(4)	The methods by which existing public facility capital
6		improvements were financed;
7	(5)	The extent to which a developer required to pay impact
8		fees has contributed in the previous five years to the
9		cost of existing public facility capital improvements
10		and received no reasonable benefit therefrom, and any
11		credits that may be due to a development because of
12		[such] the contributions;
13	(6)	The extent to which a developer required to pay impact
14		fees over the next twenty years may reasonably be
15		anticipated to contribute to the cost of existing
16		public facility capital improvements through user
17		fees, debt service payments, or other payments, and
18		any credits that may accrue to a development because
19		of future payments; [and]
20	(7)	The extent to which a developer is required to pay
21		impact fees as a condition precedent to the
22		development of non-site related public facility

1	capi	tal improvements, and any offsets payable to a
2	deve	loper because of this provision[\div]; and
3	<u>(8)</u> The s	square footage of the development; provided that:
4	(A)	In cases where the developer is converting an
5		existing structure, the square footage of the
6		existing structure shall be deducted from the
7		total square footage of the development when
8		calculating impact fees; and
9	<u>(B)</u>	In cases where the public facility impacted is a
10		water or sewage facility, the appropriate board
11		of water supply may choose to calculate impact
12		fees based on the total number of fixtures in the
13		development, rather than by square footage."
14		PART IV
15	SECTION 5	. This Act does not affect rights and duties that
16	matured, penal	ties that were incurred, and proceedings that were
17	begun before i	ts effective date.
18	SECTION 6	. Statutory material to be repealed is bracketed
19	and stricken.	New statutory material is underscored.
20	SECTION 7	. This Act shall take effect on January 1, 2026.

Report Title:

Counties; Zoning; Urban District; Subdivision; Residentially Zoned Lots; Approval; Impact Fees Assessment; Calculation

Description:

Provides that for residentially zoned lots within an urban district each county shall allow for at least 2 accessory dwelling units. Establishes provisions by which the director of a county agency responsible for land use is authorized to approve, disapprove, or otherwise act upon an application for subdivision, consolidation, or resubdivision of a parcel zoned for residential use that is in the state urban land use district. Requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs. Permits the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facility. Effective 1/1/2026. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

SB-3202-SD-2

Submitted on: 3/22/2024 9:16:52 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kevin Carney	Affordable Housing Connections LLC	Support	Written Testimony Only

Comments:

In strong support! Bottom line is Hawaii needs more options when it comes to affordable housing whether it be for-sale housing or rental housing. My family, like so many others, is a victim of the lack of affordable housing - 2 of my 3 children, all born and raised in Hawaii are now living on the mainland because of the lack of employment opportunities that offer a living wage and the high housing costs. With more housing choices perhaps future families will be able to remain in Hawaii and prosper.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830 1-866-295-7282 | Fax: 808-536-2882 aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii facebook.com/AARPHawaii

The State Legislature House Committee on Housing House Committee on Water and Land House Committee on Judiciary and Hawaiian Affairs Monday, April 1, 2024 Conference Room 325, 2:00 p.m.

TO: The Honorable Luke Evslin, Chair

The Honorable Linda Ichiyama, Chair The Honorable David Tarnas, Chair

FROM: Keali'i Lopez, State Director, AARP Hawaii

RE: Strong Support for S.B. 3202 SD2 -Relating to Urban Development

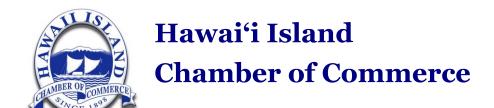
Aloha Chairs Evslin, Ichiyama, Tarnas and Members of the Committees:

My name is Keali'i Lopez, and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP strongly supports S.B 3202 SD 2 which requires the counties to allow for attached and detached additional units or accessory dwelling units (ADU) but authorizes the counties to impose certain restrictions.

S.B. 3202 SD2 allows for expanding zoning by allowing more units in a residential lot, including ADUs. The measure also lifts barriers to building accessory dwelling units and is a commonsense, cost-effective approach that will make good use of existing property throughout the state while easing the housing crisis. AARP is keenly concerned about Hawaii's kupuna on fixed income and their risk of becoming homeless without sufficient affordable options. According to AARP/Statista analysis, close to 970 older adults (age 55+) are expected to be evicted in 2024 and more than 1500 older (55+) may experience homelessness in Hawaii this year. S.B. 3202 SD1 would help in easing the housing supply and assist in lowering the eviction and homelessness rate by providing affordable housing to the residents of Hawaii.

Thank you for the opportunity to strongly support S.B. 3202, SD2.



1321 Kinoʻole Street Hilo, Hawaiʻi 96720 Phone: (808) 935-7178 Fax: (808) 961-4435 E-mail: admin@hicc.biz www.hicc.biz

Hawai'i Island Chamber of Commerce Government Affairs Committee

Before the House Committees on HOUSING, WATER AND LAND and JUDICIARY AND HAWAIIAN AFFAIRS

Monday, April 1, 2024 2:00 PM State Capitol Room 325 & Via Videoconference

In consideration of Senate Bill 3202 SD2
Relating to Urban Development

Thank you for the opportunity to express our <u>strong support</u> of Senate Bill 3202 SD2, which allows for four-plex by-right development and reduces barriers to achieving missing middle housing options by reducing exclusionary zoning rules.

Hawai'i is in a housing emergency, and there is a dire need for more affordable homes. This measure promotes higher density, compact development, and efficient use of the state's limited lands suitable for residential development. Promoting higher-density development in urban areas aids in addressing the state's shortcomings in housing units and reduces the pressure to convert agricultural and conservation lands into urban uses.

Thank you for the opportunity to express our support of this measure.



Council for Native Hawaiian Advancement 91-1270 Kinoiki St., Bldg. 1 Kapolei, HI 96707

Hawai'i State House of Representatives

Committees on Housing, Water and Land, & Judiciary and Hawaiian Affairs

SB 3202 – Relating to Urban Development

RE: Strong support of SB 3202

April 1, 2024

The Council for Native Hawaiian Advancement (CNHA) writes in **strong support of SB 3202**. As cost of living continues to skyrocket and hundreds of displaced 'ohana still search for new homes, innovative housing solutions are desperately needed to keep local families home. This bill successfully promotes higher density residential development in existing urban areas without encroaching on agricultural and conservation lands.

One of the most commonly cited reasons for Native Hawaiians leaving Hawaii is the lack of available and affordable housing. Since 1984, existing homes prices have increased by 155% while Hawaii's median household income has risen only 24%. High housing prices disproportionately impact our working families and young people, prospective homeowners who find it close to impossible to build a future here in Hawaii. According to DBEDT's 2019 report on Housing Demand in Hawaiii, the state needs up to 45,497 housing units to meet demand in Hawaiii by 2030. Since the August wildfires on Maui, that problem has only become more urgent.

Current zoning rules restrict residential development to large, single-family homes or tall apartment buildings, without a suitable middle ground between the two. SB 3202 allows for middle housing options that are affordable and scalable solutions for Hawai'i's working families. Since the greatest cost in building a home in Hawai'i is the cost of the land, reducing the minimum lot size requirement for a single-family home makes a drastic difference in the purchase price of a home. Importantly, this bill only affects urban areas and still requires sufficient infrastructure (e.g., water, sewer, etc.) to support any new development. By introducing a middle housing option, we can create a more diverse, affordable, and sustainable community and prevent further displacement of local families.

Housing needs change over time and our zoning rules should accommodate those changes. SB 3202 allows for a wider and more diverse array of housing options and give opportunities for residents to stay in Hawai'i and within their communities. An investment in housing now is an investment for Hawai'i's future. For these reasons, we humbly ask that you **vote in favor of SB 3202.**

Me ka ha'aha'a,

Kūhio Lewis

Chief Executive Officer, CNHA

April 1, 2024

The Honorable Luke A. Evslin, Chair

House Committee on Housing

The Honorable Linda Ichiyama, Chair

House Committee on Water & Land

The Honorable David A. Tarnas

House Committee on Judiciary & Hawaiian Affairs State Capitol, Conference Room 325 & Videoconference

RE: Senate Bill 3202, SD2, Relating to Urban Development

HEARING: Monday, April 1, 2024, at 2:00 p.m.

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, and Members of the Joint Committees:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 11,000 members. HAR provides comments on Senate Bill 3202, SD2, which provides that for residentially zoned lots within an urban district each county shall allow for at least 2 additional dwelling units. Establishes provisions by which a parcel zoned for residential use that is in the state urban land use district may or may not be prohibited from being subdivided, consolidated, or resubdivided. Requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs. Permits the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facility. Effective 1/1/2026.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawaii, the state needs up to 45,497, housing units to meet demand in Hawaii by 2030. Ultimately, we have a housing supply problem, and creative approaches are needed to meet our state's housing challenges.

As such, HAR supports the intent of this measure to increase the supply of housing. We look forward to continuing the conversation on this important issue, working with all stakeholders to address concerns, and finding creative solutions to address our housing supply needs.

Mahalo for the opportunity to testify on this measure.

¹ Department of Business, Economic Development & Tourism. (2019). Hawaii Housing Demand 2020-2030. https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf





OPPOSE SB3202 SD2 – Ruining Established Neighborhoods with

Oversaturation is Not the Answer to the Housing Shortage

Dear Senator, March 25, 2024

Counties are much better suited to making and enforcing their own zoning preferences than this one-size-fits-all State approach. Please vote to allow counties to continue controlling their own zoning.

A much better approach is to make existing residentially-zoned housing available to residents instead of vacationers. The legislature could aid in this effort by supporting efforts to improve county Land Use Law enforcement.

The proliferation of Short Term Rentals (STRs) is now recognized as a statewide housing problem. This is existing housing that is zoned, built, and intended for local residents – not hotel lodging for vacationers.

An inducement would be for the State Department of Housing to establish a "grant" process to provide seed funding to the counties for establishing the position of 'Land Use Enforcement Officer' within their existing agencies. This has worked well in jurisdictions across America. Please contact me for more information on this approach.

Another tool is the establishment and funding of a Short Term Rental Advisory Group (STRAG) including:

One Senator
Two Representatives
Governor's representative
Attorney General's representative
One Councilmember from each county
One Zoning Department official from each county
One Corporation Council representative from each county

The mission of STRAG would be to advise the state and county governments on how to best write, put into practice, and perfect STR enforcement laws that are effective, enforceable and do not conflict with county charters, state laws, state constitution, federal laws and the United States Constitution.

Please, let's grab the low-hanging fruit. Don't cut down the tree to get it.

Larry Bartley, Executive Director Save O'ahu's Neighborhoods (SONHawai'i)

SB-3202-SD-2

Submitted on: 3/25/2024 5:32:31 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

	Submitted By	Organization	Testifier Position	Testify
]	Nancy and Errol Rubin	Rubin Enterprises.info	Oppose	Written Testimony Only

Comments:

Nancy and Errol Rubin

594 Alihi Place

Kailua, HI. 96734

To who it May Concern,

We are very disturbed by the urban rezoning that is being presented, SB3202. We mustn't fill our house lots with endless buildings. There needs to be room to breathe. Many studies have proven that too close of quarters causes anxiety and tensions, with more crime and community unrest. Tree cover to cool our neighborhoods, help with water drainage, and feel the comfort of greenspace, not to mention parking issues, are only a few of the many reasons this is not a good idea. There are other ways to solve our housing crisis than to create an endless building process with no earth below our feet.

This is not what Hawaii wants. We are not the mainland, and we have to think of the aina before we let overcrowding become the norm.

Thank you for listening

Nancy and Errol Rubin

SB-3202-SD-2

Submitted on: 3/25/2024 5:55:12 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Cestare	Lanikai Association	Oppose	Written Testimony Only

Comments:

The Lanikai Association strongly opposes this Bill. We believe that this Bill would essentially eliminate single family zoning and does not take into consideration the differences between each neighborhood and county.

This would apparently legalize Monster Homes which are ruining communities. Investors outside Hawaii will buy lots, subdivide them and build out to the limit of the law. This will push housing prices beyond the reach of our local residents and increase density in residential communities.

This is an ill conceived Bill that will be disasterous for local residents and our communities.



Testimony of the Oahu Metropolitan Planning Organization

COMMITTEE ON HOUSING

COMMITTEE ON WATER & LAND

COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Monday, April 1, 2024 at 2:00 PM CR 325 and via video conference

SB3202 SD2 RELATING TO URBAN DEVELOPMENT

Dear Chairs Evslin, Ichiyama, and Tarnas; Vice Chairs Aiu, Poepoe, and Takayama; and Members of the Committees,

The Oahu Metropolitan Planning Organization (OahuMPO) supports SB3202 SD2. This bill mandates counties to permit the construction of at least two additional dwelling units on residentially zoned lots within the State Urban District. It also outlines rules for subdividing or combining residential parcels in urban zones. This bill requires the counties to consider a development's size when calculating its share of public facility costs. Lastly, SB3202 SD2 enables water and sewage impact fees to be based on the total number of fixtures.

SB3202 SD2 aligns with several goals outlined in the Oahu Regional Transportation Plan. It supports active and public transportation, promotes equity within the transportation system, and enhances and safeguards environmental air quality.

By encouraging more residential development in urban areas, this bill would bolster public transit ridership and efficiency and enable a more inclusive and equitable transportation network. It would help ensure more people can reach job opportunities, essential services, and recreational amenities without the need of owning a personal vehicle. Higher density development encourages walking and cycling as viable and appealing transportation options by reducing the distance between destinations. This shift away from personal vehicle reliance is imperative to enhance and safeguard environmental air quality, as ground transportation emissions constitute a fifth of all carbon pollution on O'ahu (Ola Oahu Resilience Strategy, 2019). It will also reduce encroachment into natural landscapes and agricultural areas, preserving vital green spaces and ecosystems that contribute to overall air quality.

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP) that encourages and promotes a

safe and efficient transportation system to serve the mobility needs of people and freight (including walkways, bicycles, and transit), fosters economic growth and development, and takes into consideration resiliency needs, while minimizing fuel consumption and air pollution (23 CFR 450.300).

Mahalo for the opportunity to provide testimony on this measure.



Hawaii Zoning Atlas - In Support

Chairs Evslin, Ichiyama, and Tarnas
Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs
SB3202 SD2 - 4/1/2024, 2:00pm - Conference Room 325

The Hawai'i Zoning Atlas is part of a nationwide research collective revealing how zoning laws have been used to restrict housing supply and reduce housing affordability. On behalf of our dedicated team of volunteers and student researchers, we urge the Chairs to advance SB3202, which would permit small, naturally affordable single-family homes on small lots wherever luxury homes on large lots are currently allowed. Starter homes are wise urban planning, the preferred option for housing growth, and an appropriate case for state action.

1 - The starter homes concept is wise urban planning

The American Planning Association, the national professional organization of urban planners has endorsed the ideas this bill enacts. Their Equity in Zoning Guide affirms that large lot, single-family zoning with higher parking requirements in cities contribute to inequity and displacement. To increase equity and affordability, the APA suggests allowing more housing types by right (p.17) and enabling the development of densely developed small homes and accessory dwellings that can be sold or rented (pp. 19-20). Moreover, a recent Pew Research Center study is only the latest of a large body of research finding that new zoning rules to allow more housing have helped curtail rent growth.

Planners and policy experts also advocate for an impact fee regime that more accurately represents the <u>true impact</u> of development that is tailored to the project. Linking impact charges to floor area, as the bill proposes, better accomplishes this goal. Studies have linked overly onerous impact fees to housing cost increases in states like <u>California</u>, and to a preference for developing large, single-family mansions with <u>limited red tape</u> compared to more modest housing types.

2 - Starter homes are the preferred option for housing growth

If we wish to make room for future generations, there are only 3 options: build out, build up, or build in. Building out—suburban sprawl—is wholly inappropriate to an island environment, threatening our natural and cultural resources. Building up—multi-story apartments and condominiums—has become increasingly contentious, with organized opposition repeatedly delaying, downscaling, or discontinuing new projects in residential areas. This bill provides for the only remaining alternative—infill development, which also has several advantages.

The homes this bill enables are small homes entirely consistent with the existing character of single-family neighborhoods. They conserve land by containing development within the existing urban boundary and maximize the value of our existing infrastructure investments—adding new property tax revenues for maintenance well beyond added costs. This was the case in Portland, OR, for example, where relaxing ADU restrictions led to a 30% uptick in ADU construction in 2015 compared to 2000-2009, helping to expand housing options throughout the city and maintain its urban growth boundary for longer.

Moreover, on a human level, this bill would allow local families to own homes much sooner and more affordably, giving them all the wealth and stability of homeownership. Allowing increased small-unit development can also help Hawai'i residents <u>pursue comfortable intergenerational living</u>, keeping families close together and allowing them to share costs without overcrowding. Starter homes are more affordable by design because they use less land per home; the typical value of residential land in Honolulu is \$137 per square foot, or \$863,100 for the typical 6,300 square-foot lot. (When headlines tout \$1 million median home prices, remember that four-fifths of that is the cost of land, not buildings.)

3 - State action in this case is appropriate and necessary

Recent scholarship has shown that the governing structure of land use decisions—discretionary permits for individual projects—locks local governments into a perpetual cycle of undersupply. These processes amplify the voices of older, affluent homeowners with a vested interest in the status quo and mute broad-based public support for new housing (not to mention the opinions of future occupants). When researchers compare the opinions expressed in zoning and planning hearings with representative surveys and ballot measures, they find that hearings are far more negative than objective measures of public sentiment, and yield far less housing than the public would support. In short, our current land use policy results from an unrepresentative and inequitable process that, unsurprisingly, yields unrepresentative and inequitable outcomes.

Because the State delegates zoning authority to the Counties specifically to further the public interest, it must guard against that power being co-opted for other interests. The State bears ultimate responsibility for land use decisions and the process by which they are reached. In this sense, SB3202 merely clarifies that providing more housing in existing residential areas is consistent with the public interest and ensures that interest is upheld.

Thank you and please support the bill.

Trey Gordner and Devon Chodzin, Hawai'i Zoning Atlas



TO: Chair Luke A. Evslin; Vice Chair Micah P.K. Aiu; and Committee

Chair Linda Ichiyama; Vice Chair Mahina Poepoe; and Committee

Chair David A. Tarnas; Vice Chair Gregg Takayama; and Committee

FROM: Adrian Hong, President of Island Plastic Bags, Inc.

RE: SB 3202 SD2 RELATING TO URBAN DEVELOPMENT

POSITION: STRONG SUPPORT

Thank you for the opportunity to submit testimony in strong support of SB 3202 SD2. My name is Adrian Hong and I am the president of Island Plastic Bags Inc. (IPB), a second-generation, family business in Halawa Valley that manufactures plastic trash liners and sells compostable cutlery, paper bags, and Colgate-Palmolive products. IPB supports this bill as action is desperately needed to add housing stock so people can stay in Hawaii instead of moving to the mainland.

This bill would boost construction of smaller, more affordable dwellings that could serve multiple generations of one family or serve as a starter home for individuals trying to get on the housing ladder. This will not solve our housing crisis but is a step in the right direction. As a state, we need to make housing more affordable for everyone.

Thank you for the opportunity to provide testimony in support of SB 3202 SD2. Should you have any questions or comments about my testimony you can contact me by email at ahong@islandplasticbags.com or by phone at 808-484-4046.

Sincerely,

Adrian K. Hong, CPA

President

Island Plastic Bags, Inc.

www.islandplasticbags.com

Email: ahong@islandplasticbags.com|Phone: 808-484-4046 |Fax: 808-488-8505



Hawai'i Housing Affordability Coalition

Testimony of the Hawai'i Housing Affordability Coalition
Support for S.B. 3202 SD2 – Relating to Urban Development
House Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs
Monday, April 1, 2024, at 2:00PM, Conf. Rm. 325 and via Videoconference

Dear Chair Evslin, Vice Chair Aiu, Chair Ichiyama, Vice Chair Poepoe, Chair Tarnas, Vice Chair Takayama, and fellow committees members:

HiHAC is submitting testimony in STRONG SUPPORT for S.B. 3202, which would reduce barriers to achieving missing middle housing options by reducing exclusionary zoning rules.

Our current zoning regulations limit development to high-rise apartments and condos or large-scale homes on large lots. These restrictions exclude the possibility of smaller, more affordable housing options – otherwise known as missing middle housing. S.B. 3202 will allow for the opportunity of such housing by legalizing smaller lot sizes and the development of 2 ADUs on a property.

Missing middle housing fills a crucial gap between single-family homes and high-rise apartments, offering medium density options like duplexes, triplexes, fourplexes, and townhouses. Enabling the construction of these housing options can help increase our housing supply and increase affordability. Missing middle housing maximizes the use of available land within existing urban areas, reducing associated land costs which is the most significant cost in development. Additionally, allowing by right development of these units reduces costs associated with our lengthy discretionary approval process.

Providing more housing stock within already existing neighborhoods also allows for residents to remain near relatives and within their existing communities. Whether its families looking for modest sized and priced housing, kupuna seeking to downsize their home, or young professionals looking to purchase their first home, S.B. 3202 would facilitate the creation of more housing options.

By maximizing use of our urban boundaries, SB3202 also prevents expanding into our state's precious open spaces. Inefficient land use keeps urban areas stagnant, pushing growth legally and illegally into agricultural and conservation land.

SB 3202 is a step in the right direction in solving our housing crisis. The current one-size fits all approach to single-family zoning does not reflect the wants or needs of Hawaii's people. According to a survey conducted by the Holomua Collective, 87% of respondents somewhat or strongly support loosening zoning requirements in urban areas to allow people to build "starter homes" if it would help keep local working families in Hawai'i.



Hawai'i Housing Affordability Coalition

Additionally, concerns about infrastructure capacity, proliferation of monster homes, and extreme density and parking are misinformed. These bills still preserve county authority to control the size and forms of new buildings and do not touch any existing restrictions on setbacks, minimum parking stalls, height, etc.

Please **PASS S.B.3202** and embrace more inclusive zoning policies that allow for our communities to have access to a diverse array of affordable housing options across various income brackets.

Mahalo for the opportunity to testify,

HiHAC Hawai'i Housing Affordability Coalition



Hawai'i YIMBY

Honolulu, HI 96814 hawaiiyimby.com admin@hawaiiyimby.com

Monday, April 1, 2024

House Committee on Housing House Committee on Water and Land House Committee on Judiciary and Hawaiian Affairs Hawai'i State Capitol Honolulu, HI 96813

RE: STRONG SUPPORT - SB 3202 - RELATING TO HOUSING

Aloha Chairs, Vice Chairs, and Members of the Committees,

On behalf of Hawai'i YIMBY, we're writing to express our **strong support** for SB 3202, a groundbreaking and research-backed proposal that can be a transformative step in our fight against Hawai'i's housing affordability crisis.

Solving our housing crisis demands a multifaceted approach. We need to build a lot of high density housing along the rail line, but we also need to make more housing legal and feasible across low-density areas of the urban zone. SB 3202 is a powerful solution that will legalize 2 ADUs, but ONLY where they fit within existing building envelope regulations, and allow smaller minimum lot sizes, potentially unlocking numerous new housing units for working families.

At the same time, SB 3202 protects our environment and ensures the health of our infrastructure by concentrating new development in the urban zone and making explicit that counties retain the ability to ensure adequate infrastructure capacity, health and safety standards, and all other county-level building and zoning regulations. That's why every single county planning department has testified in support of these bills.

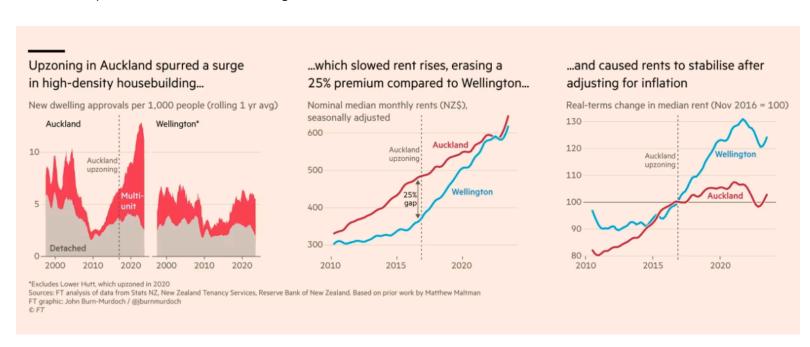


Hawai'i YIMBY

Honolulu, HI 96814 hawaiiyimby.com admin@hawaiiyimby.com

These reforms are proven to work

The simplest reason to pass this bill is that these reforms are research-backed solutions that have been proven to work. Similar bills in other jurisdictions allowing more housing in residential areas have resulted in more housing supply built and downward pressure on rent for working families. Consider the evidence:



- Auckland, New Zealand passed a reform in 2016 to allow more units per lot in residential areas. The result was a large amount of new housing supply in the years since, and a huge and highly visible downward effect on the cost of rent. While rent continued to rise in the rest of New Zealand, real rent went flat in Auckland. The city successfully eliminated rent hikes through this reform. As you might expect, it enjoys broad support from voters years after its passage including those in low-density neighborhoods, and other cities in New Zealand are moving to replicate its success. Just this month Wellington, New Zealand passed an even broader reform than Auckland's.
 - Citations:





Honolulu, HI 96814 hawaiiyimby.com admin@hawaiiyimby.com

- Greenaway-McGrevy, Ryan and Phillips, Peter C.B.. "The Impact of Upzoning on Housing Construction in Auckland." Economic Policy Centre, May 2023, https://cdn.auckland.ac.nz/assets/business/about/our-research/research-institutes https://doi.org/about/our-research/research-institutes https://doi.org/about/our-research/research-institutes https://doi.org/about/our-research/resea
- Greenaway-McGrevy, Ryan and Jones, James Allan. "Can zoning reform change urban development patterns? Evidence from Auckland." Economic Policy Centre, September 2023,
 - https://cdn.auckland.ac.nz/assets/business/about/our-research/research-institutes -and-centres/Economic-Policy-Centre--EPC-/012WP.pdf. Accessed 27 Mar. 2024.
- Greenaway-McGrevy, Ryan. "Can Zoning Reform Increase Housing Construction? Evidence from Auckland." Economic Policy Centre, September 2023, https://www.auckland.ac.nz/assets/business/our-research/docs/economic-policy-c entre/Working%20paper%2017.pdf. Accessed 27 Mar. 2024.
- Chart courtesy of Financial Times: https://www.ft.com/content/86836af4-6b52-49e8-a8f0-8aec6181dbc5
- Portland, Oregon passed reforms allowing more housing units in certain suburban neighborhoods between 2001-2002. Those neighborhoods produced twice as many housing units in the fifteen years after reform than other similar neighborhoods in Portland.
 - o Citations:
 - Dong, Hongwei. "Exploring the Impacts of Zoning and Upzoning on Housing Development: A Quasi-experimental Analysis at the Parcel Level." Journal of Planning Education and Research, vol. 44, no. 1, 2021, https://journals.sagepub.com/doi/10.1177/0739456X21990728. Accessed 27 Mar. 2024.







Additional restrictions may limit this bill's effectiveness

Some opponents of this bill insist that it be paired with exceptions, such as an "inclusionary zoning" mandate that requires all new units to be available at below-market prices, or only allowing a single ADU instead of multiple. In practice, such requirements tend to nullify the effectiveness of the reform. Consider these cautionary tales:

- Seattle, Washington passed reforms allowing more housing units in certain suburban neighborhoods in 2019, but paired it with a "mandatory housing affordability" (MHA) rule requiring them to include affordable units. This inclusionary zoning mandate actually drove away housing development in those areas, with the effect especially visible at their borders, where up to 70% more permitting activity occurred just across the border of an MHA zone. The inclusionary zoning mandate made the reform counterproductive. SB 3202 should not repeat this mistake.
 - Citations:
 - Krimmel, Jacob and Wang, Bettyi. "Upzoning with Strings Attached: Evidence from Seattle's Affordable Housing Mandate." Cityscape, Vol. 25 No. 2, https://www.jstor.org/stable/48736629. Accessed 27 Mar. 2024.
- Minneapolis, Minnesota passed a reform in 2019 to allow more units per lot. This reform did cause 2-4 unit development to jump 480% between 2015 and 2023, but that rise only accounted for a very small portion of the overall housing units built over that period. Minneapolis is not well-studied, so it is not as clear why. It is likely due in part to a much broader set of reforms passed simultaneously that focused intensely on skyrocketing dense housing construction along transit corridors. But it is also likely rooted in restrictions that prevent more than one house per lot. In other words, allowing multiple additional ADUs is a key piece of a successful



Hawai'i YIMBY

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reform that Minneapolis failed to implement, severely limiting the impact of its reform. SB 3202 learns from Minneapolis's mistake.

- Citations:
 - "Eliminating Single-Family Zoning Isn't the Reason Minneapolis Is a YIMBY Success Story". Reason,

https://reason.com/2022/05/11/eliminating-single-family-zoning-isnt-the-reason-mineapolis-is-a-vimby-success-story/. Accessed 27 Mar. 2024.

You may notice elsewhere in this public testimony that opponents love talking about these examples, because they are notable in their limited effect. Indeed, we don't doubt that if SB 3202 is saddled with similar restrictions, it will likely kill the effectiveness of the bill. We urge the Committee to learn from the mistakes of Seattle and Minneapolis and pass this bill cleanly, without heaping on similar restrictions.

Hawai'i residents are overwhelmingly supportive of more units per lot

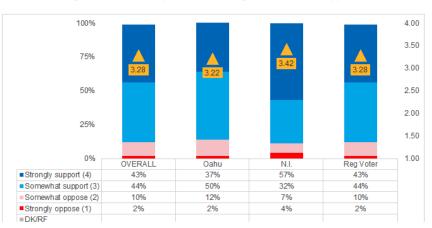
Hawai'i residents
think no differently. In fact,
they are even more aligned
in favor of the provisions in
these bills. According to
recent polling from
Holomua Collective (see
chart), a staggering
eighty-seven percent of
Hawai'i residents
support allowing more

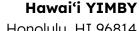
STARTER HOMES - LOOSENING ZONING REQUIREMENTS

At the outset of this section of the study research respondents were asked the following:

Would you support loosening zoning requirements in urban areas to allow people to build "starter homes" if it would help keep local working families in Hawaii? By "urban area" we are referring to already developed residential areas that could include neighborhoods as diverse as Hilo, Kaimuki, Wailuku, Lihue, etc. By "Starter homes" we are referring to smaller, less expensive single-family homes that can be built with 2 to 4 homes on a typical lot, without needing more land, often resulting in homes being built faster at lower cost.

They were asked to quantify their feelings about this idea using a standard four-point rating scale highlighted in the table below. In addition to the percent results a mean or average score was also computed. The higher the mean score (closer to 4.00) the greater the level of support.







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density in residential areas, namely "smaller, less-expensive single-family homes that can be built with 2-4 homes on a single lot", which is the exact focus of this bill.

Arguments against this bill are baseless

Of course, allowing more homes in residential areas is sure to provoke the small but vocal minority of local people who are motivated by Not-In-My-Backyard sentiment. They have mustered a series of talking points about why this bill is unworkable, dangerous, and ineffective, all of which are without merit:

• Concerns that this will legalize "monster homes" are baseless and backwards, and reveal that opponents deeply misunderstand this bill. This bill allows *smaller* and more affordable options in our neighborhoods, the exact opposite of monster homes, which are illegal dwellings that are larger than what the county allows. Nothing in these bills allows or legalizes monster homes. In fact, these bills don't touch county building envelope restrictions at all. SB 3202 preserves all the existing restrictions on building size, setbacks, on-site parking, height, permeable surface requirements, and more. That's why every county planning department has testified in support of these bills: these bills won't allow buildings even one inch larger than the current maximum size. They just allow lots to be smaller and allow up to two ADUs if there's room within the existing building size restrictions allowed by the county. Two weeks ago, the Honolulu Council's Committee on Planning and the Economy heard testimony from Honolulu DPP director Dawn Takeuchi Apuna, who reiterated that these bills do not legalize monster homes and that legislators worked with the Department during the drafting and committee amendment process to address all their concerns, winning DPP's support.



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- Concerns about infrastructure capacity are directly addressed in the text of
 this bill, which contains language protecting county planning departments' ability
 to deny permits if there isn't enough infrastructure capacity. That's why every
 county planning department has testified in support of this bill or its companion.
 Unlike other measures that allow these review processes to be bypassed, SB 3202
 ensures we can't build unless there is infrastructure in place to support it.
- homes in our neighborhoods means those smaller homes will be more affordable than the homes currently allowed in those neighborhoods. Less land and less house costs less money. There is no sensible or evidence-based counterargument to this. Opponents' concerns that this will somehow *raise* housing prices fly in the face of the entire body of research on the subject, research primarily in large and expensive cities with a lot of investor interest, just like Honolulu (see citations above). That's why economic justice and affordable housing groups have testified in support of these bills: these bills make housing in our neighborhoods more affordable for working families.
- Concerns that this will lead to wildly inappropriate configurations like 8 homes on one 2,000 square foot lot defy the laws of physics. This bill does not touch any existing restrictions on setbacks, minimum on-site parking spots, height, permeable surface maximums, habitable living space, or anything else. This means if you actually do the math with our current set of restrictions, it will not be practically possible to put numerous units on a 2,000 square foot lot. Those restrictions remain in place. If counties would like to add more restrictions that effectively make a certain number of units unworkable on small lots because they have legitimate concerns about health, safety, habitability, fire risk, flood risk, or any other similar risks, they are free to do so. Nothing in this bill prohibits that; in fact, this bill goes out of its way to specifically protect that home rule power.





Hawai'i residents demand reform

The bottom line is that the status quo is broken. Home prices and rents are skyrocketing out of reach for local families. Too many of our neighbors are being pushed into homelessness, or out to the mainland. This is the real threat to "neighborhood character", not whether an uncle can put one more ADU in his backyard. The character of our communities is our local people, and their ability to stay and thrive in Hawai'i is under threat as more and more locals are priced out.

NIMBY groups, a small handful of Neighborhood Boards, and (disappointingly) the Honolulu City Council have chosen to attack this bill by trying to relitigate basic facts about our housing crisis with Not-In-My-Backyard talking points: building more housing supply will raise prices, adding an ADU threatens neighborhood character, the state can't impose housing regulations on the counties, and on and on and on. These are false and it's frustrating we're even still discussing them. We can't afford to sit here and play games when so many of our local families are facing devastating choices because of our insufficient action on preventing housing costs from continuing to rocket upward.

We have a choice. We can take bold action now to legalize more abundant and more affordable housing options for our residents. Or we can continue with business as usual and watch our housing crisis spiral further out of control. SB 3202 represents an incremental approach that is proven to work. It maintains local control and protections while legalizing the smaller, less expensive housing options that our residents want and desperately need. No single bill will solve our housing crisis on its own, but SB 3202 is an important step in the right direction that we must take. The cost of inaction is simply too high.

On behalf of our organization and the supermajority of Hawai'i residents who demand more affordable housing options in their neighborhoods, we hope you will not



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listen to the outspoken 13% who oppose this common-sense reform, and we respectfully urge you to pass SB 3202.

Sincerely,

Damien Waikoloa & Matt Popovich Co-Leads, Hawaiʻi YIMBY



SB-3202-SD-2

Submitted on: 3/28/2024 10:38:32 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eileen Hilton	Windward Coalition	Oppose	Written Testimony Only

Comments:

SB 3202

The Windward Coalition opposes passage of SB3202 on the grounds that its stated purpose is vague and unclear. It purports to address a shortage of affordable housing but fails to address the negative impacts on local communities specifically:

- Bypasses local authorities who best understand community interests.
- Increases the local population density resulting in neighborhood overcrowding, diminishing privacy and quality of life.
- Increasing strain on Infrastructure such as roads, water supply, and sewage systems leading to higher maintenance costs and potential service disruptions.
- Increasing ambient noise.
- Detracting from the overall aesthetics, visual appeal and character of the area.
- Encroaching upon natural habitats and green spaces.
- Increasing impermeable surfaces.
- Worsening traffic.
- Worsening parking spot availability
- Impeding pedestrian ambulation especially in narrow roads without sidewalks.
- Decreasing local affordability by pricing out lower-income individuals or families from the housing market..

Mahalo for considering our comments.

Eileen Hilton MD, President

Windward Coalition Executive Board



Testimony of the Hawai'i Appleseed Center for Law and Economic Justice Support for SB3202, SD2 – Relating to Urban Development Joint House Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs Monday, April 1, 2024, at 2:00 PM, Conf. Rm. 325 and via Videoconference

Dear Chair Evslin, Vice Chair Aiu, Chair Ichiyama, Vice Chair Poepoe, Chair Tarnas, Vice Chair Takayama, and fellow committees members:

Thank you for the opportunity to express our STRONG SUPPORT for SB3202 SD2, which would reduce barriers to achieving missing middle housing options by urging counties to eliminate certain exclusionary zoning rules.

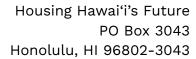
"Missing middle" housing is sorely missed in Hawaii's current development landscape largely due to our restrictive county zoning rules. These types of housing forms fall between single-family and high-rise apartments and can take the form of duplexes, triplexes, and other smaller forms of family sized housing units. Current zoning rules only allow for the development of tall apartments and condos or expensive single family homes on large lots. SB 3202 SD2 would create the opportunity to purchase housing options that are essential to creating affordable, scalable solutions to Hawaii's working families.

Lack of diverse housing options drive up prices and push many locals out of Hawai'i. Current practices across the counties make creating smaller homes on smaller lots almost impossible. With the cost of land so high in Hawai'i, introducing a missing middle housing option can create an alternative from high priced small condos or overly expensive large lot single family homes. By providing more options in our housing market Hawai'i can relieve price pressure on the private market and prevent the displacement of long-standing residents and ensure that Hawai'i remains accessible to the diverse range of housing needs.

Increasing our housing supply through the integration of missing middle housing is not only about increasing supply; it's about creating housing forms within already existing neighborhoods to allow for families to continue living near relatives and communitie. Whether it's families looking for modest sized and priced housing, kupuna seeking to downsize their home within their existing community, or young professionals looking to purchase their first home, SB3202 SD2 would facilitate the creation of more housing options.

By embracing the concept of missing middle housing, we can create a more diverse, and sustainable community. The current one-size fits all approach to single-family zoning does not reflect the needs of Hawaii's people. Housing needs change over time, and our zoning rules should accommodate those changes. SB3202 SD2 would allow for a wider and more diverse array of housing options and give greater opportunities for residents to stay in Hawaii and within their communities. This third option of growing internally allows us to meet a wider range of housing needs and eliminate barriers that have exasperated our housing crisis.

Mahalo for the opportunity to testify.





April 1, 2024

TO: Chairs Evslin, Ichiyama, and Tarnas and members of the Hawai'i State House Committees on

Housing; Water and Land; and Judiciary and Hawaiian Affairs

RE: SB 3202 RELATING TO URBAN DEVELOPMENT

Dear Chairs and Committee Members,

My name is Sterling Higa, and I serve as executive director of Housing Hawai'i's Future, a nonprofit creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We seek to minimize greenfield development. Rather, we prefer smart growth principles (rezoning, upzoning, infill development, and adaptive reuse) to fully utilize existing building stock and infrastructure.

Missing Middle Housing (duplexes, triplexes, quadplexes) are affordable by design. And medium density starter homes are contextually appropriate for our island neighborhoods.

This bill would also allow for small homes on small lots, which are also affordable by design. Small homes are also more appropriate for today's smaller household sizes.

Please vote yes for Missing Middle Housing.

Thank you,

Sterling Higa

Executive Director

Steeling Higa

Housing Hawai'i's Future

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CASE LOMBARDI

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Of Counsel Gregory M. Hansen Michael R. Marsh Frederick W. Rohlfing III

March 28, 2024

Representative Luke A. Evslin, Chair Representative Micah P.K. Aiu, Vice Chair Members of the House Committee on Housing

Representative Linda Ichiyama, Chair Representative Mahina Poepoe, Vice Chair Members of the House Committee on Water & Land

Representative David A. Tarnas, Chair Representative Gregg Takayama, Vice Chair Members of the House Committee on Judiciary & Hawaiian Affairs

Thirty-Second Legislature, Regular Session of 2024

RE: SB3202 – RELATING TO THE URBAN DEVELOPMENT Hearing Date: Monday, April 1, 2024 at 2:00pm

Conference Room 325, State Capitol

Aloha Chairs, Vice Chairs, and Members of the Committees,

I am President and CEO of Case Lombardi A Law Corporation, and have been practicing with an emphasis on development and land use in Hawaii for more than 40 years. I am writing to provide testimony in <u>OPPOSITION</u> to SB3202 – RELATING TO URBAN DEVELOPMENT. In part, this Bill proposes changes to Hawaii's legislation regarding the number of dwelling units permitted on residential lots in urban districts, and limitations on private covenants regarding the same. The concerns, suggestions, and requests outlined in my testimony below apply equally to SB3202's companion bill, HB1630.

SB3202 raises significant concerns about the negative impact it will have on the fabric of Hawaii's neighborhoods. The Bill stands to damage the character of residential areas, and subsequently, the value of present and future homes in these areas. I implore this Committee to consider these long-term, and surely unfavorable, consequences.

In the event that this esteemed Committee proceeds with the Bill, its current language requires clarification. The ambiguous nature of Part II, section 3 does not clearly identify the government body that will dictate the referenced "ordinance, rule, or regulation adopted in accordance with this

Committee on Housing March 28, 2024 Lombardi Testimony Page 2

section". To prevent this section from being left open to an unintended interpretation, I urge the Committee **to implement revisions** to section 3, asserting that it will be the "county" (or similar) ordinances, rules, or regulations. I am proposing amendments to Part II, section 3 of the Bill, in relevant part, as follows:

(a) This section and any <u>county</u> ordinance, <u>county</u> rule, or <u>county</u> regulation adopted in accordance with this section shall apply to lands not contained within the forest reserve boundaries as established on January 31, 1957, or as subsequently amended.

Lastly, I ask this Committee to **provide an affirmative statement** that private covenants which are valid *prior* to the Bill's effective dates shall *not* be impacted by this legislation. Part I, section 2 of this Bill does indeed state,

No private covenant for a residentially zoned lot within an urban district adopted after the effective date of Act _____, Session Laws of Hawaii 2024, shall...

but discussion of the Bill amongst legislators during recent testimony generated some unease and uncertainty amongst community members. For this reason, again, I request that the Committee provide clarification to confirm that the Bill, in alignment with its language at Part I, section 2, shall not alter private covenants existing prior to this Bill's effective date, scheduled to be January 1, 2026, should this Bill be passed.

I appreciate your serious consideration to **oppose this Bill**. If this Committee proceeds with SB3202, my experience in this field suggests that the proposed revisions, in addition to the requested affirmative statement, would provide greater clarification and reassurances to our valued neighbors across the islands.

Please feel free to contact me if you would like to discuss my comments. Thank you very much for your time.

Sincerely,

Dennis M. Lombardi



1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

April 1, 2024, 2 p.m.

Hawaii State Capitol

Conference Room 325 and Videoconference

To: House Committee on Housing Rep. Luke A. Evslin, Chair Rep. Micah P.K. Aiu, Vice Chair

House Committee on Water & Land Rep. Linda Ichiyama, Chair Rep. Mahina Poepoe, Vice Chair

House Committee on Judiciary & Hawaiian Affairs Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN SUPPORT OF SB3202 SD2 — RELATING TO URBAN DEVELOPMENT

Aloha Chairs, Vice-Chairs and other members of the committees,

The Grassroot Institute of Hawaii would like to offer its **strong support** for <u>SB3202 SD2</u>, which seeks to increase Hawaii's supply of housing by facilitating the construction of accessory dwelling units.

The aim of this bill is to boost the construction of smaller, more affordable housing units which would help to bring down the cost of housing statewide.

In a recent Grassroot Institute report, "How to facilitate more homebuilding in Hawaii," policy researcher Jonathan Helton addressed several of the provisions found in this bill.¹

Specifically, SB3202 SD2 would remove barriers to accessory dwelling units; provide for the subdivision of lots; and reform impact fees to prevent them from being a barrier to development.

One of the most significant elements of SB3202 SD2 is its embrace of smaller lot sizes.

Currently, minimum lot sizes for homes in Hawaii range from 3,500 square feet for a single family-home to 10,000 square feet for a duplex or multifamily unit. These large lot requirements are intended to guarantee a certain amount of yard space. However, they inadvertently incentivize the creation of larger, more expensive homes.

"Faced with having to provide a certain amount of land for each home, it makes logical sense that many homebuilders would build the largest houses allowable to maximize their profitability," wrote Helton in the Grassroot report. "If smaller lots were allowed, thus reducing project costs, homebuilders would find it financially feasible to build smaller, less expensive homes"²

In order to be feasible, subdivision of lots should be accompanied by adjustments to rules regarding setbacks and floor area ratios, which this bill addresses with respect to county rulemaking.

It must be noted that the bill allows for subdivision to lots of 2,000 square feet, but provides a path for counties to allow smaller lots if they wish to do so.

Finally, SB3202 SD2 takes a sensible approach to impact fees, which are just one more element that can add to the cost of construction.

Specifically, this bill would allow impact fees to be calculated based on a development's square footage. In addition, it would minimize additional fees on the conversion of existing structures and allow for the calculation of water/sewage fees based on the number of fixtures in the development.

We at Grassroot do have one concern, namely that the intent of the bill could be frustrated through the creation of unnecessary regulations on ADU construction at the local level. This has happened with similar ADU laws in other states, necessitating additional legislation to allow ADUs to become more effective as a

1050 Bishop St. #508 | Honolulu, HI 96813 | 808-864-1776 | info@grassrootinstitute.org

¹ Jonathan Helton, "How to facilitate more homebuilding in Hawaii," Grassroot Institute of Hawaii, December 2023, p. 6.

² <u>lbid</u>, p. 6.

housing solution.³ We urge the Legislature to put a priority on removing regulatory barriers and streamlining permitting for this and all other housing bills.

Nonetheless, this bill has the potential to increase Hawaii's housing supply and bring down the cost to rent or buy a home in Hawaii. We strongly urge you to pass SB3202 SD2.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii

³ Emily Hamilton and Abigail Houseal, <u>"A Taxonomy of State Accessory Dwelling Unit Laws,"</u> Mercatus Center, March 30, 2023.



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: House Committees on Housing, on Water & Land, and on Judiciary & Hawaiian Affairs

Re: SB 3202 SD2 – Relating to Urban Development

Hawai'i State Capitol & Via Videoconference

April 1, 2024, 2:00 PM

Dear Chairs Evslin, Ichiyama and Tarnas; Vice Chairs Aiu, Poepoe and Takayama; and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of SB 3202 SD2**. This bill, while preserving existing county regulations on building size and infrastructure capacity, allows for homes on smaller plots of land as well as additional dwelling units on residential lots in urban districts.

This bill would increase the supply of sorely needed affordable homes in Hawai'i by allowing homes to be built on smaller-sized lots, as well as by allowing multiple dwelling units per lot. By restricting these provisions to urban districts, this bill also would help keep the country county by reducing the need for suburban sprawl.

About 117,000 children in our state live in families that spend more than 30 percent of their income on housing, which is considered a high housing cost burden. This equates to 39 percent of all children in our state, ranking Hawai'i a concerning 49th among the states for housing affordability.¹

Housing instability has harmful effects on children's health and educational outcomes² and that the stresses of childhood poverty have both immediate and long-term effects on keiki's physical and mental health, behavioral self-control, academic achievement, and earnings as adults.³

Hawai'i had a housing affordability crisis long before the pandemic, and our families with keiki are suffering the consequences of it. We urge you to take all the steps that you can to solve this crisis, and we believe this bill would be one of those steps.

Mahalo for the opportunity to provide this testimony. Please pass this bill.

Thank you,

Nicole Woo

Director of Research and Economic Policy

¹ https://assets.aecf.org/m/resourcedoc/aecf-2023kidscountdatabook-2023.pdf

² https://housingmatters.urban.org/articles/how-housing-affects-childrens-outcomes

³ https://www.apa.org/pi/ses/resources/indicator/2014/06/childhood-poverty

SB-3202-SD-2

Submitted on: 3/29/2024 11:08:01 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Frances Oneha	Waimanalo Health Center	Oppose	Written Testimony Only

Comments:

Waimanalo Health Center opposes SB 3202 SD 2 Relating to Urban Development. While WHC recognizes this is a challenging issue and that there is an affordable housing shortage, there are other options more amenable to the well-being of residential neighborhoods and homeowners.

SB-3202-SD-2

Submitted on: 3/29/2024 1:57:52 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gordon Aoyagi	Manoa Outdoor Circle	Oppose	Written Testimony Only

Comments:

The Honorable Chair Rep. Luke A. Evelin and Vice Chair Rep. Micah P.K. Aiu

Committee on Housing

The Honorable Chair Rep. Linda Ichiyama and Vice Chair Rep. Marina Poepoe

Committee on Water and Land

The Honorable Chair David A. Rep. Tarnas and Vice Chair Rep. Gregg Takayama

Committee on Judiciary and Hawaiian Affairs

Subject: Opposition to SB 3202SD2

Dear Committee Chairs, Vice Chairs and Representatives,

The Manoa Branch of the Outdoor Circle opposes SB 3202SD2 and strongly urges you to vote "No". The proposed bill usurps the authority and responsibilities of local County governments for land use management and abruptly changes zoning for single family housing allowing for additional housing units through subdivision into additional lots of 2000 square feet. The bill threatens the character of our communities and portends a potential deleterious impact on density, infrastructure capacity, and quality of life in our single family communities. Furthermore, by imposing SB3202SD2 requirements on homeowners, the State threatens effective local land use governance by breaking the trust and confidence homeowners have in their governments to properly regulate compatible land uses and orderly development.

Long established principles and practices of urban planning for local government require extensive time, work, and analysis with community engagement in the development of its comprehensive plan (Local Plan). Local zoning regulations and capital improvements implement the Plan. Environmental and sustainability assessments carefully consider the carrying capacity of public service infrastructure for water, sewer, traffic, parking, police, fire, schools, storm water control and other urban services. Strong consideration is given to urban trees, greenery and open space. The adopted Local Plan represents how the communities envision the future, habitability and quality of life of their community. Home owners closely examine the land use compatibility and character of an area when they make one of the largest investment of their lives in purchasing a home. Zoning is the primary tool for local land use control and is considered a covenant between the home owner and its government to protect their investment and quality of life. The State in its rush to adopt SB3202SD2 ignores this covenant with home owners and undermines our trust and confidence in governance. It also sets a very dangerous precedence of offering recourse through the State Legislature for local zoning issues previously the sole providence of local government. This introduces chaos and causes confusion, conflict and needless litigation in housing development. We urge the State to stay in its "own lane". Vote "No" on SB3202SD2.

The State has it own means and resources to directly produce affordable housing (HPHA, HCDA, HHFDC and appropriate incentives). The State has not addressed the backlog of units approved but not constructed. Yet SB 3202SD2 imposes unpredictable new zoning on single family homeowners to solve the affordable housing problem. Neither the number of housing units nor the guarantee that the units produced will be affordable are included in SB3202SD2. No research or analysis has been offered on the short and long term impacts that SB3202SD2 will have upon our single family communities and quality of life. SB3202SD2 only speculates that affordable housing will increase. Speculation in Honolulu housing in the past has not proven to be the source for affordable housing. Speculation should not be the basis for new housing public policy particularly when it usurps and ignores well established principals. practices and processes for local land use controls and orderly development. Reject SB3202SD2.

Thank you for your consideration.

Sincerely,

Gordon Aoyagi, President, Manoa Outdoor Circle



April 1, 2024

Representative Luke Evslin, Chair Representative Micah Aiu ,Vice Chair Committee on Housing

Representative Linda Ichiyama, Chair Representative Mahina Poepoe, Vice Chair Committee on Water and Land

Representative David Tarnas, Chair Representative Gregg Takayama, Vice Chair Committee on Judiciary

RE: SB 3202 SD2– RELATING TO URBAN DEVELOPMENT Hearing date – April 1, 2024 at 2:00 P.M.

Aloha Chairs Evslin, Chair Ichiyama, Chair Tarnas and members of the committees,

Thank you for allowing NAIOP Hawaii to submit testimony providing COMMENTS ON SB 3202 SD2— RELATING TO URBAN DEVELOPMENT. NAIOP Hawaii is the Hawaii chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders, and other professionals. NAIOP Hawaii is generally supportive of efforts to incentivize sustainability and promote the development of more affordable housing.

SB 3202 SD2 proposed several creative solutions to provide additional housing in Hawaii which include:

- 1. Allowing for the development of at least 2 additional dwelling units;
- 2. Establishes that a parcel zoned for residential use that is in the state urban land use district may or may not be prohibited from being subdivided, consolidated, or re-subdivided; and
- 3. Requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs.

Representative Luke Evslin, Chair Representative Linda Ichiyama, Chair Representative David Tarnas, Chair April 1, 2024 Page 2

4. Permits the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facility.

NAIOP Hawaii supports creative housing solutions to address Hawaii's housing shortage. Hawaii is currently facing a housing crisis with the need for more affordable homes for residents reaching an all-time high. We understand the concerns that have been expressed for this measure, Hawaii is currently one of the most regulated states when it comes to the development of housing units. Over regulation, even in plan development areas (i.e. Transient Oriented Development Areas), have led to the need for alternatives to create additional housing density in our state to address our housing goals.

SB 3202 SD2 measure seeks to allow for the development of additional units through permitting greater density in the urban districts and by allowing subdivision of lots with a minimum square footage. Some of the cities that have taken steps to eliminate or reduce housing zoning statutes to address housing affordability and diversity include:

- Minneapolis, Minnesota: In 2019, Minneapolis became the first major city in the US to eliminate single-family zoning, allowing for duplexes and triplexes in residential neighborhoods.
- Portland, Oregon: Portland has implemented measures to allow for more density in residential neighborhoods, including allowing for accessory dwelling units (ADUs) and easing restrictions on multi-family housing.
- Seattle, Washington: Seattle has made changes to its zoning laws to allow for more density and increased housing options, including ADUs and backyard cottages.
- Austin, Texas: Austin has taken steps to increase housing options and affordability by allowing for more density and reducing restrictions on housing types.

When reviewing the impacts of similar legislation, there does not appear to be catastrophic consequences in these cities. Moreover, there are adequate guardrails for health and safety (building codes, etc.) that are left intact to address concerns associated with the measure. Ultimately, Hawaii residents need housing units to be produced to allow our local families to continue to thrive here. NAIOP Hawaii is supportive of policies which encourage the production of much needed housing stock for our local residents.

NAIOP Hawaii acknowledges that SB3202 SD2 is weighty and elicits meaningful change to existing residential zoning. Local people continue to leave Hawai'i due to the high cost of living, primarily caused by the current deficit of affordable and workforce housing. Without thoughtful legislation of equal weight to SB3202 SD2, it will be difficult to reverse the out-migration of locals from Hawai'i. Given the bill's expansive nature, NAIOP Hawaii recommends legislators closely monitor the real-world effects post-passage of this legislation and remain nimble in making swift adjustments as needed to minimize unintended negative consequences. Thank you for the opportunity to testify on this measure.

Mahalo for your consideration,

Reyn Tanaka, President

NAIOP Hawaii



Ka Iwi Coalition Mauka to Makai



2024 Board of Directors March 29, 2024

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Livable Hawaii Kai Hui is a 501(c)(3) non-profit, community organization serving East Honolulu since 2004. We strive to promote sensible growth, respect for cultural & natural resources, and upholding the integrity of the East Honolulu Sustainable Communities Plan.

Hawai'i House of Representatives

Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs Meeting on April 1, 2024 at 2 p.m.

Conference Room 325 & Videoconference

SUBJECT: OPPOSITION TO SB3202

Aloha e Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and HSG/WAL/JHA Committees,

As an 'āina-based nonprofit with a mission to protect East Honolulu's cultural and natural resources and uphold the integrity of the East Honolulu Sustainable Communities Plan, Livable Hawaii Kai Hui opposes SB3202.

To be clear, the Hui supports sustainable development. This is not a matter of NIMBY-ism or total opposition to development, but rather a genuine and shared concern that in the rush to address Hawai'i's housing crisis, we may end up permitting overdevelopment as defined by any meaningful metric. This would be done not only over those in opposition, but over all public participation in general, because applications will not be reviewed by the county councils and these bills will supersede certain county planning and zoning laws.

All or parts of this bill are opposed by multiple Neighborhood Boards on O'ahu. The Honolulu Department of Planning and Permitting opposes language that would allow monster homes in already densely packed neighborhoods. Again, this is not some abstract, NIMBY-ist concern, but a comment on reality: development under this bill would be putting the cart before the horse — too many of our communities simply do not have the infrastructural capacity yet to support this level of change.

None of this even touches on the fact that while upzoning may address the practical need for new housing, we cannot ignore the multitude of other factors contributing to the housing crisis, e.g., systems



that disincentivize investment in affordable housing in favor of luxury development, vacancies and underutilization of existing housing stock.

The Hui recognizes that upzoning can be a useful strategy when employed carefully, and that public participation requirements can be burdensome, particularly when it comes to housing. But we also recognize that our neighborhoods are not prepared for the changes that could result from these bills, and that especially in a place like Hawai'i, opportunities to testify and provide public comment can sometimes be the people's only way to slow down projects that are clearly harmful to our communities and to the 'āina.

Mahalo to your Committees for voting against this measure.

Mālama pono,

Elizabeth Reilly Founder/President

Dizabely C. Fr. W



OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

BOARD MEMBERS

Jason Fujimoto Meli James, *Board Chair* Micah Kāne Brandon Kurisu Mike Mohr Brad Nicolai Mike Pietsch

ADVISORY COMMITTEE

Josh Feldman Brittany Heyd Alicia Moy Ed Schultz

Josh Wisch
President & Executive Director

827 Fort Street Mall, 2nd Floor Honolulu, Hawaii 96813

+1 (808) 909-3843 info@holomuacollaborative.org

HolomuaCollaborative.org

Page 1 of 2

Committee: House Committee on Housing

House Committee on Water and Land

House Committee on Judiciary and Hawaiian Affairs

Bill Number: SB 3202, SD2, Relating to Urban Development

Hearing Date and Time: April 1, 2024 at 2:00pm (Room 325)

Re: Testimony of Holomua Collaborative in support

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and members of the committees:

We write in support of SB 3202, SD2, Relating to Urban Development. The purpose of the bill – put simply – is to remove some of the barriers that make it difficult under current zoning regulations to build smaller, more affordable homes–especially with respect to Accessory Dwelling Units (ADUs)–for local families who are trying to make ends meet in Hawai'i.

Utilizing the approach of SB 3202 to allow for the construction of two ADUs on all lots in urban areas has multiple benefits, including:

- Allowing individual homeowners in urban areas to build more than one small dwelling on their existing lots would help keep local working families in Hawai'i by reducing their home costs;
- Encouraging housing for more people in the urban stand land use district will help protect open and agricultural spaces; and
- Allowing for more starter homes and ADUs in the urban state land use district
 will create a new option for local families that is more consistent with
 neighborhood character and is an antidote to "monster homes."

If this approach can be combined with a clear provision to give the individual counties flexibility around owner-occupancy requirements, we can help ensure that these new, smaller homes stay in the hands of local residents. Combined, this will reduce housing costs, increase housing supply, and continue to protect open and agricultural spaces.

It is noteworthy that this approach to providing housing is popular among Hawai'i residents. Holomua Collaborative recently conducted a statewide survey on multiple policy issues being considered by the legislature this year, including this proposal. According to the poll results from this statewide survey, conducted locally by Anthology: 86% of respondents somewhat or strongly support creating new housing people could afford in their neighborhood; and 87% of respondents somewhat or strongly support loosening zoning requirements in urban areas to allow people to build "starter homes" if it would help keep local working families in Hawai'i.

These poll results put a quantifiable exclamation point on something many of us instinctively assume: the overwhelming majority of local residents welcome some



Page 2 of 2

change to their neighborhood if it will help keep their friends, families, and neighbors in Hawai'i.

Finally, it is also worth noting that even with the changes proposed by this bill, no new building could occur unless sufficient infrastructure (water, sewer, etc.) is present to support it.

As an organization that is devoted to finding ways to keep all local working families in Hawai'i by making sure they can afford to stay here, we support this bill as an innovative approach to address urgent cost-of-living challenges.

Sincerely,

Josh Wisch

President & Executive Director



335 Hahani Street #342132 * Kailua, HI 96734 * Phone/Fax (808) 262-0682 E-Mail: htt3000@gmail.com

April 1, 2024

COMMITTEE ON HOUSING

Rep. Luke A. Evslin, Chair Rep. Micah P. K. Aiu, Vice Chair Committee Members

COMMITTEE ON WATER & LAND

Rep. Linda Ichiyama, Chair Rep. Mahina Poepoe, Vice Chair Committee Members

COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Rep. David A. Tarnas, Chair Rep. Gregg Takayama, Vice Chair Committee Members

SB 3202 SD2 RELATING TO URBAN DEVELOPMENT

Hawaii's Thousand Friends, a statewide non-profit water and land use planning organization dedicated to protecting the environment, human health, and cultural and natural resources **opposes** SB 3202 SD2, which is anti-home rule by requiring the counties to allow at least two additional dwelling units on properties designated urban and zoned residential.

SB 3202 SD2 removes a counties option to consider and evaluate impacts to or appropriateness of allowing at least two additional housing units on parcels as small as 2,000 square feet if the parcel is designated urban and zoned residential.

SB 3202 SD2 eliminates public input in planning for their communities because under this new law all applications shall be reviewed and acted upon by the director of the county agency responsible for land use.

The increased density under SB 3202 SD2 creates more impermeable surfaces intensifying storm water runoff, which is considered one of the greatest threats to clean water as runoff picks up fertilizer, oil, pesticides, dirt, and other pollutants as it makes its way through storm drains and ditches to streams and the ocean.

Land use should not be considered in the framework of *one-size fits all* since each county, each island, and each community is different with diverse needs, circumstances and issues that are best decided at the local level.

To prevent the state's anti-home rule overreach, we urge the committees to hold SB 3202 SD2.



'ĀINA HAINA COMMUNITY ASSOCIATION

c/o 'Āina Haina Library, 5246 Kalanianaole Highway, Honolulu, HI 96821 ainahainaassoc@gmail.com; www. ainahaina.org

Jeanne Ohta, President • Melia Lane-Kamahele, Vice-President • Art Mori, Treasurer • Kathy Takemoto, Secretary • Directors At Large: Jeff Carlson, Wayson Chow, Meymo Rego, Marie Riley

April 1, 2024

To: Members of the Committee on Housing

Members of the Committee on Water and Land

Members of the Committee on Judiciary and Hawaiian Affairs

From: Jeanne Y. Ohta, President

RE: SB 3202 SD2 Relating to Urban Development

POSITION: STRONG OPPOSITION

The Board of Directors of the 'Āina Haina Community Association (AHCA) write in strong opposition to SB 3202 SD2 Relating to Urban Development.

This measure includes all state urban-zoned properties according to the state land use boundaries. State zoning is different from county zoning and properties zoned as preservation at the county level are zoned as urban for state land use purposes. Because the bill is overly broad, these properties which communities have worked hard over decades to place in preservation would be affected. The difference between state and county zoning is just one of the reasons why the state should not interfere with county zoning.

SB 3202 SD2 indiscriminately increases the density of all residential properties and essentially eliminates single-family zoning in all residentially zoned communities in Honolulu.

The bill also ignores Honolulu's General Plan and the more specific Sustainable Communities Plans; plans written with input of residents as their vision for the future of their communities. The one-size-fits-all mandate of the bill does not recognize the diversity of communities and the knowledge and experience of the residents who live there.

This bill is a huge overreach by the State; it encourages investors and developers to build homes but does not have any mechanism to ensure affordability or require owner-occupants; and due to the almost non-existent parking requirements, the residents of these homes will park on already crowded streets.

The bill would drive property values even higher, leading to higher property taxes for everyone, not just limited to multi-unit properties, which would again price local families out. The potential changes to our neighborhoods by the huge increase in density will result in unacceptable changes to their character and livability.

Also of concern is this measure does not exclude parcels of land that have steep slopes, unstable and expansive soils, rockfall dangers, and the potential for flooding; all of which we have experienced in 'Āina Haina.

Communities have already worked hard to oppose monster homes in their neighborhoods because of the negative effects they have caused. This bill is tone-deaf to the experiences and concerns of residents in these neighborhoods.

This measure is an example of haphazard and indiscriminate zoning under the guise of providing affordable housing. There are other factors contributing to the housing crisis, the building and real estate industries are based on increasing property values and investments in luxury developments and out-of-state buyers. There is little incentive to build affordable homes. Why are "affordable units" unsold in Kaka'ako?

Before taking this destructive action, we ask the committees to first consider steps to return units used as short-term rentals to local residential use. Estimates place the number of illegal short-term rentals currently at 75,000 units which would immediately help solve the housing deficit. It is certainly more reasonable to do take steps against illegal rentals than to destroy our neighborhoods with this over-broad proposal.

We respectfully ask the Committees to vote against SB 3202 SD2.



April 1, 2024

Committee: House Committee on Housing

House Committee on Water and Land

House Committee on Judiciary and Hawaiian Affairs

Bill Number: SB 3202, SD2 Relating to Urban Development

Hearing Date and Time: April 1, 2024, 2:00pm

Re: Testimony of HPM Building Supply in Support

Aloha Chair Evslin, Chair Ichiyama, Chair Tamas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and members of the committees:

We write in strong support of SB 3202. This bill will remove barriers that make it difficult under current zoning regulations to build smaller, more affordable homes for local families who are trying to afford to keep living in Hawaii.

HPM Building Supply is a 100% employee-owned company serving Hawaii's home improvement market and building industry for over 100 years since 1921. With 18 locations across Hawaii and Washington State, HPM offers various services & products, including retail stores, building supply and lumber yards, home design centers, drafting and design services, and manufacturing facilities. HPM is dedicated to enhancing homes, improving lives, and transforming communities one home at a time.

As a building supply company with longtime local roots, we understand the challenges of building housing in Hawaii. Adjusted for inflation, the price of existing homes in Hawaii has increased by 155% since 1984. And no matter what happens to the price of building supplies, the biggest cost of building a home in Hawaii remains the cost of the land. Allowing for the construction of more, smaller homes by individual homeowners on their lots would help reduce home prices for local families. This would benefit everyone from young professionals looking to get started in a smaller home to kupuna looking to downsize as their children have moved out.

Since SB 3202 would only allow for this change to the zoning regulations in the urban state land use district this bill also helps to preserve open and agricultural spaces across Hawaii.

This bill also aligns with HPM's values of Heart, Character, and Growth. By supporting ways to build "starter homes" that local families can more likely afford, we're helping to keep all local working families in Hawaii. Our company's value of Heart is caring for one another as a community.

Mahalo for the opportunity to submit testimony in support of SB 3202. I strongly encourage your support and passage of this measure.

Sincerely,

Dennis Lin

Community Relations Administrator



HPMHAWAII.COM



April 1, 2024

Testimony in support of SB 3202, SD 2, Relating to Urban Development

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and members of the committees:

We write in support of an amended bill that allows locals to build two additional Accessory Dwelling Units (ADUs) on their property.

Utilizing the approach of SB 3202 to allow for the construction of two ADUs on all lots in urban areas is an innovative way to help reduce some housing costs. And by pairing this approach with explicit guidance giving the individual counties flexibility around owner-occupancy requirements, we can help ensure that these new, smaller homes stay in the hands of local residents. Combined, this approach will reduce housing costs, increase housing supply, and continue to protect open and agricultural spaces.

Title Guaranty of Hawai'i is the oldest and largest title company in the state. We have been owned and operated by a kama'aina family since 1896 and we are proud to employ over 250 residents who work in our branches across the state. As an organization that has worked for over a century to help connect local families with housing, we know how dire the housing cost situation in Hawai'i has become for local families. That is why we are looking for innovative methods like this to help keep local working families in Hawai'i.

Sincerely,

Mike B. Pietsch

President and Chief Operating Officer

Title Guaranty of Hawai'i





Testimony to House Committee on Housing House Committee on Water and Land House Committee on Judiciary and Hawaiian Affairs April 1, 2024 2:00pm Conference Room 325 & VIA videoconference Hawai'i State Capitol SB 3202, SD2

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and members of the committees:

We write in support of SB 3202. This bill will simplify the process of building smaller, affordable homes in urban areas, providing advantages for local working families in Hawai'i.

Established in 1904, Hawai'i Gas serves over 70,000 customers on all islands through its utility pipeline infrastructure and propane business, all of whom depend on the company for sustainable, reliable, and affordable gas for water heating, cooking, drying, and other commercial and industrial applications. The company employs some 350 professionals, over 75% of whom are under collective bargaining.

Because we employ so many people in a variety of different roles statewide, we understand that a critical challenge many in our company face is finding housing. This challenge has only grown over the years as the price of existing homes in Hawai'i has, adjusted for inflation, increased by 155% since 1984. A crucial aspect of the challenge stems from the existing zoning requirements that promote the construction of large homes on expansive lots. Over the years, this trend has led to an increasing number of individuals starting their careers being priced out of the local housing market.

SB 3202 takes an innovative approach by permitting the construction of smaller homes in urban areas. This strategy aims to alleviate housing costs by introducing more and smaller homes in the urban state land use district, simultaneously decreasing housing expenses, expanding supply, and preserving open and agricultural spaces.

We know there must be multiple solutions to address the lack of housing for local working families and we are happy to support SB 3202 as a key part of the solution.

Thank you for the opportunity to testify.



Testimony in Support of SB 3202, Relating to Urban Development

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and members of the committees:

We write in strong support of SB 3202. This bill will make it easier to build smaller, more affordable homes in urban areas for local working families in Hawai'i.

aio is a locally owned company with holdings across a broad range of industries. Our companies are purposedriven and firmly rooted in local values. At aio, Hawai'i is at our core, and through our products and services, we work hard to make Hawai'i a better place for future generations.

To do that, we need to make sure that future generations in Hawai'i have a place to live. Hawai'i has the highest housing costs in the country. Less than one third of households in Hawai'i can afford a median-priced single-family home and less than one half can afford a median-priced condominium. The price of existing homes in Hawai'i has increased by 155% since 1984, when adjusted for inflation. We need to do something different.

Loosening zoning requirements in urban areas to allow people to build smaller, less expensive single-family homes that can be built with multiple dwellings on a typical lot is an innovative approach to our housing challenge. Allowing this in urban areas would lower housing costs and help keep local working families in Hawai'i.

Mahalo for the opportunity to submit testimony in support,

Brandon Kurisu

aio Family of Companies

Smit. h.



TORI RICHARD

April 1, 2024

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and members of the committees:

We write in support SB 3202, as it aims to streamline the construction of smaller, cost-effective homes in urban areas, benefitting local working families in Hawai'i.

Tori Richard has manufactured in Honolulu for over 60 years, and we continue to proudly do so today. As a long-time medium-sized Hawai'i employer, we recognize the challenge high housing costs pose to everyone working to make ends meet in Hawai'i. This issue has intensified over the years, with the cost of existing homes in Hawai'i rising by 155% since 1984, when adjusted for inflation.

SB 3202 aims to tackle this challenge by concentrating on areas within the urban state land use district and permitting the construction of more than one dwelling on lots within the designated urban state land use areas.

This approach has multiple benefits. Allowing individual homeowners in urban areas to build more than one small dwelling on their lots helps local working families stay in Hawai'i by reducing their home costs. Encouraging housing for a greater number of people in the urban state land use district aids in the protection of open and agricultural spaces. Additionally, by allowing for these "starter homes" in the urban state land use district, a new option for local families is created, aligning with neighborhood character and acting as a countermeasure to "monster homes."

Sincerely,

Josh Feldman

President & CEO

Tori Richard, Ltd.

Michael Mohr 493 Portlock Road Honolulu, Hawaii 96825

April 1, 2024

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and members of the committees:

I write in support of SB 3202, Relating to Urban Development. The purpose of the bill is to remove some of the barriers which make it difficult under current zoning regulations to build smaller, more affordable homes for local families who are trying to make ends meet in Hawai'i.

Land is precious here and very costly. By allowing more than one dwelling to be built on existing lots, a lot more housing can be built. This would help keep local working families in Hawai'i by reducing their housing costs, indirectly help protect open and agricultural spaces; and create a new option for local families more consistent with neighborhood character.

It is worth noting that even with the changes proposed by this bill, no new building could occur unless sufficient infrastructure (water, sewer, etc.) is present to support it.

I'd like to make sure my kids and my grandchildren can afford to build lives here along with all local working families.

I commend your efforts to support this innovative approach to address urgent cost-of-living challenges.

Mahalo,

-Mike Mohr

M_NN up



Statement of Meli James Cofounder Mana Up

SB 3202, Relating to Urban Development

Aloha,

We write in strong support of SB 3202. In essence, the bill aims to eliminate obstacles created by existing zoning regulations that make it challenging to build smaller, cost-effective homes for local families struggling to meet expenses in Hawai'i.

Mana Up is a statewide initiative that supports entrepreneurs in Hawai'i, providing them with resources and tools to scale globally. As these entrepreneurs continue to grow, they also help contribute to our expanding our local economy. As part of our mission, we aim to sustain the local economy through economic diversification, local job creation, community giveback, investment, and a regenerative culture of entrepreneurship – providing a better future for generations to come here in Hawai'i. A key part of this is helping to create high-quality jobs for locals so they can stay in Hawai'i and support the high cost of living here in the Islands.

SB 3202 aims to provide "starter homes" – just the type of housing a young entrepreneur needs - by focusing on urban state land and permitting multiple dwelling on existing lots. The benefits include cost reduction for working families, preservation of open spaces, and the creation of modest homes aligned with neighborhood character.

This bill is a good opportunity to help keep local working families in Hawai'i by building more and smaller homes that they can afford, and Mana Up is happy to support it.

Sincerely,

Meli James

Cofounder, Mana Up



April 1, 2024

TO: Honorable Luke Evslin, Chair

House Committee on Housing

Honorable Linda Ichiyama, Chair House Committee on Water and Land

Honorable David Tarnas, Chair

House Committee on Judiciary and Hawaiian Affairs

FROM: Reid Mizue, AIA

President / Legislative Advocacy Committee

American Institute of Architects, Hawaii State Council

SUBJECT: Senate Bill 3202

Relating to Urban Development

Dear Chairs, Vice-Chairs and Members of the Committees.

My name is Reid Mizue, President of AIA Hawaii State Council, writing to you in **OPPOSITION** to SB 3202. The Council is supportive of the legislature's push for more affordable housing, however, the language of the bill as written will not have the intended effect.

Here are suggestions and/or consideration to defer beyond this Legislative session for further working group development:

1. Consideration for affordability.

In its current form, there is no language to suggest that splitting these lots would create affordable housing. The average residential lot in Hawaii is upwards of a million dollars. A developer or investor will build to market and will likely not be able to build anything "affordable" for the demographic in most need of housing.

2. Consider that current language oversteps homerule responsibilities.

Every county is different, and within each county there are regional differences, as described in county Development Plans and Sustainable Communities Plans. Determining permitted land uses should be done at the county level, rather than with broad-sweeping State legislation bent on prohibiting single-family house zoning; most popular housing choice among voters.

3. Do not make FAR changes

If multi-generational living is the intent, this can be done without making FAR changes. There is inherent danger in subdividing lots too small. This is especially impractical given the existing infrastructure in our oldest communities where streets are already built and setback rules would make dividing these lots nearly impossible.

4. Appropriate and Distribute grants to families to build ADUs

The state and counties should provide financing to families who want to take advantage of the already-eligible lots to add ADUs to their site. In the same way that funding has been provided for residents to meet the State's energy goals, funding should be provided to those who can add to the State's housing goals. Oahu, as an example, has over 100,000 ADU eligible lots.

5. Adjust Residential zoned districts

Why is there no language to bring in apartment and mixed-use zoning into the discussion? Within the most heavily impacted County districts, allow each County to decide how to adjust zoning that would truly offer gentle density.

Thank you for the opportunity to Oppose this measure as experts in designing our neighborhoods and liveable communities.

Sincerely,

Reid Mizue, AIA

President

American Institute of Architects, Hawaii State Council

Cc: Representative Micah Aiu Representative Mahina Poepoe

Find T. Un.

Representative Gregg Takayama



Testimony Before the House Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs

Monday, April 1, 2024; 2:00 pm Conference Room 325 & Via Videoconference State Capitol, 415 South Beretania Street, Honolulu, HI 96813

RE: Support for SB3202 SD2

Dear Chairs Evslin, Ichiyama, and Tarnas; Vice Chairs Aiu, Poepoe, and Takayama; and Distinguished Members of the Committees:

The Kaua'i Chamber recognizes the essential role of affordable housing in supporting economic growth, diversification, and an improved quality of life for all Kaua'i residents and we offer our full support for Senate Bill SB3202 SD2, relating to urban development.

The Chamber previously expressed support, with some reservations, for the House companion bill HB1630. We appreciated the Legislature's responsiveness regarding our concerns, many of which have been clarified and addressed in the current iteration of SB3202 SD2.

This bill allows increased density and flexibility in residential zoning within urban districts—a move we believe will make significant strides towards mitigating the housing crisis. By enabling the construction of at least two additional dwelling units per residentially zoned lot, the bill offers a pragmatic approach to increasing the housing supply without compromising local governance and community character. It strikes a careful balance between state-level mandates and county-level discretion, allowing for local adaptations to infrastructure, design guidelines, and rental regulations.

The Chamber is particularly supportive of the bill's provisions to limit restrictive covenants and ensure that additional dwelling units can contribute to meeting the housing needs of Kauai's workforce. This legislative action is a step forward in making affordable housing more accessible and supports the Chamber's vision of a community where our residents can live and thrive. Moreover, the proposed amendments to impact fee assessments, emphasizing a fair and proportionate share of public facility costs, are viewed as a positive development towards equitable and sustainable urban growth.

We urge the Legislature to pass Senate Bill SB3202 SD2, and we look forward to contributing to the fruitful outcomes this legislation promises.

Mahalo for your dedication to addressing Hawai'i's housing needs and for considering the perspective of the Kaua'i business community.

Warmest Aloha,

Mark Perriello President & CEO



March 28, 2024

HSG/WAL/JHA Committee Meeting 2:00 p.m. – Monday April 1, 2024

SB 3202 SD2 – SUPPORT

Aloha committee chairs, vice-chairs and members,

I am submitting testimony in my capacity as Executive Director of Hawaii Habitat for Humanity Association (HHFHA). We are a nonprofit Community Development Financial Institution (CDFI) and Affiliate Support Organization for five direct service Habitat for Humanity Affiliates throughout the state, serving all four counties. Hawaii Habitat for Humanity Association <u>SUPPORTS SB3202 SD2</u> which prohibits county zoning ordinances from not allowing four or more residential units per residential lot within an urban district.

Hawaii is in desperate need of "missing middle" housing. This bill will provide a mechanism to allow for the creation of additional affordable homes that fill this space while preserving counties' authority to apply all rules related to location, height, size, setbacks, open space, uses, and health and safety codes, and to adopt additional design guidelines for missing middle homes. Allowing counties to restrict short-term rentals and impose owner-occupancy requirements for short-term rentals, while preventing bans on long-term rentals and other restrictions that reduce the supply of homes is important. Prevention of future residential covenants that discriminate against long-term renters or missing middle homes is also a key component.

Hawaii Habitat for Humanity Association is part of the largest network of affordable homeownership developers in the nation. There has been a demonstrated history of success in other states with similarly enacted legislation, expanding opportunities to increase the supply of affordable homes that has benefited the work of other Habitat for Humanity affiliates.

We urge you to **PASS SB3202 SD2**, which will expand the opportunities for missing middle housing to be built in Hawaii.

Mahalo for your time, leadership and consideration. Please contact me at 808.847.7676 or emann@hawaiihabitat.org should you have any questions or need additional information.

Sincerely,

Erik Mann

Executive Director



SB-3202-SD-2

Submitted on: 3/31/2024 1:58:11 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Hawaii Young Republicans	Support	In Person

Comments:

Aloha Representstives,

My name is Jacob Wiencek, Chairman of Hawaii Young Republicans, and on behalf of our organization we *strongly support* this proposed bill.

Hawaii's housing crisis is causing significant distress to younger people. Working and middle class families cannot afford to live here. Our next generation is leaving for greater opportunity and cheaper living on the Mainland. This Bill has the potential to start decreasing cost of living. To allow the next generations a chance to live here. We urge the committees assembled to **PASS** this legislation now!



HAWAII STATE HOUSE OF REPRESENTATIVES COMMITTEES ON HOUSING, WATER & LAND, AND JUDICIARY & HAWAIIAN AFFAIRS Conference Room 325 & Videoconference State Capitol 2:00 PM

April 1, 2024

Subject: SB 320 - RELATING TO URBAN DEVELOPMENT

Chairs Evslin, Ichiyama, & Tarnas, Vice-Chairs Aiu, Poepoe, & Takayama, and members of the Committees:

My name is Max Lindsey, Government Relations Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in support of the intent of HB 1630, Relating to Urban Development. This bill prohibits county zoning ordinances from not allowing four or more residential units per residential lot within an urban district, requires the counties to allow for attached and detached additional units or accessory dwelling units but authorizes the counties to impose certain restrictions, provides that a parcel zoned for residential use that is in the state urban land use district shall not be prohibited from being subdivided, consolidated, or re-subdivided under certain conditions, requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs, and permits the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facility.

As the state of Hawaii is in a dire housing crisis, we are in support of legislation such as this, which would help expedite the building of housing. As the Legislature is aware, the cost of housing in Hawaii is extremely high, and out of touch for many kama`aina. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB). We look forward to continuing to work with the Legislature to find ways to solve this housing dilemma.

We appreciate the opportunity to provide our comments on this matter.

Testimony to the House Committees on Housing, Water and Land and Judiciary and Hawaiian Affairs Monday, April 1, 2024 at 2:00 PM Conference Room 325 & Videoconference

RE: SB3202 SD2 Relating to Urban Development

Aloha Chairs Evslin, Ichiyama and Tarnas, Vice Chairs Aiu, Poepoe and Takayama and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **supports SB3202 SD1**, which serves to remove imposed barriers under current zoning regulations to enable the building of smaller, more affordable homes for local families in Hawaii.

The Chamber of Commerce Hawaii has joined a coalition of organizations that support the intent of this bill, which is to expand allowable density to increase housing development. The proposed bill will support the needs of our business community by increasing housing inventory for our workforce and slowing down their exodus to the Continent.

The shrinking population in Hawaii is a result of the inequitable access to housing for our working population. Rather than accepting the exodus of our workforce as our fate, we need to address the affordable housing crisis head on with practical solutions to increase inventory at every income level. This mass exodus of our workforce makes it difficult for businesses in every industry to maintain regular operations and services. Each week we hear about a new beloved small business that is forced to close its doors due to the lack of qualified employees. Slowing the exodus is imperative to support our local business community and to retain future generations of kamaaina.

According to a 2022 report by UHERO, Hawaii has the strictest government regulations related to housing of any state in the country. This contributes to scarcity in the housing market and the result is housing that is unaffordable for most kamaaina. This bill proposes to reduce the minimum lot size requirements (currently 5,000 square feet) to allow more than one attached dwelling unit (ADU) to be built on lots within the urban land use areas. The bill also proposes to reduce impact fees associated with these additional units in order to make it more feasible and affordable for lot owners to build ADUs. These are reasonable changes that will accelerate housing construction and ultimately lessen housing costs by reducing regulatory barriers.

The Chamber acknowledges that amendments proposed by the counties may be necessary in order to ensure the county agencies responsible for land use may confirm that land conditions are safe and infrastructure sufficient for additional housing. Thoughtful county administrative rulemaking can provide more housing for our workforce while maintaining the welfare, safety and vital character of our communities.

For these reasons, we continue to support the adoption of House Bill 1630, H.D. 1 or Senate Bill 3202, S.D. 2.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Thank you for this opportunity to testify.



March 30, 2024

Subject: Testimony in Support of SB 3202 and HB 1630

To whom it may concern,

I am writing to express my strong support for SB 3202 and HB 1630, recognizing them as pivotal strides in our collective endeavor to tackle Hawai'i's housing crisis. As a local housing developer deeply rooted in our community, I witness firsthand the obstacles confronting working families in their quest for accessible housing options.

The current zoning regulations in Hawai'i restrict the development of smaller, more affordable homes on compact lots and multigenerational housing. These limitations contribute to the rising housing costs that force many kama'āina to leave our islands. SB 3202 and HB 1630 offer a solution by legalizing these housing options, rendering homeownership more attainable for local families.

Not only will these bills expand the availability of affordable housing, but they will also aid in preserving the distinctive character of our local communities. By enabling families to reside together and diminishing the necessity for expansive, costly residences, these measures serve to fortify the fabric of our neighborhoods. Embracing these bills stands as an imperative stride towards ensuring a sustainable future for Hawai'i.

I am encouraged by the broad support these bills have received from organizations and individuals across the spectrum, including Housing Hawai'i's Future, AARP Hawai'i, the Maui County Planning Department, among many others.

I urge you to support SB 3202 and HB 1630 and help secure a more affordable and sustainable future for our community.

Best regards,

Jack C. Dowling Acquisitions Director

Jack Dowling



April 1, 2024

RE: OPPOSE SB3202 SD2

Dear Representatives:

HI Good Neighbor strongly OPPOSES SB3202 SD2.

We are a group of working class residents from around Oʻahu who are strongly opposed to the commercialization of our residential districts (monster houses and illegal vacation rentals), which drive up property values and price local families out. HI Good Neighbor supports the thoughtful and safe development of our residential neighborhoods.

Without affordability language and guardrails to disincentivize investors and out-of-state buyers, SB3202 SD2 will result in UNAFFORDABLE housing.

We can't give people false hope that a developer is going to buy a million dollar property, build two to four homes, and then sell it for an "affordable" price. They will design, build and sell to what the market will bear. And the result will not be affordable for working class families. That is why the bill needs to, at the very least, include language to ensure affordability, if that is indeed what the state is trying to encourage and get built.

Supporters believe there will be a flood of housing which will reduce rent and home prices. Unfortunately, we don't have a mass of residential lots for sale in order for that to happen. If homes in master planned communities on cheaper agricultural land are not affordable for many working class families, why would expensive urban residential land lead to affordable housing?¹

And for families that already own property, Honolulu County allows for ADUs or ohana units on lots 3,500 square feet or more. **The DPP asserts that 122,600 residential lots are ADU eligible.** But since the 2015 introduction of ADUs on Oʻahu, construction has been completed on only 1,119 ADUs.² If that didn't encourage housing growth and we already have the means to

¹ Makana Hicks, "Eliminating single-family zoning isn't an affordable housing policy," Honolulu Star-Advertiser, February 29, 2024.

² Denby Fawcett, "The state has no business forcing residential density on the counties," Honolulu Civil Beat, March 26, 2024.

increase housing supply, why would allowing more density be the solution in our already dense working class neighborhoods? This will only make it more attractive for developers to snatch up properties and build more UNAFFORDABLE housing.

The problem is that most of our working class families can't afford to build or lack the know how. The state and city should consider providing ADU grants and other incentives to homeowners much like what is provided to developers for affordable housing projects.

Additionally, according to the <u>DPP's annual report</u> (see page 23, Table II-2), we have 80,225 approved and permitted housing units on Oʻahu that HAVE NOT BEEN BUILT. So on Oʻahu, do we have a supply problem? Or, do we have a building problem? The questions to ask and solve are (1) why haven't these units been built and (2) what can the state and city do to help builders build these units and to, again, incentivize homeowners to build ADUs?

We must also not overlook the available source of short term rentals. According to Governor Green, "75,000 of the 89,000 units in our STR market are 'not legal'...That represents more than 80% of the STRs here – and more than our entire statewide housing deficit of 50,000 units. By working with the counties to fully enforce existing laws and returning only half of these illegal short-term rentals to the long-term local housing market, we could solve most of our housing problem immediately...This will increase supply and bring down prices in a local market artificially and unfairly inflated by the global demand from visitors to our state."

In addition to the above, there are other common sense solutions for state and county leaders to take action:

- Incentivize developers to build truly affordable housing. We don't need more unaffordable housing. Kaka'ako was supposed to provide workforce housing.
- Incentivize developers to build affordable housing along the rail line as intended.
- Allow for more density in the low and medium apartment districts.
- Disincentivize investors and out-of-state buyers through sound policy. According to
 <u>UHERO's The Hawai'i Housing Factbook</u>, over half of condo sales on the neighbor
 islands were bought by out-of-state buyers a big problem that needs to be
 addressed.

There's no denying that we all want affordable housing. We all want to be able to live here. Our children, grandchildren, families and friends should not be forced to leave. But, we have to be mindful in our approach.

The intent of the state bills are appreciated. However, there are better solutions that would minimally impact most residents and not further fuel speculation. **Instead of creating more**

³ Governor Josh Green, "Short-term units for homes, kauhale for homeless," Honolulu Star-Advertiser, March 24, 2024.

complex solutions, let's focus on shepherding through what we already have in place.

Representatives, I urge you to oppose SB3202.

Mahalo, Christine Otto Zaa On behalf of HI Good Neighbor



HEARING BEFORE THE HOUSE COMMITTEES ON WATER & LAND and HOUSING and JUDICIARY & HAWAIIAN AFFAIRS

HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 325

Monday, April 1, 2024 AT 2:00 P.M.

To The Honorable Linda Ichiyama, Chair
The Honorable Mahina Poepoe, Vice Chair
Members of the Committee on Water & Land
To The Honorable Luke A. Evslin, Chair
The Honorable Micah P.K. Aiu, Vice Chair
Members of the Committee on Housing
To The Honorable David A. Tarnas, Chair
The Honorable Gregg Takayama, Vice Chair
Members of the Committee on Judiciary & Hawaiian Affairs

SUPPORT SB3202 SD1 RELATING TO URBAN DEVELOPMENT

The Maui Chamber of Commerce SUPPORTS SB3202 SD1.

Housing is a top priority for the Maui Chamber of Commerce and continues to be so as the crisis escalates following the wildfires and it directly impacts businesses and our economic revitalization. Before the wildfires, we needed over 10,000 units by 2025, but that number has only increased as 3% of our housing was lost in Lahaina. This is one of the main factors in the ever-increasing pricing of housing.

We agree the inequality in housing opportunities for so many households statewide and the effects of those inequities on a household's vulnerability to stress, mental health problems and increase risk of disease. Importantly, the proposed Bill will create housing opportunities for those residents that are critical to the economy and community whom cannot afford the high cost of currently available market-rate housing. It should be noted that the County of Maui has previously moved in this direction by allowing up to two accessory dwelling units on residential property under certain conditions.

We also appreciate the proposal's policy to still authorize counties to adopt associated regulations that preserve their home rule authority, specifically citing infrastructure, hazard zones, and coastal development areas where counties should consider further restrictions on development capacity. Additionally, we appreciate that counties will still maintain the authority to establish lot coverage standards, setbacks, height envelopes, parking requirements, and other design standards.

For these reasons, we SUPPORT SB3202 SD1.

Sincerely,

Pamela Tumpap President

Jamela Jumpap

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

Submitted on: 3/22/2024 9:48:02 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dale Jensen	Individual	Oppose	Written Testimony Only

Comments:

Dear Senators:

I oppose SB3202 (and HB1630) as it essentially dumps a housing program on the community who purchased homes under the assumption that the communities in which we live would remain without radical changes to our zoning laws. This legislation essentially dumps a state problem on the shoulders of residents who have often worked their "okole's" off to purchase their single family homes in residential neighborhoods. It will turn the neighborhoods they love into worse than zero lot line residential communities clogged with too many people, too close together, with too many cars and too much stuff. For those of us that complained to Honolulu county about the dissolution and crowding of our neighborhoods from transient vacation rentals, this bill will have even worse consequences on the residential areas we love.

Meanwhile, planning departments continue to approve new luxury condo developments for multimillionaires who are only part time residents. This needs to stop and all new development should be built and priced for locals only.

Seems like the state legislature is dumping its long standing housing problem on the people who are the backbone of residential community and creating havoc in our neighborhoods. There is nothing original about this - it is how slums are created. Please reject this awful legislation.

Sincerely,

Dale Jensen

Kailua

Submitted on: 3/22/2024 12:28:29 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beth Anderson	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 3202. This is the equivalent of putting monster homes on single family home lots and we have already seen how that has been disastrous for neighborhoods. The quality of life in these neighborhoods went downhill. I have family that had to sell their house because the neighbor across the street built a monster home and basically created an apartment building with transient tenants, cars all over the street and poor maintenance of the structure and land surrounding it. Their quality of life, peace and quiet and the security they once had in their neighborhood was destroyed. Why turn suburban areas into dense urban housing? This is why we have zoning laws. This is just a boon for developers and will increase home prices and property taxes. It is a terrible so called solution to the housing shortage problem. The state allows luxury condos that local families can't affiord to go up in the densely populated areas of Honolului instead of mass urban renewal projects that local families could afford and benefit from. The majority of these luxury condos sit empty and benefit developers instead of local people who need housing and want to purchase instead of rent. Build affordable dense housing in densely populated areas, not neighborhoods zoned for single family housing. This is a mistake and will destroy neighborhoods just as monster homes already have.

Submitted on: 3/22/2024 1:14:33 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dan Gardner	Individual	Support	Written Testimony Only

Comments:

Chairs and Members of the HSG, WAL, and JHA Committees

I and my wife are supporting SB 3202 SD2 as it will enable counties to more readily address the dramatic shortage of more affordable housing in Hawai'i. Facilitating the construction of smaller homes on smaller lots makes good sense toward solving this serious problem. Opponents claims this would allow for more monster homes, slum creation, and proliferation of disease vectors are overblown and scare tactics. Used judicioiously with logical infrastructure, parking and setback requirements this legislation is very workable. It will help more of our citizens to stay here if they choose to do so. Thank you for supporting SB 3202 SD2.

Dan Gardner

Honolulu, HI 96821

daniel.dano.gardner@gmail.com

Submitted on: 3/23/2024 7:25:46 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kawika Burgess	Individual	Support	Written Testimony Only

Comments:

Keep the country - country.

To do so, keep the town - town.

Allow denser development in the urban district so we can keep Hawaii's children in Hawaii.

If nothing changes, nothing changes.

Mahalo.

Submitted on: 3/23/2024 7:43:04 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keaton S Woods	Individual	Support	Written Testimony Only

Comments:

This bill will allow more affordable housing to be built as less land will be needed for each house in urban areas. Land is extremely expensive in urban areas, so if less land is needed for each house, housing becomes more affordable. Also, this will reduce urban sprawl and reduce the cost and the environmental impact of long commutes.

Submitted on: 3/23/2024 12:39:54 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacqueline S. Ambrose	Individual	Support	Written Testimony Only

Comments:

Aloha,

Yes;- Provides that for residentially zoned lots within an urban district each county shall allow for at least 2 additional dwelling units. Establishes provisions by which a parcel zoned for residential use that is in the state urban land use district may or may not be prohibited from being subdivided, consolidated, or resubdivided. Requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs. Permits the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facilit

To Whom it may Concern,

I, Marci Muraoka, oppose bill HB1630 and SB3202. I'm seeing the overcrowding in our islands. Traffic is worse and if there is a national disaster, we will not have the supplies to help everyone. The other thing is, when people come here they should adapt to local ways and not call racism as a victim card.

These monster houses need to end. We asked for help, and the only way building permit would help is if we give our names which puts us at risk if they want to retaliate. By the way, have you seen our mountains? It's getting crowded if you're looking at on Punchbowl. All those houses there you see takes away all of the Hawaiian natural resources that was used for healing. This is affecting our island and someone needs to be held accountable For allowing this. I am of Hawaiian ancestry, and it brings tears to my eyes to see all this, the overcrowding and illegal housing that are too huge. We wanted to do that for my grandparents so we could care for them and make it into a 2 story home. But the neighborhood board denied our request. This infuriates me to know these monster homes are being built, and we could do an add on to care for my grandparents. Why are these people allowed? The system needs to be fixed before there is no more land for our people. We are an Island. We are not in the mainland where we can run like what happened to the Maui fires. We won't be able to run and I repeat again, no provisions.

Please do something right for once for the people of Hawaii.

Mahalo,

Marci Muraoka

Aloha Honorable Members of the Senate and House Committee.

My name is Macaria Gribbin, and today I write before you not just as a resident of the Aiea district, but as a voice for the countless individuals and families across Hawai'i who are grappling with the profound challenges of finding affordable housing. As a social worker and a student at UH Mānoa's Thompson School of Social Work and Public Health, I am deeply entrenched in the realities of our community, and I am here to offer my full support for SB3202 SD2.

The housing crisis in Hawai'i has spiraled to unprecedented levels, leaving many of our fellow residents stranded in a cycle of instability and uncertainty. As someone who has personally experienced the strain of exorbitant housing costs and remains in this position, I understand the profound impact it has on individuals, families, and communities. It is not merely a matter of economics; it is a matter of human dignity.

In my role as a social worker, employed with Child Welfare, I bear witness to the harsh realities faced by those on the brink of homelessness. The strain of unaffordable housing permeates every aspect of their lives, from their physical and mental well-being to their ability to provide for their families. The urgency of this issue cannot be overstated.

As noted by Glaeser and Gyourko (2017), effective housing policies must be tailored to the unique economic landscape of each locality. SB3202 SD2 presents a crucial step forward in addressing this crisis by providing provisions for additional dwelling units in residentially zoned lots within urban districts, offering potential relief to our strained housing market. Moreover, the establishment of provisions for parcel zoning and the consideration of square footage in development planning are significant steps toward promoting equitable access to housing for all residents.

I urge each member of this esteemed committee to lend your unwavering support to SB3202 SD2. Let us stand together in solidarity with our fellow residents, reaffirming our commitment to the principles of equity, justice, and compassion. By taking decisive action today, we can pave the way for a brighter and more inclusive future for all Hawai'i residents.

Mahalo nui loa for your time and consideration,

Macaria Gribbin 98-120 Lipoa Pl Apt #303, Aiea, HI 96701

<u>SB-3202-SD-2</u> Submitted on: 3/23/2024 5:17:24 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glenn Head	Individual	Support	Written Testimony Only

Comments:

Please support our workforce housing!

Submitted on: 3/23/2024 5:18:43 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Bustard	Individual	Oppose	Written Testimony Only

Comments:

WE STRONGLY OPPOSE SB 3202

We are long time homeowners and residents in Senate District 10 and House District 21 and have been tracking this Bill carefully because if it passes the result would be detrimental to communities throughout the State. It would lead to transforming existing neighborhoods into a dense web of buildings and overpopulation. The additional density would certainly create traffic problems, including unmanageable parking issues. The tremendous stress it would put on infrastructure, notably sewer, water, electrical, and drainage systems that are already inadequate, isn't sustainable. Fire safety concerns are perhaps even more problematic since they would force all Counties to develop acceptable modifications to firefighting infrastructure systems and building codes to avoid hazardous situations. Underlying all of these reasons would be the need to contend with backbreaking costs to already strained State and County finances.

PLEASE OPPOSE SB 3202 and seriously consider focusing on alternative measures to deal with the affordable housing crisis in the State of Hawaii!

Sincerely,

Susan and John Bustard

3837 Lurline Drive

Honolulu, HI 96816

Submitted on: 3/24/2024 10:24:14 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Bishop	Individual	Oppose	Written Testimony Only

Comments:

Aloha Committee Chairs and Members,

Mahalo for the opportunity to testify in STRONG OPPOSITION to this bill and its companion in all of their forms. As in this instance of scheduling SB3202 for one hearing before three committees at once, it has been appaling to watch this legislature fast-track the unilateral evisceration of county zoning laws and resident - developed community master plans in one fell swoop with little to no notice to Hawaii residents.

This may be suitable for neighbor islands with much more undeveloped land and smaller populations, but not for Oahu, so even IF this bill had been discussed with Hawaii residents in advance, most would agree if passed, it should be amended to pertain to Counties with less than 500,000 people.

But instead of passing such a draconian bill, how about building the housing already permitted under current zoning laws (more than 80,000 permits on Oahu alone) before enacting this one size fits all plan to open the flood gates to even more unaffordable "affordable" development?

Please defer this bill.

Lisa Bishop

Submitted on: 3/24/2024 1:02:11 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa DeCambra	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. The housing crisis is not that there are not enough homes in residential neighborhoods, but all new condominiums and projects target and allow for foreign ownership, 2nd homes, and investment properties. There are not enough homes for Hawaii residents, who are defined as from here, grew up here, not someone who moved here from Korea, China, Texas, etc. ..etc..for example, last year, and want a 'second home,' take the inventory from those in need. Developers understandably seek maximum profit. The government needs to manage the % of truly 'affordable' units in the massive new developments happening. For example, thousands of condos are popping up all over Kakaako. They are millions of dollars and up. Be honest about the housing crisis. It's an island. If you are building more, target the residents first.

Submitted on: 3/24/2024 1:03:20 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Shigeta	Individual	Oppose	Written Testimony Only

Comments:

I believe this bill would create overcrowding in our older neighborhoods, mostly since cars will be parked all over the streets, on grassy areas etc. Existing neighborhoods also may not have the critical infrastructure like sewer or water systems to support the higher density. I think better to allow this for new developments, where accommodations for sewer, parking, parks (open areas) can be planned from the beginning. Allowing more density in older areas should be limited to ADU/Ohana construction.

Submitted on: 3/24/2024 1:05:46 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Philip Nerney	Individual	Oppose	Written Testimony Only

Comments:

This bill would destroy neighborhoods. It lacks the nuance and careful consideration needed to attend to address zoning issues.

The real world consequences of proceeding to dismantle extant zoning protocols on such an ill-conceived basis would be adverse to society.

This bill should be deferred.

Submitted on: 3/24/2024 1:37:53 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sarah Chinen	Individual	Oppose	In Person

Comments:

This bill that was introduced by Stanley Chang was probably well intended but the repercussions i passed could be disastrous. I already wrote my opinion and fear about this bill to our City Council:

We don't need density just for the sake of density in our urban district. This bill will feed the greedy pockets of developers and investors who have no interest in protecting our island's resources and beauty. It will strip away trees and green space and replace it with buildings and concrete. Soon, we will be overcrowded, polluted, and slum like if the visions of Stanley Chang become reality. Our local families are moving away because they are "priced out of Paradise." Building more density will not lure them back because higher density will destroy Paradise and prices will be even higher. Please stop this bill and let us all hold on to what is precious and fragile in our Hawaii nei.

Submitted on: 3/24/2024 2:31:09 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Von Kenric Kaneshiro	Individual	Oppose	Written Testimony Only

Comments:

I want to thank the Legislature, State of Hawaii, for the privilege to make comment on legislation SB3202 on dwelling units and as those pertain to smaller lots because I submit that for the foreseeable future suburbs beginning with a 968 zip code does not need increased density for both practical and safety reasons. Here today I present some orthogonal thoughts on fire risk that may not have been considered in terms of how suburban neighborhoods have been constructed hereunto. With a potentially long-term compromised aquifer system we may not be able to appreciably increase the potential population on Oahu much beyond the current peak levels. I also describe the nearly one dozen parallel efforts already underway for the next 2+ decades that cumulatively add over two-hundred thousand family dwellings along Oahu's South side. For these reasons I am opposed to SB3202.

Among the 8 main islands Oahu is specifically vulnerable to higher wind speeds due to deeply structured valleys on both Leeward and Windward faces along the Koolau Range. The length and contour of the Leeward valleys lends to accelerated wind speeds well above prevailing wind reports around Oahu. So fire movement and spread via long ember carry up to 5 miles is problematic due to the wind, and enhanced as housing becomes more dense and drier Leeward lowlands. Neighborhoods increase in volume along the openings of valley floors. Further increasing the density of wood tinderbox structures also increases the potentially available fuel for a wildland fire spreading and transitioning to a massive suburban fire. Red flag days during our dry season from May into November is especially dangerous.

An outtake of the Great Lahaina Fire of 8/8 was the rapid and seeming endless, continuous spread of fire especially in the densest areas of Lahaina Town, much of which were decades-old structures constructed of dry wood. It follows then, that increasing the density of wooden structures would exacerbate the spread of fire. Imagine, now, that we have a hundred-thousand plus tinderbox structures both in valleys and along ridges stretching from Hawaii Kai all the way to Makaha, and that is just along the Leeward side of Oahu. Imagine reducing the spacing between these structures which are already on some of the smallest lots approved only by recent, modern-day zoning. This has the makings of the historic fires that destroyed Chicago and San Francisco a little more than a century ago.

HFD would agree that Honolulu proper would see even more challenging access in the narrow lanes where parking is already problematic, and unchecked ADU development would hazardously exacerbate the parking problems in these areas. Much of the old Honolulu suburban core existed before more modern building codes, and so there are many narrow roads without

even sidewalks much less parking. All too often these roads are unreachable by bus lines and so the many members of multigenerational households in these neighborhoods all need cars to use to get to school or work, and need to hunt space among the limited street parking in these areas. Especially within Honolulu addresses from Kuliouou to Palolo, Manoa, Pauoa, Kalihi, Moanalua, the roads are so narrow that we still need older hook and ladder fire trucks to navigate these winding and narrow lanes. The newer ladder trucks, even with their nifty four-wheel steering that improves their turning radius are unable to navigate so many of the windy old roads. All it takes in a single illegally parked vehicle to inhibit a firetruck's response. That's tough for a one-off fire. Imagine a wildland fire such as what had happened in Lahaina.

The Honolulu Board of Water Supply has made mention that the Red Hill fuel leakage may have compromised a sizable portion of Oahu's aquafer system for the foreseeable future. It follows then that Oahu's population growth may need to be curtailed in short order and instead seek to better load-balance the state's entire population across other main islands.

For the foreseeable future, Honolulu County should not increase the density of its Honolulu suburbs. The County is already bringing a multifaceted approach to increasing housing units. Kakaako is well into its high density build-out and with dozens of sites still being possibilities for the future. The County also continues to evolve both Kapolei and Oahu's "Second City", as well as furthering the development of the H-2 corridor at Koa Ridge. There is already so much going on in the "town" region. There's the ramp-up of projects converting former downtown office highrises into affordable urban dwellings. The State of Hawaii is embarking on a massive increase to available public housing units at the Mayor Wright site, it's old Lanakila area baseyard property, and at Kuhio Park Terrace. KSBE's Kapalama Kai Redevelopment Plan is slated to add >5,000 residential units to further bolster the Kapalama area transit-oriented development goals. The Iwilei area is also being studied as a way to extend the highrise skyline to the West of downtown. An untapped community is lower Makiki which has a plethora of 1950s-era lowrise structures. The full build-out of the areas described in this paragraph exceeds 200,000 additional family dwellings.

Once 80% of the dwellings described in the previous paragraph have been fully constructed and occupied, then it may be appropriate to revisit density zoning changes for suburban lots.

However, at this time and for the foreseeable future we do not need to further increase the density of suburbs that have a 968 zip code.

Mahalo for the opportunity to speak.

Respecfully submitted with great gratitude and Aloha,

Von Kenric Kaneshiro

<u>SB-3202-SD-2</u> Submitted on: 3/24/2024 2:48:55 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
minda goodman	Individual	Oppose	Written Testimony Only

Comments:

Our neighborhood is not a parking lot.

Submitted on: 3/24/2024 2:55:02 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Rosenthal	Individual	Oppose	Written Testimony Only

Comments:

I live in Pu'unui and there are 34 houses on my street, it's narrow and there is only parking on one side of the street (room for 20 or so vehicles) and all of those spaces are generally taken day and night even though most houses have carports.

According to many online sources the average household has at least 2 cars.

Where would the additional 68 (sixtyeight!) vehicles park if even one additional unit was added per lot on this street?

This bill has not been thought out. This might work on certain remote parts of Oahu but not at all for the majority of neighborhoods. Bad legislation is a waste of time and energy from start to finish.

<u>SB-3202-SD-2</u> Submitted on: 3/24/2024 3:33:21 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keith Marrack	Individual	Support	Written Testimony Only

Comments:

Hawaii has a critical need for more housing and this bill will help.

<u>SB-3202-SD-2</u> Submitted on: 3/24/2024 4:09:01 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Todd Taniguchi	Individual	Oppose	Written Testimony Only

Comments:

Strongly oppose this as written

Submitted on: 3/24/2024 4:23:43 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
judy bishop	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB 1630and SB 3202. The HB and the SB are horrific, poorly thought out bills. We cannot have wild west development with no consideration for water, sewage, electrical capacity, not to mention road capacity! My neighborhood was built in the 1950s to support a small number of houses with only one car per household. Now my neighborhood in Kailua has hundreds of dwellings and multiple cars per household-- way more density than it was designed to support. Some days (frequently) we cannot get out of our neighborhood (only one way out, one lane) for almost an hour due to the huge number of cars- local residents and tourists- trying to all leave at the same time. We are vulnerable to natural disasters like LAHAINA, and we cannot SAFELY support additional dwellings and accompanying cars and traffic! In addition we have huge numbers of illegal BnBs! These new houses you want to allow will all be bought by developers and turned into vacation rentals!! They will NOT be for local families needing affordable housing! The vacation rentals are already not enforced! These bills will make it worse!

Submitted on: 3/24/2024 5:07:39 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kendra Hatae	Individual	Oppose	Written Testimony Only

Comments:

Issues to this bill would tremendously affect population, safety, urban density, compromised sewer systems, crowded neighborhoods with no space for parking . Trash will be exponential and rodents will be having a field day to the voluminous trash created by the added population in limited spaces created for single families. More trash = more rodents. REMEMBER psychology 101 and it's affect on overcrowding?

I highly recommend that those adding any ADUs must provide additional parking on their property should this bill "sail" through which I am greatly opposed to. Politicians should be habitating elbow to elbow smack in the midst their own community to experience this obsurd bill. No more NIMBY and special considerations for those politically involved. Question? Why do we have so may houseless? Is it because families petition members to come over to Hawaii then discard them to the state and government to take care of them demanding housing, food, and healthcare? I am not referring to those who contribute to, work and pay their fair share. Remember, if they petition for families to move here, then the petitioner should support them without relying on the state government. I guess that adds to the issue of housing and population

Submitted on: 3/24/2024 8:57:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Larry Smith	Individual	Oppose	Written Testimony Only

Comments:

TO: COMMITTEE ON HOUSING

Representative Luke Evslin, Chair

Representative Micah Aiu, Vice Chair

COMMITTEE ON WATER & LAND

Representative Linda Ichiyama, Chair

Representative Mahina Poepoe, Vice Chair

COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Representative David Tarnas, Chair

Representative Greg Takayama, Vice Chair

CONCERNING: SB 3202, SD2 Relating to Urban Development

POSITION: STRONG OPPOSITION

Aloha Chair Evslin, Chair Ichiyama, Chair Tarnas, Vice Chair Aiu, Vice Chair Poepoe, Vice Chair Takayama, and Members of the Committees:

I am a resident of Nuuanu on Oahu, one of Hawaii's oldest and historic neighborhoods. Please do NOT approve SB 3202. Allowing further development in already dense neighborhoods like Nuuanu will create even more parking and infrastructure problems than currently exist.

Further unplanned overcrowding allowed under this Bill will make the current problem with the building of "monster homes" built without parking and privacy considerations even worse. There do not appear to be safeguards for home owners in the neighborhoods. Properties can be acquired and turned into cramped, poorly planned mini developments that will negatively impact the entire neighborhood.

There are already examples where foreign and mainland buyers will maximize their financial return by buying a family home, demolish it and leave behind a mess while they take their profits back where they came from.

The idea that the State further centralize control has not worked well in the past. This bill specifically will allow even more lax rules relating to the density of building and take away from each Country control on the how the County wants to address housing based on the input of it's citizens.

Housing should be planned and not allowed to explode in an ad hoc manner. Planning should address parking, infrastructure and county support needs. Ad hoc building is not the most efficient and humane way to address housing.

Don't turn Hawaii into a cramped, confused, chaotic place where residents cease to enjoy our homes.

Larry Smith

Submitted on: 3/25/2024 12:02:47 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wesley Fong	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to SB 3203. Although it may be an attempt to curtail the building of "monster homes" and increase the number of needed dwelling units, this legislation will only compound the problem and increase the population density of a neighborhood with all of its attendant problems in parking, nosie, etc. In regards to the building of "monster homes" the best way to curtail the problem is to have the City and its Department of Permitting and PLanning to effectively enforce the building code. The state and city should work together to build more affordable housing rather than increase the residential density of already crowded neighborhoods. Although I speak as an individual, I am also the chair of Neighborhood Board 14 (Liliha, Alewa Heights, Puunui and Kam Heights) and we do not need to increase the housing density of our neighborhood where residents are already "double parking" on our streets and where "monster homes" are a problem. Thank you. Wesley Fong

Submitted on: 3/25/2024 7:27:59 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jun Look	Individual	Oppose	Written Testimony Only

Comments:

This issue is about homerule. The local city councils should take the lead in zoing laws for their community. This issue is not a critical health and safety issue that requires state policy.

Keep local, local.

Enough already!

Submitted on: 3/25/2024 8:23:50 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Julia Duquette	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Julia Duquette and I am a resident of Pacific Heights, born and raised here on Oahu, I grew up nearby in the Kamehameha Heights/ Alewa area.

Over the past 3 decades I've witnessed our charming neighborhoods transform into what was once green and clean into areas now riddled in moster homes, hideous new rentals, trees and greenery being cut down on a regular basis which leads to overheating, and parking going from already tight to non-existent. My parents area, where they've lived for over 40 years and where parking has never been an issue, is now a constant problem for longtime local residents due to monster homes "hiding" in plain site on their block and blocks above and below.

Allowing SB3202 SD2 to pass will make the issues I've mentioned above even worse and is not the solution we're looking for in order to create more housing for local residents, nor will it help Oahu be canopied in trees by 2035. SB3202 SD2 will allow foreign & mainland investors come in and cram residents into unliveable conditions, removing more trees and greenry to accommodate ADU buildings, and continue to enable people who have no respect for our islands or community to profit off of hard working locals. You'd open the door for slumlords to walk in and work the system.

We all know the Kaka'ako area is booming with new luxury highrises and I'm unlcear what the rules are around those new builds and accomodating lower incomes families. However when I was in college in New York City and working there as a young professional, Mayor Bloomberg did a ton of rezoning which was a good idea in theory, but backfired decades later in terms or creating more affordable housing for New Yorkers. I'm paraphrasing here, but in a nutshell, his administration assumed rezoning to create tons of new luxury buildings (gentrifying) would help bring more jobs and more housing options to neighborhoods, but what it did was drive the cost of living up more. Something they attempted did do correctly, was each new build required 10% of apartments be put in a lottery to low-income folks. Is this something being adopted here in Hawaii? If you could get 10% of each new highrise to do this that would help somewhat and create more diversity in the Kaka'ako area which is being properly built to accomodate higher amounts of residents- not our small urban neighborhoods which are already suffering from the aftermath of decades of monster homes.

The charm of ubran Oahu is slowy vanishing and allowing SB3202 SD2 to pass will expedite this futher. Please consider other solutions that helps keep money and housing in the hands of our local community. Please do not make living here any harder than it already is. When we push locals out and tear down historical communities we are slowing erasing the history of this beautiful place we call home.

Mahalo for your time,

Julia Duquette

Submitted on: 3/25/2024 9:16:04 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Tubbs	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to SB3202 SD2 on the basis that (1) the bill does not take into consideration the individual characteristics of different communities for which a "one size fits all" is inappropriate and (2) it makes it very easy for Monsterhome-like conglomerations to be developed by opportunistic entities, which will result in overcrowded living conditions, stress on our sewer systems, and an overall diminished quality of life in Hawaii. Please vote NO on SB3202 SD2

Submitted on: 3/25/2024 9:24:13 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anthony Grise	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing you today in strong SUPPORT of SB3202. Regulations such as single family zoning are part of the bureaucratic system that prevents housing from being built. In Hawai'i, we do not even build enough units to keep up with the pace of people who are being born here each year. While many people may want to split hairs and try and means test the legislation, this will only cost precious time and put more roadblocks in the way from building more units, causing more locals and native hawaiians to leave.

Thank you,

Anthony Grise

Submitted on: 3/25/2024 9:30:10 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joslynn L. C. Ojiri	Individual	Oppose	Written Testimony Only

Comments:

•

- I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and outof-state buyers.
- o I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. If the neighbor islands want this density, then please exclude O'ahu.
- o I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.

Submitted on: 3/25/2024 10:28:31 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Randall Mau	Individual	Oppose	Written Testimony Only

Comments:

This is written testimony to support Tommy Waters in his drafting of RESOLUTION EXPRESSING THE HONOLULU CITY COUNCIL'S STRONG CONCERNS RELATING TO HOUSE BILL 1630, H.D. 1, AND SENATE BILL 3202, S.D. 2, RELATING TO URBAN DEVELOPMENT.

- o I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers.
- o I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. If the neighbor islands want this density, then please exclude O'ahu.
- o I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out

It is very concerning to myself and many many people I have spoken with that Mr. Stanley Chang is continuously pushing on packing in residential dwellings into residential neighborhoods. My understanding is that he initially tried pushing on in favor of supporting Monster Homes in neighborhoods that already have challenging issues with parking, permeability surface areas, water/sewer infrastructures, etc.

In speaking with people that I have discussed Mr. Chang's proposal and vision with, we all feel that this will truly be devastating to the culture, charm, and the safety of the residents and their children of the many Hawaii neighborhoods.

We are continuously eroding for the charm of Hawaii with developments such as what Stanley Chang is proposing and we really need to take a stance to keep Hawaii ,Hawaii and preserve the historical homes and neighborhoods in the islands and not create mini cities within the neighborhoods. Mr. Chang should focus his efforts in searching out state or city lands that are vacant and appropriate for high density living that is close by the rail system and not impeding in designated R5 zoning lots and larger lot neighborhoods.

#1) Parking is already very difficult in many neighborhoods were individuals are even placing cones to reserve parking stalls. You will start to see even more of this taking place which would elevate more situations with confrontations and disagreements.

- #2) There will be greater reduction of permeability of surface areas in neighborhoods due to concrete and homes on lot which will lead to runoffs, increase flooding which I have continued to see and witness with neighbors in recent years.
- #3) The water and sewer infrastructures are old and may not be able to handle the additional new dwellings in the neighborhoods which will require additional costs by the City to replace to accommodate the additional new dwellings.
- #4) There are streets with no side walks and children walk to and from their homes to their school. With the additional traffic flow and cars wedge into the shoulders, this makes walking on the streets dangerous for children and pedestrians due to the density of the traffic, homes and parking of cars.
- #5) Families will pay higher costs to own and rent homes in neighborhoods with more yard space for their children to have a safe environment to play on their properties. We do not want to erode from the already declining availability of these homes with the continuous building on properties of allowing 1 home per 2000 sq ft which can equate to 2 homes on a R5 property.
- #6) If these R5 or R10 properties in neighborhoods have 2 or more homes built on them, they would then be considered A2 Zoning properties and pay higher property taxes like what we have to pay owning A2 Zoning properties. A lot with multiple dwellings owned by multiple owners or a single owner should be situated in A 2 Zoning areas where the roads, water/ sewer infrastructure, traffic and parking needs are more adequately addressed.

SOLUTION:

On Oahu- We ask that Stanley Chang creates a proposal centered around pushing for securing State lands on the west side of Oahu constructing affordable units surrounding the rail if he wants to pursue his vision of providing apartment buildings he saw while visiting Singapore.

We ask that his proposal includes areas outside of neighborhoods were families can enjoy some separation from the congestion seen with high density city living and where families, children and pets can have larger safe places to play at their homes and walking along the streets especially in neighborhoods that do not even have sidewalks.

Create more affordable housing in the Kakaako area where there is the already approved development allowing for high density use where there is work that has been done and currently done improving the infrastructure of water/sewer. roads, parking, sidewalks, etc versus building predominantely high end condominuiums.

Submitted on: 3/25/2024 10:29:20 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephen H. Yuen	Individual	Oppose	Written Testimony Only

Comments:

3202 SB RELATING TO URBAN DEVELOPMENT

hearing Monday 1 apr 2024 2pm

This testimony is written in strong opposition to SB3202.

Architect and life-long resident.

I have previously submitted testimony on the proposed legislation and continue to strongly oppose it as more information and community discussion has taken place.

I would offer the following considerations that continue to make sense in opposition to the legislation as currently proposed:

- --If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers. Allowing for huge density increases only helps predatory developers with significant access to capital. If affordable housing is the intent, why is there no language to bring in commercial, apartment and mixed-use zoning into the discussion—zoning which can make a significant difference in adding to affordable housing.
- --If allowing multi-generational living is the intent, this can be done without making FAR and du/ac changes to zoning. Why isn't there language to allow families access to financing that would allow them modest and realistic renovation, and that is currently only available at significant levels to developers.

Pretending that it's easy to just make tiny houses on tiny lots without studying zoning envelope, setback, and parking requirements with the counties is irresponsible and was formerly justified as "generating discussion"—we are now well beyond the time for "generating discussion" as the troubling issues with this specific legislation are clear.

- --O'ahu is already dense with 70% of the state's population. If the neighbor islands want this density, then please exclude O'ahu.
- --Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and

county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.					

Submitted on: 3/25/2024 10:51:02 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Harding	Individual	Support	Written Testimony Only

Comments:

I urge you to vote for this bill and help make living in Hawaii more affordable. Our land is precious, and so there isn't much we can do about making it more affordable. But we can allow people to use their land more effectively and decrease the price of housing that way. I live today in a house built in the 1940s on a very small lot in downtown Hilo, surrounded by other homes on small lots, and I find it's a very enjoyable way to live. I know my neighbors well, I don't need to spend much time on yard work, I walk to buy groceries and many other errands, and yet I still have a house all to myself. I know that's not for everyone, but it should be an easy and legal option for anyone who wants to build similar housing today.

Thank you for your consideration,

-David A. Harding, Hilo, Hawai'i Island

Submitted on: 3/25/2024 11:09:58 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Malcolm K. O. Yee	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202 as it will change the nature of communities negatively by increasing human density and resultant street parking problems due to the higher human density. The fabric of neighborhoods will negatively change as many minimum 5000 sf and larger lot neighborhoods will be subdivided with each 2000 sf lot able to build up to 3 total living units. This would be terrible land planning that would create friction among neighbors.

A better solution to the housing shortage would be to re-zone existing low density Apartment zoned districts to higher density Apartment zoned districts so that it would be worthwhile for developers to knock down older low density apartments to build high density apartments with more housing units per square foot. Appropriate urban core residential housing districts may need to be re-zoned to high density apartments zoned districts to also encourage more housing units per square foot.

Submitted on: 3/25/2024 11:44:12 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glenn Okino	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to this bill especially regarding the very small lot size and deleting the owner occupant requirements. It will create more problems such as more on street parking. In all probablility many flag lots will be created and therein lies a problem as to who becomes responsible to maintain these private road ways. It is best to maintaining the present zoning laws and if any, take a look at considering changing some properties from residential to apartment. Address the problem why homes are high priced and no longer affordable. One reason is that there are too many "outsiders" with money that drive the prices up. The second is the very slow permitting process that is hindering or making it risky and costly to develop and build new affordable housing. Provide more funding such as State tax credits and low interest borrowing rates such as Rental housing Trust fund to provide incentive and funding to developers to build more housing. Encourage agencies with incentives if necessary such as Hawaii Home lands to build more affordable homes. If you look at what they built out in Ewa, these are not cheap homes. More could have been built with more simpler designs to serve more people. Remember the old days such as those built in Moni Lani and Palisades. These were very simple designs that the middle class were able to buy.

Submitted on: 3/25/2024 11:45:22 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dennis Boulware	Individual	Oppose	Written Testimony Only

Comments:

My concerns are two fold. First, my neighborhood (Alewa Heights) already feels overbuilt. Next door to me is a residence that was renovated and expanded before I purchased our home in 2007. The house is not occupied by the owner and the renovation was designed as a rental to two separate groups of people. At one time there were three separate groups of unrelated individuals with inadequate parking for all of them. One occupant decided to park his motorcycle on the sidewalk in front of my home obstructing safe and free passage. My concern is the onus of increasing the density of the neighborhood on the infrastructure. Parking is an obvious issue and I would suspect water and sewage may be a concern.

My second concern is enforcement. The City DPP is already overburdened and inadequate in enforcement of existing laws and ordinances regarding housing. Without adequate enforcement, this bill could create a nightmare of short term rentals.

I am opposed to this bill as I fear it will be a threat to the ambience, character and quality of this and many other existing neighborhoods. Hawaii, especially Honolulu, definitely has a housing problem, but I do not believe changing the quality of existing older neighborhoods solves that problem as much as creates a new problem and destroys an existing neighborhood.

Thank you for your time and attention to this matter, as well as the ability to share my thoughts.

Submitted on: 3/25/2024 11:49:23 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephen Turner	Individual	Oppose	Written Testimony Only

Comments:

We reside on Pacific Heights and have tried on several occsions to get the city to improove parking/walking access for locals who need safe putblic space for both necessities -- to no avail. We're already maxed out on both counts with our current housing density. We've also tried to stop building of monster houses in our neighborhood - hasn't seemed to help.. We love our community which provides us with a more-or-less calm respite from the rich but hectic city below. We are proud of ouselves, proud of our neighbors and neighborhood and proud of our state. PLEASE DO NOT DESTROY OUR COMMUNITY BY SHOEHORINING A NEW LAYER OF HUMANITY INTO THE SORT OF COLLEGIAL AND SELFSUSTAINING NEIGHBERHOOD THAT PRESERVES HAWAII AS A GENUINE PARADISE.

Submitted on: 3/25/2024 12:21:27 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
missy	Individual	Oppose	Written Testimony Only

Comments:

• I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 1:30:10 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Logue	Individual	Oppose	Written Testimony Only

Comments:

I'm writting in opposition to this bill due to residential community members having serious concerns with increasing the density in our neighborhoods.

Submitted on: 3/25/2024 2:05:39 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joy Dillon	Individual	Support	Written Testimony Only

Comments:

Aloha members of the HSG, WAL and JHA Committees.

I am in strong support of SB3202 SD2. SB3202 will reduce zoning barriers to achieving affordable and missing middle housing options. The housing emergency in Hawaii has been going on much too long. It is time to take action! Promoting higher density, compact development and efficient use of the state's limited lands that are suitable for residential development. I urge you to vote YES on this measure.

Thank you for your consideration,

Joy Dillon

Hilo Resident

Submitted on: 3/25/2024 2:17:43 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lee Eisenstein	Individual	Oppose	Written Testimony Only

Comments:

SB3202 will REQUIRE all Counties to:

- Approve applications to subdivide lots as small as 2,000 square feet.
- Allow 3 dwellings on each lot with shared walls (think maxed-out footprints with 2-story boxes).
- Allow the additional 2 dwellings to be as big as a main dwelling.
- Allow the same number of occupants as for the main dwelling (currently 4 unrelated adults and their families per dwelling).

Consequences:

- Increased building / hardening of lots means less storm water absorption and fewer trees to fight the heat island effect.
- Developers bidding up prices of residential property to subdivide and build up, making prices out of reach for residents who dream of home ownership.
- Competition for street parking these are still neighborhoods without public transit.
- Please oppose this bill. Mahalo, Lee

Submitted on: 3/25/2024 2:24:45 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kate Reimann	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202, primarily because it discounts the needs and wants of current residents, while decreasing our ability to absorb storm water runoff, already a huge problem around the island(s), while driving up heat by preventing/cutting down trees, all so builders can maximize their profits. This bill is an inefficient way to address our housing crisis -- monster homes and jamming as many buildings onto a plot as possible is not an effective solution, and only servest to drive up already inflated home prices, making it more difficult for local families to afford housing. I oppose this bill and request it does not proceed. Thank you for your time,

Kate Reimann

Submitted on: 3/25/2024 2:25:25 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathy Fay	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202 because it is an open invitation for developers to build more monster homes. I am in favor of increasing the amount of affordable housing but this is not the way to do it. There are other bills in the legislature this year that can address the housing crisis in a more thoughtful and appropriate way.

Submitted on: 3/25/2024 2:26:21 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dale Evans	Individual	Oppose	Written Testimony Only

Comments:

As a property owner in a residentially zoned area, I strongly oppose this bill. It is among the worst and most harmful legislative efforts I can remember. I am in sympathy with efforts to boost affordable housing availability, but this is NOT a good path. We have only lately seen relief from the proliferation of illegal vacation rentals due to lax County enforcement, but 20 years ago structures were being added to take advantage of the STR bonanza. This bill would goose development in our neighborhoods on steroids! Please find other ways to deal with the housing problem.

Submitted on: 3/25/2024 2:29:45 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda L Jenks	Individual	Oppose	Written Testimony Only

Comments:

I stongly oppose this bill. While I understand the significant need for improving the supply of affordable housing, this is not the way to do it. This will allow for problems to be created that we will never be able to fix. Putting this much density into urban areas creates stress on our infrastructure that are already stretched beyond capacity. There are other ways to accomplish the desired intention of providing more housing for our islanders. This is not the way to do it.

Submitted on: 3/25/2024 2:32:30 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gaynor Minton	Individual	Oppose	Written Testimony Only

Comments:

Our sewage system is way behind and is polluting the ocean and soon will make our aquifer noxious. Our roads are in terrible shape with constant repairs needed. Our government facilities are not kept up to par. This bill puts the cart before the horse. Our infrastructure MUST be managed more appropriately.

This bill sounds like a crackerbox builder's dream!

Allow Ohana Zoning for families, not for public housing.

Please do the RIGHT thing for the people who live here, not for the people who just want to make \$\$\$ here!

Submitted on: 3/25/2024 2:36:06 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rose Davis	Individual	Oppose	Written Testimony Only

Comments:

Please do not pass SB3202. This bill feels more threating to community welfare, health, harmony and well being, not helpful. Please do not pass it as it is written. Some support for building is a good idea but not overbuilding. This will lead to many detrimental effects in every community and across our island.

Aloha from place of peace,

Rose Davis

Submitted on: 3/25/2024 2:40:14 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tamara Moan	Individual	Oppose	Written Testimony Only

Comments:

I am writing to oppose SB3202 SD2. I do not believe this bill will help increase affordable housing for island residents. Instead, it opens the way to hardening more urban surface, increasing prices as developers vie for lots to divide and build on, and will overtax our infrastructure by allowing monster homes. I want island neighborhoods that include yards and trees, breathing space between structures, and prices that allow more than the rich to live here! Please vote against SM3202 SD2!

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 2:46:31 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anita Trubitt	Individual	Oppose	Written Testimony Only

Comments:

I am strongly opposed to this bill which opens the door to more monster homes.

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 2:52:43 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
TOM DIGRAZIA	Individual	Oppose	Written Testimony Only

Comments:

I am strongly opposed to this Bill. See: Honolulu City Council Resolution 24-65 in opposion to a similar bill for Honolulu County.

As an urban planner, and former Executive Secretary of the Honolulu City Planning Commission, it is clear that the inappropriateness, ineffectiveness, and unprofessional basis of this bill and the companion HB1630 cannot introduce anything but havoc into the long-range planning and development of Honolulu and the entire State, while doing little to put the people who need housing the most into units they can afford.

Up front evidence is that no price or income level is specified. Furthermore, attention to basics of land economics are absent, e.g., increasing rights to higher densities will increase land values, in this case, resulting in higher housing costs; thus defeating the main purpose of the bills.

There is a long list of negative consequences of these bills that require extensive further study. Questions of any realistic improvement in the affordable housing supply, availability and cost of labor and materials, Psychosocial reactions and effects on established neighborhoods, capacities of infrastructure, effects on established community planning processes, etc.

Other communities have found better ways to accommodate and assimilate well designed developments that include smaller land area per unit, and less expensive housing construction. We would be better served to pursue those solutions.

Submitted on: 3/25/2024 3:00:47 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John P Miller Jr	Individual	Oppose	Written Testimony Only

Comments:

this bill is too broad.

zoning at 2,000sf lots can ony be for new developments. the Fed cannot properly address local issues.

Also an environmental study is needed to address the lack of percolation . An enginering study will be needed to address sewer capacity, waterline pressure, parking, road wear

this bill is not ready. don't do sloppy work.

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 3:02:00 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patricia Blair	Individual	Oppose	Written Testimony Only

Comments:

Absolute NO to this Monster House Bill

Submitted on: 3/25/2024 3:11:04 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith A Mick	Individual	Oppose	Written Testimony Only

Comments:

Aloha- It is very upsetting to envision our island covered with housing to the point there is no space for natural rain absorption or flora to grow. The only people who will benefit are developers who will make even more money squishing us together. Where will peole park? Please kill this bill which will suffocate us and harm the aina. Mahalo. Judith Mick, Kailua

Submitted on: 3/25/2024 3:18:35 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
john Foti	Individual	Oppose	Written Testimony Only

Comments:

Dear sirs

I strongly oppose SB3203 SD2. The first reason for my opposition is rooted in my professional knowledge. I am a life long resident of Hawaii and have been in the real estate development and redevelopment business for almost 40 years. Even though I recognize that this bill would provide me and my company with hugely profitable development opportunities, I also recognize that it will have disastrous long term consequences that most people who are not in this industry have contemplated. There is no room or time to explain here but I am happy to share the details of this knowledge with any of you legislators who care to have a discussion.

My second reason for opposing this bill is rooted in the obvious government overreach of this bill and others like it. It is wrong for State legislation to take away local government power over land use decisions. In fact I am opposed to all government legislation that usurps local government control and power, but especially over land use and related issues. This is contrary to the most basic ideals of a democracy/ representative republic. It is fundamentally wrong on all levels and serves to defeat the purpose of having a local government at all.

Please kill this bill.

Aloha

John Foti

808 754 3312

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 3:19:10 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Kajihara	Individual	Oppose	Written Testimony Only

Comments:

I have resided in Kaimuki for over 25 years. During this time, on-street parking has declined and surface traffic has increased. I strongly oppose SB3202 SD2.

Submitted on: 3/25/2024 3:32:35 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Neil Frazer	Frazer-Frantz Family Hui	Oppose	Written Testimony Only

Comments:

My family and I, including six adults over forty, oppose this bill because it violates the most important principle of representative government, which is that policy decisions should be made as locally as possible. The principle even has a name: subsidiarity (see its Wikipedia entry), and If you think it is an umimportant principle, consider what a lack of subsidiarity did to the former Soviet Union.

Counties and Cities are the only levels of government that should be allowed to make zoning decisions, including decisions about density.

Submitted on: 3/25/2024 3:41:40 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Suzanne Booth	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. The impact on our residential neighborhoods would be to create high density area that do not have the infrastructure to support muliple structures. My neighborhood is already plagued with frequently watermain breaks, loss of water for hours at a time, and traffic delays caused by maintenance crews working to make repairs. In addition, this bill will encourage developers to maximize the number of units on each lot leaving no areas for single family homes. There are better ways to resolve the housing shortage. Please save our neighborhoods.

Submitted on: 3/25/2024 3:41:52 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Catherine H Sophian	Individual	Oppose	Written Testimony Only

Comments:

This bill will allow population density--and with it the number of people living in Hawaii--to rise dramatically. There are enormous financial gains to be had by landowners who take advantage of the opporunities the bill will create to cram more housing onto their lots. Cynically, this bill is advanced as a way of creating affordable housing, but it does not contain any assurances that the housing that results will be affordable. Moreover, it takes more than just more dwellings to accommodate a larger population. Clean drinking water, proper sewage treatment, adequate electricity, and hospital care are all essential ingredients for maintaining the health and wellbeing of everyone in Hawaii. All of these aspects of our infrastructure are already strained and at risk of growing worse due to climate change and sea level rise. Both the burden of living with those problems and the costs of potential remedies will fall on all Hawaii's tax-paying residents, not just the landowners who take advantage of the new law to rake in big profits. Please, think again. Don't do this. Thank you.

Submitted on: 3/25/2024 3:49:29 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen Sato	Individual	Oppose	Written Testimony Only

Comments:

I am extremely concerned about Bill SB3202. It could drastically change neighborhoods, and not in a good way, yet most Honolulu residents are barely beginning to be aware of it. Why has dissemination of information been so meager? Why has there been no well-publicized public meetings about it? I have so many questions. How is it different from Monster House development—or is it much different? What will this look like? What are the restrictions on what can be built? How will it impact our neighborhoods? I am not against greater density as long as it's done the right way—with careful planning and attention to location, transportation, traffic, safety, aesthetics and infrastructure. I personally think a well-planned combination of townhouses and apartments in addition to single family houses in residential neighborhoods makes more sense. This bill, however, would cram single family houses into tiny lots and could start chaotic micro developments where each property is fending for itself. Hopefully the rejection of SB3202 will lead to more creative thinking and wiser action about what is best for our neighborhoods and Hawaii's future.

Submitted on: 3/25/2024 3:55:02 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike Bates	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Our residential neighborhoods are already getting increasingly crowded by multi-generational families living in homes that were designed for perhaps 4-5 persons.

Allowing up to three dwellings on a land parcel originally designed for one dwelling will adversely affect the neighborhoods. Quality of life for residents with one home on a land parcel will decrease.

I think a better idea is to rezone residential areas and build high rise condos or apartments with suitable parking and open space to decrease the footprint land needed to house a given amount of people.

Thank you,

Mike Bates

Submitted on: 3/25/2024 5:01:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Brito Jr.	Individual	Oppose	Written Testimony Only

Comments:

I am in opposition to bill SB3202 because I do not believe it to be a viable solution for the people of Hawaii. I oppose the States taking local land use power away from local governments, and then using State legislation to ban single-family zoning wherever it pleases. The legislature should have passed bill SB2617 which I believe would have given Hawaiians a fighting chance to stay in their home land. Power and control over Hawaii land should stay in the hands of local government and the po'e Hawaii.

In addition I believe that the structures that will be built, by most likely outside developers, will only place more stress on an already antiquated infrastructure in many neighborhoods. In my neighborhood, people are being denied their request to build ADUs on their property being sited that it would put a strain on the infrastructure, yet here we have a bill that will allow developers to come in, purchase properties, and cram multiple units on one property that they will profit from with no returns to native Hawaiians.

Housing cost is already out of reach for many Hawaiians. Developers bidding up prices of residential property to subdivide and build up, will make prices out of reach for residents who dream of home ownership.

In opposition, thank you

Submitted on: 3/25/2024 5:04:08 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Audrey Lee	Individual	Oppose	Written Testimony Only

Comments:

STRONG OPPOSITION TO SB3202 SD2!

Although there are groups and individuals excited about possibly quadrupling building/permitting and buying/selling of properties, there are much larger downsides to the realization of this bill. Even with the cautions outlined in this bill, who will be charged with monitoring them? Has this been thought through in depth and accounted for responsibly? Anyone who goes through the realities of what this bill will encounter and produce knows our urban communities will greatly change and suffer from the density of population where single home residences once stood. Even condominums that exist for dense population have mechanisms to oversee standards for those buildings. Without going into studies of what these effects are and thinking of those effects, this bill seems to just want to cater to the construction and real estate industries by fast tracking it to be passed. A'ole! Let's build responsibly for now and the future of Hawaii, not just help make money for some people now.

Submitted on: 3/25/2024 5:27:58 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sadie Eckart	Individual	Oppose	Written Testimony Only

Comments:

TO Whom it May Concern,

(SB 3202)

My name is Sadie Eckart. I reside in Kailua, long time resident. I am Against SB 3202)

I oppose the "Monster Bill". This is totally against helping everyone living here, except corporate home purchases and people who own property from out of state. We really need to stop thinking of money and money. Monster homes are ugly in Hawaii, especially sitting next to single family "common dwellings". It blocks the air, solar roofs, fewer trees, makes it hotter and most importantly, drives up prices for potential buyers. Not to mention, street parking congestion. There are soo many more reasons not to pass this bill. There are too many negative impacts to outweigh any good. Are you just trying to get every young local person to move? Hawaii is already Not what it use to be. You continue to think making here like the mainland. People come here for "Hawaii". I hear soo much feedback from visitors, that they will Not be returning because it's too expensive! Stop and Think. No need for Monster homes.

Monster homes are not for Hawaii. I wish I could come to testify in person but I am not able to April 1. I and many people I've talked to are strongly opposed to Monster Homes. This is Not the mainland. Please don't allow this anymore. No Monster Homes.

Sincerely,

Sadie Eckart

Submitted on: 3/25/2024 5:30:20 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sam White	Individual	Comments	Written Testimony Only

Comments:

I do not think this kind of subdivision or monster homes are a good idea in my neighborhood. I bought here for roomy areas and not urban sprawl. Paid a lot for this. This bill could ruin all of that. I work as a doctor and I might just leave Hawaii. Why would live in a place that fundamentally changes rules. I could never trust it here. I'd tell my younger peers- live elsewhere.

Submitted on: 3/25/2024 5:45:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacqueline Wah	Individual	Oppose	Written Testimony Only

Comments:

I am STRONGLY OPPOSED TO SB3202 SD2.

I understand we need more housing but eliminating single-family zoning across the state is not the way to achieve this goal without putting our neighborhoods and communities at risk of being overdeveloped to the point where the quality of life in our communities will suffer.

This bill takes a one-size fits all approach, not taking into account that every island and county is different, and that every neighborhood is different. What may work on one island could create many problems on another island. What may work in one neighborhood could be a nightmare in another neighborhood.

There are better ways to address our housing shortage. Let's work on enforcing laws regarding short-term rentals, encourage homeowners to build ADUs, get all the permits for housing already approved built, etc.

Please stop SB3202 SD2 from advancing. It will be an open door to changing our communities in very negative ways and, in the end, will not solve our housing problem.

Submitted on: 3/25/2024 5:53:24 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kevin P Fraser	Individual	Oppose	Written Testimony Only

Comments:

I oppose House Bill **SB3202 SD2** because increased building and hardening of lots will hurt small communities and neighborhoods. Developers bidding up prices of residential property to subdivide and build up, making prices out of reach for residents who want home ownership. Competition for street parking – these are still neighborhoods without public transit. Monster houses, small apartment buildings within neighborhoods. You want to add more available housing for local people? STOP allowing non- Hawaii residents from buying homes they have no intention of living in as a full time resident. Our problem is NOT lack of homes. Our problem is such a large percentage of our homes are left vacant most of the time because they are second homes for mainland and foreign people and investors. You want a second home here? You property tax is triple AND you can not VRBO at all to help cover the cost of that tax. People that own second homes here either don't care about the tax or they VRBO a few times a year to cover the tax. WAKE UP PEOPLE!!

Submitted on: 3/25/2024 6:13:50 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kristine Wallerius Chung	Individual	Support	Written Testimony Only

Comments:

Thank you for the opportunity to submit testimony on SB3202; I am **in SUPPORT of this bill**. There continue to be monster homes under construction in Pacific Heights where I live. These create issues with infrastructure and parking, yet there is no enforcement. Why not focus on creating stronger laws with stiff penalties that actually prohibit this type of construction?

It is offensive to me that the NIMBY attitude of "neighbors" worried about the 'character of their neighborhood' is being prioritized over the extremely urgent need for affordable housing options in Honolulu. Many young native Hawaiian families and seniors who have lived here for decades are being priced out of their Island home; I stand with them.

PLEASE SUPPORT SB3202 for local families.

Best,

Kristine Chung

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 6:19:39 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Virginia Dudden	Individual	Support	Written Testimony Only

Comments:

This will be a painless way to add housing on residential lots in areas that badly need more homes utilizing existing infrastructure. Please support SB3202 SD2

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 6:50:13 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Scott Kidd	Individual	Support	Written Testimony Only

Comments:

I support this measure as a means to increase affordable housing

Submitted on: 3/25/2024 6:57:02 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathy Shimata	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senators,

• I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.

Mahalo,

Kathy Shimata

96822

Submitted on: 3/25/2024 7:13:16 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
veneeta acson	Individual	Oppose	Written Testimony Only

Comments:

•

- I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and outof-state buyers.
- o I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. If the neighbor islands want this density, then please exclude O'ahu.
- o I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.

Submitted on: 3/25/2024 8:05:14 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeffrey Farris	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I am submitting this testimony opposing SB3202 allowing subdivision of house lots which could lead towards more congested neighborhoods and possibly monster homes. Where I currently live we have several very large homes some of which are owner occupied and some are income properties. Two of the homes situated side by side have at times been occupied by numerous renters so that they have 15 cars between the two homes. When housing occupancy increases so does many of the other factors such as trash, noise, visitors. These home have the fire load (fuel) of multi-family homes in single (one & two family) distances between structures

It is my viewpoint that there is a place for one & two family dwellings and a place for multiple occupancy dwellings. Once these homes get built they don't go away. and the neighborhood loses the fabric that mad e it the community it was.

Lets address the housing problem properly, creating neighborhoods for which they we designed not at the expense of our current communities and the people that live in them. Please do not open the door for more monster homes.

Thank you very much.

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 8:15:27 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kate Paine	Individual	Support	Written Testimony Only

Comments:

More ohana housing, less off-shore investor housing development.

Submitted on: 3/25/2024 8:32:47 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nick Foti	Individual	Oppose	Written Testimony Only

Comments:

Do NOT pass this bill.

It is trouble to see that this proposed bill has gotten this far already. Whoever is pushing this should be investigated, they clearly don't have the right amount of brainpower, motive, or foresight to pull a stunt like this. Before going this far a true study should be taken into account of the implications of what this will do to our community, neighborhoods and state as a whole. It is not rocket science to see that this will have lasting implications on communities, land, neighborhoods, traffic, and infrastructure. This will RUIN what is left of Hawaii and sell residentials lots to developers and investors for higher prices than any local will be able to afford. This will increase building density far beyond what anyone can comprehend. The negative implications heavily outweigh the positives, and there is only one...More housing units. You might as well call Hawaii Newport California already. Please don't ruin our neighborhoods, our home, and our Hawaii. DO NOT PASS!

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 8:43:03 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lourdes millan	Individual	Oppose	Remotely Via Zoom

Comments:

I oppose bill sb3202

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 9:09:13 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lorna Holmes	Individual	Support	Written Testimony Only

Comments:

Please pass this bill, as we need to do everything possible to encourage the building of affordable housing.

Submitted on: 3/25/2024 10:03:39 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Emmaline Padeken	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.

<u>SB-3202-SD-2</u> Submitted on: 3/25/2024 11:20:56 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
RALPH FURLEY	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202,

You know you already can build an ADU on a property - that is enough!!!

Mahalo,

RF

Submitted on: 3/25/2024 11:22:39 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Fernandez	Individual	Oppose	Written Testimony Only

Comments:

Oppose SB3202

You guys are going overboard. Soon no one will be able to tell the difference between a homeless encampment and a regular home lot,

Oppose

Richard and Janina

Submitted on: 3/25/2024 11:26:11 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cecila Gomez	Individual	Oppose	Written Testimony Only

Comments:

I oppose this <u>SB3202</u> because it will have a radical and adversely effect on the real estate market. Image how drastically and quickly your property value will plummet with the threat of doubling the population in an already crowded neighborhood?

Who thinks of such stupid bills?

Upset constituent.

Cecilia

Submitted on: 3/25/2024 11:33:00 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Riley	Individual	Oppose	Written Testimony Only

Comments:

Totally against such a bill such as SB3202,

Who thinks of such bills. Maybe some homeless guy got elected and is proposing this crazy bill. Such a bill would require only very certain and restricted sections to be properly zoned. To tell me you want to do this anywhere is crazy. Did anyone think how this will affect the infrastructure: sewage and water and other utilities. Our taxes will obviously double to accommodate such a ridiculous bill but at the same devaluing your property value.

Go ahead and do this and it will get shot down with a law suit. - undermining the prevailing value of properties by intentionally doubling the population.

Stupid bill - stupid legislatures,

Riley

Submitted on: 3/26/2024 5:05:15 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marisa Nguyen	Individual	Oppose	Written Testimony Only

Comments:

Do not allow monster housing. The proponents for short term vacation rentals ("B and B's") will never stop fighting for total legalization--with Air BnB right there at their sides. You will make residential neighborhoods into hotels. It won't feel like home. Brain drain will worsen--will educated people want to live next door to non-neighbors?

Do the right thing. Oppose SB3202.

<u>SB-3202-SD-2</u> Submitted on: 3/26/2024 7:30:28 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Donna Otto	Individual	Oppose	Written Testimony Only

Comments:

I oppose house bill sb3202. This will have a negative impact on residential communities.

Submitted on: 3/26/2024 8:09:46 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lori allard	Individual	Oppose	Written Testimony Only

Comments:

I appose sb3202

we are residents of oahu hawaii (kailua)

as the impact of monster homes and dense subdividing of lots is not the appropriate way to address concerns for housing; it is not desirable to create less of natural open space due to environmental impacts.

In addition, this would create competition for rush development and investors that would actually increase costs for land and housing; local families that consistently support the economy and state are already nearly pushed out of the home ownership, and affordable housing. Families are making tough decisions on remining in Hawaii; this bill will be contributing towards loss of the families and people who really support Hawaii all the time.

This bill would change the nature of the "neighborhood"/space by decreasing safety for families due to increased traffic, lack of parking, noise, pollution, drainage, likely domestic complaints and conflicts, need for increased infrastructure, trash disposal, policing, and many other wide spread negative impacts.

there are other proposals to address housing.

I oppose this bill

Submitted on: 3/26/2024 8:30:21 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kate Thompson	Individual	Oppose	Written Testimony Only

Comments:

Dear House of Representatives Leadership, Chairs, Vice Chairs, and Committee Members.

Please OPPOSE this crossover bill SB3202.

As a community member who has lived in Manoa, Mo'ili'ili, Kaneohe, and Kailua, I have seen several communities, and how 'housing' is set up.

Living near a 'monster home' is not fun!

Crowded housing areas have increased noise levels, and there are parking issues on the street.

A large home with separate units, where the people are not related-family, should be limited to one unit, NOT TWO units.

FOREIGN Investors in Hawai'i Real Estate: I have three (separate) friends who each pay rent, IN CASH, or cash-like deposits into the bank accounts of Chinese nationals who own houses in Hawaii. I seriously doubt the (Chinese national) homeowners are paying proper taxes on their rental income. The Hawaii resident renter needs to keep their housing so they agree to the 'cash rent' agreements.

OVERCROWDING: This bill would allow for streamlining 'monster house" applications to subdivide lots as small as 2,000 square feet because it allows:

- Allow 3 dwellings on each lot with shared walls (think maxed-out footprints)
- Allow the additional 2 dwellings to be as big as a main dwelling.
- Allow the same number of occupants as for the main dwelling (currently 4 unrelated adults and their families per dwelling).

PRICING OUT LOCALS **AGAIN**: A law like this only enriches the rich.

This bill will result in more investor REITs, which are profit-motivated.

Defined here: Real estate investment trusts (REITs) are a key consideration when constructing any equity or fixed-income portfolio. They can provide added diversification, potentially higher total returns, and/or lower overall risk.

In short, their ability to generate dividend income along with capital appreciation makes them an excellent counterbalance to stocks, bonds, and cash.

REIT investing involves real estate investment trusts. REITs own and/or manage incomeproducing commercial real estate, whether it's the properties themselves or the mortgages on those properties.

Where REIT investing is concerned, you can invest in the companies individually, through an exchange-traded fund, or with a mutual fund. There are many types of REITs available.

OPENING the door to this type of 'House buying as an Investment' will push long-term Hawaii residents further away from personal home ownership.

This bill is short-sighted. It is supported by investment lobbyists rather than Hawai'i residents, who are just trying to make ends meet and buy a first home.

Thank you for continuing to stand up for Hawai'i residents and OPPOSE SB3202.

Mahalo,

Kate Thompson

Submitted on: 3/26/2024 9:01:02 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Hagstrom	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202 for the following reasons: It will potentially create slum housing, destroying single familly neighborhoods/communities by allowing developers and for-profit land owners to reduce lot sizes, increase the number of dwelings per lot, allowing additional dwellings as big as the main dwelling, and too many occupanats. We bought our home depending on the current zoning rules to protect our investment, and this bill will allow the government to take that away. This change in use will encourage increasing prices, making residential prices even higher than now, and put a strain on water/sewer, parking, and many other utilities. This bill should be defeated, and definetely not force Counties to change their rules.

<u>SB-3202-SD-2</u> Submitted on: 3/26/2024 9:13:56 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By		Organization	Testifier Position	Testify
Rachel K Johnso	1	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202. It will ruin our family neighborhood.

Submitted on: 3/26/2024 9:31:24 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Richard Puetz	Individual	Oppose	Written Testimony Only

Comments:

Put two more people in your chair and see how that feels. Sub-dividing existing property is not a valid solution to public housing; it will only benefit investors and cause infrastructure problems.

Submitted on: 3/26/2024 10:14:11 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Derek Esibill	Individual	Oppose	Written Testimony Only

Comments:

Please do not support this bill. It will put more pressure on our already stressed infrastructure, specifically our wastewater treatment, water consumption, and roads. This will additionally increase property sales price, because the additional dwellings can be marketed and justified as rentals to offset mortgage payments. It will increase impervious surfaces preventing ground water recharge and accelerating runoff, further damaging our sensitive coral reef system. This system had a valuation of over \$360 million annually to Hawai'i's economy in 2004 according to Cesar and van Beukering 2004. A yes vote will negatively impact our economy, ecosystem, and human well-being.

Submitted on: 3/26/2024 10:25:43 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen K Ota	Individual	Oppose	Written Testimony Only

Comments:

State Senators of Hawaii:

My understanding is that SB3202 will allow up to 4 dwellings per 5000 sq. ft. of land. As a homeowner in the quaint neighborhood of Kaimuki, I have seen my immediate block change for the worse as investment companies have been buying older homes/lots, tearing the house down and constructing huge apartment-like dwellings. If SB3202 is passed, ultimately our neighborhoods will be converted into high impact urban areas.

Two houses away from my home, an investement company purchased two 10,000 sq. ft. lots (side-by-side). They are currently awaiting the DPP's go ahead to start construction. If this measure is passed, I'm fearful that there can be as many as 16 new dwellings (4 dwellings per 5000 sq. ft.) on these two lots. If there are 3 people living in these new "tiny houses," that means there will be 48 people living in this area that has historically housed 4 families. Property values are bound to go up as more investors pick up older family lots and continue this pattern. That's great for me as my property value will be higher but for the price of living in a high density urban environment? No thanks! This proposal exasperates a problem that already exists.

The idea that this Bill will help ohana housing is highly misguied. What this Bill does is pushes the bar down to the lowest common denominator. It takes us down the wrong path that will not be reversable in effected communities.

Diversity in housing is fine within a planned community that can include homes of various sizes and prices. It doesn't work to fore it into extablished neighborhoods. The only winners will be the investors.

Please vote NO on SB 3202

Sincerely,

Kathy Ota

Resident of Kaimuki

Submitted on: 3/26/2024 10:27:03 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Ching	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am a resident and homeowner from Kailua, Oahu. I am strongly opposed to the passage of SB3202 which would eliminate single-family zoning by allowing the sub-division of existing lots below the minimum now required by the City and County of Honolulu, and allowing the building of multiple dwellings on the smaller lots. This bill would dramatically increase housing density, eliminate green space, increase pressures on already overburdened sewer and water systems, cause increased noise, create parking and traffic issues, and promote the building of monster homes in our communities, thus destroying our single-family neighborhoods. Regulations already allow buildings almost to the property lines, the usage of 70% of the lot size, and the building of an ADU. Isn't that enough? Passage of this bill would make properties more attractive to outside ownerships and developers , and further increase the costs of housing, pricing local families out.

This bill doesn't take into consideration the differences between each neighborhood within each county. Zoning decisions should be made on the County level to ensure that neighborhoods are preserved and not destroyed by the passage of this bill. Please do not pass this legislation.

Mahalo.

Submitted on: 3/26/2024 11:20:51 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pat Sasaki	Individual	Oppose	Written Testimony Only

Comments:

I am writing in opposition of SB3202. I currently live on lower Kamehameha Hts. We have a number of illegal monster homes in our vicinity. Most of our lots are R5 and housing more than one family. It is extremely crowded with too many cars, sometimes encroaching on each others property. Lots of noise, often at all hours of the night. Many transient strangers passing through the neighborhood and increasing criminal activity.

I certainly feel bad about the homeless or housing disadvantaged, however, there is only so much a community can tolerated before it becomes unbearable.

It is therefore reasonable to limit ADUs to one unit per 2500 sq ft of lot size, with no exceptions. That way, an owner with larger lots can add ADUs to the extent of the law. Also included should be that each of these units should have in their design, two parking per unit. This would constitute a fair and reasonable law that will not excessively tax the roadways, utilities or residents of the area.

Thank you for your consideration of our concerns.

Submitted on: 3/26/2024 11:31:31 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patrick Watson	Individual	Oppose	Written Testimony Only

Comments:

Aloha and mahalo for allowing me to testify.

As written, I strongly oppose this SB3202. Please reconsider what this bill proposes and how it will adversely affect our islands and state. "Residentially zoned lots within an urban district each county shall allow for **at least 2 additional dwelling units**" implies that 3–4 (?) dwelling units could potentially be built where only 1 originally sat. Why would the intentions of the original zoning restrictions somehow no longer apply? Weren't they put in place to protect residents and home owners from exactly what is being proposed now; overdevelopment of a residential area from single family homes into concrete jungles? Shouldn't the currently permissable and reasonable options for Accessory Dwelling Units be exhausted before allowing more subdivisions of property?

Has anyone proposing these measures calculated exactly how this redevelopment will affect already crowded older neighborhoods, infrastructure, traffic, schools, and way of life? If every qualified property owner maximize their dwelling capacity, what will the answer be in 20 years when the next generation grows exponentially? This bill without further regulation of property owner qualifications or precisely which islands/districts/neighborhoods these types of subdivisions may or may not work seems unreasonable on an island like Oahu, which has limited space and is already very crowded.

The side effect of inundating the DDP with the potential influx of permit applications given the currently understaffed and overwhelmed position they are in seems totally unreasonable and unsustainable.

If passed without appropriate accommodations made for DPP inspections or adequate language protecting affordable rates, it will incentivize unscrupulous developers and foreign investors as we have seen in the monster home scourge.

Further increasing density in residential zones will create more tension. The same sentiment can be applied to the constant push for more tourism here as an economic engine without concern for impacts to local residents. When will our elected officials ever address the critical question of "when is more just too much?"

We are racing towards a Hong Kong level state of overcrowding. There are homicides happening daily on Oahu. Crime, homelessness and drug abuse infiltrates our streets and

beaches. Endless traffic jams, Red Hill fueled water shortages, and pollution of our streams and oceans is our reality now. Accommodating more housing density in this condition doesn't solve the problem of sustainability. It does ensure the very essence of Aloha and community spirit which attracts millions of visitors each year will be eroded further.

According to Gov. Green "75,000 of the 89,000 units in our Short Term Rental market are 'not legal'...That represents more than 80% of the STRs here - and more than our entire statewide housing deficit of 50,000 units. By working with the counties to fully enforce existing laws and returning only half of these illegal short-term rentals to the long-term local housing market, we could solve most of our housing problem immediately...This will increase supply and bring down prices in a local market artificially and unfairly inflated by the global demand from visitors to our state."

- To emphasize Gov Green's message above, we have 75,000 **illegal** short-term rentals statewide that "*could solve most of our housing problem immediately.*"
- On Oahu, there are 106,000 residential lots that are currently eligible for an Accessory Dwelling Unit. Let's provide ADU subsidies and incentives to homeowners much like we do for large developers.
- According to the <u>DPP's annual report</u> (see page 23, Table II-2), we have 80,225 approved and permitted housing units on O'ahu that HAVE NOT BEEN BUILT? The fact is we don't have a supply problem, we have a building problem. How will adding to the backlog of DPP permit submittals and propose even more units being built solve this?
- Statewide, 23% of single-family homes and 29% of condos were **sold to out-of-state buyers**. Over half of condo sales on the neighbor islands were bought by **out-of-state buyers**.

Our elected officials should support a Governor's Emergency Housing Proclamation to immediately stop foreign or non-residential property acquisition, crack down on illegal short term rentals, and incentivize Accessory Dwelling Units **currently** available to 106,000 lots on Oahu under existing zoning regulations. Keep this proclamation in effect until the state housing crisis has been corrected, making new laws heavily regulating foreign and non-residential property ownership.

Any new proposals should set language in place prioritizing LOCALS who have established a history of residency here.

Address what is truly "affordable housing" and how to provide such housing to locals.

Mahalo,

Patrick Watson

<u>SB-3202-SD-2</u> Submitted on: 3/26/2024 11:50:31 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Melissa Lawrence	Individual	Oppose	Written Testimony Only

Comments:

I opppse this monster housing bill! The effects on our environment and neighborhoods are not acceptable

Submitted on: 3/26/2024 11:54:00 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Caroline MeiMei Fox	Individual	Oppose	Written Testimony Only

Comments:

As a homeowner in this neighborhood, I vehemently oppose the plan to subdivide. We cannot handle the extra traffic or strain on our resources. It will be a disaster. I assure you we will sell and likely move out of state.

Caroline MeiMei Fox

252 Lumahai Pl 96825

Submitted on: 3/26/2024 12:42:31 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Terry Savage	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am writing to express my opposition to SB3202. Zoning policy should remain a function of each county, not the state. Further, significantly expanding additional housing units on already small lots will encourage investors from outside Hawaii to drive up the cost of housing for Hawaii residents, result in more--not fewer--"monster" homes, and reduce the overall quality of life in already congested neighborhoods.

This proposed bill may financially benefit some individuals but it will not help most of us who already contend with ever increasing housing costs.

Please vote "no" on SB3202.

Sincerely,

Terry Savage

1223 Manu Aloha St.

Kailua, HI 96734

Submitted on: 3/26/2024 12:50:06 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vickie Barela	Individual	Oppose	Written Testimony Only

Comments:

Aloha!

I am submitting written testimony in opposition of SB3202.

- This bill does not have provisions for affordable housing.
- This bill does not have provisions for Community Associations Guidelines to overrule this. (The ADU bill included provisions for Community Associations Guidelines to overrule ADUs.)
- This bill will cause the same neighborhood and utility impacts as Monster homes currently do as it is replacing one large home for multiple smaller homes.
- This bill favors developers, who do not care about our neighborhoods.

Please do not let this bill pass as currently written.

Mahalo, Victoria (Vickie) Barela Honolulu, HI 96825

Submitted on: 3/26/2024 1:42:35 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maureen Harnisch	Individual	Oppose	Written Testimony Only

Comments:

Please do NOT pass SB 3202. There is no infrastructure in many parts of the island to support this increase in population density in certain areas. Currently, HECO cannot even get enough power to support my house. On the ridges, if you remove all watershed from properties, there will be repeated flooding. But perhaps most important, without any forthought, this bill puts us at risk for a major fire! Or multiple fires. We need more affordable housing. This is NOT the way to get it. I urge you all to vote NO to SB 3202. Let's begin with infrastructure this time before charging into developmment!! Also, without any forthought, this bill will destroy the history charm and value of many neighborhoods and haven't we had enough of that?

Thank you,

Maureen Harnisch

Submitted on: 3/26/2024 1:51:33 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lee Cuccia	Individual	Oppose	Written Testimony Only

Comments:

This is just like the monster house idea and all it will do is make money for developers and price out our neighborhoods. Additionally parking on streets will grow worse not to mention traffic in the neighborhoods. While we need affordable housing, this is not the way to get it.

Submitted on: 3/26/2024 1:59:26 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
greg macdonald	Individual	Oppose	Written Testimony Only

Comments:

This bill will not solve the problem it presents. In addition it will discourage single family homes which in turn destroys neighborhoods which destroys identification to a history and place. Throwing money at a problem doesn't solve it, witness the "rail system." The population on Oahu is already clogged like plaque in arteries. Need space, consider underpopulated neighbor islands.

Submitted on: 3/26/2024 2:07:17 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
andres harnisch	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am sure the person that introduced the measure had good intentions but the idea that the last remaining and mostly disappearing backyards on the islands can be filled with more buildings is unacceptable. The infrastructure of the city and county of Honolulu is already completely stretched beyond its capacity. If we take the small greenspaces away for example here on Wilhelmina rise the flatlands of Kaimuki will flood regularly and at great expense to the taxpayers. Additionally why dont we look towards California at Manhattan beach for example were one structure is build on top of each other pretty soon our island is going to look like the abomination in Kakaako... the only person profiting from this kind of build up are developers it never leads to more affordable housing for the homeless... again look at Kakaako were the houseless now live in front of the new highrises that are partially empty and owned by foreign entities or people that come to town for a few months of the year. Why dont you generate additional income for the City tax every vacation rental or apartment that is empty with 200% tax to incentivise owners not to keep the units empty. Stop the permitting of monster homes and keep the little bit of paradise we have not yet squandered away!!! STOP Senate Bill 3202!!!1

Submitted on: 3/26/2024 2:32:39 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wendell Suto	Individual	Oppose	Written Testimony Only

Comments:

adding this will not help the housing market cause i would build 2 or 3 home and sell them a over a million each cause that is the going cost of the homes in this district.

the parking on the streets will be worst than what it is now, only a few districts you can't park on the streets like kahala and hawaii kai

I think it's a bad idea and hope it doesn't pass.

Submitted on: 3/26/2024 2:54:40 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jillian Turkington Poon	Individual	Oppose	Written Testimony Only

Comments:

My name is Jillian T Poon and I reside in Koko Kai area code 96825.

I oppose the monster homes bill in my quiet peaceful neighbourhood that is filled with trees, grass and plenty of nature.

After retiring we moved to this beautiful peaceful part of the Island. I would not like to see trees cut down and large monster homes constructed. This would effect the trade winds & our environment, which will make it harder to fight the heat.

I would not like to see more cars and more traffic in the neighbourhood which may cause competition for parking and more people would park on the streets. This may also cause accidents in the area as I would feel less safe riding my bike around our neighbourhood. I also feel that having these large monster homes being built would effect new home owners due to the developers bidding up residential prices to subdivide, build higher and with no or very little gardens.

Thank you for listening to my opinion.

Jillian T Poon

Submitted on: 3/26/2024 2:58:20 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacob Wylie	Individual	Support	Written Testimony Only

Comments:

Reworking Hawaii's urban development structure is the only way to ensure we are not destroying the native culture that currently clings to hold its place. Please consider passing this bill to protect native kama'aina and make housing affordable.

Submitted on: 3/26/2024 3:12:03 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Taylor	Individual	Oppose	In Person

Comments:

I beg the legislature not to pass this bill. It is absolutely true that significant measures need to be taken to solve the housing crisis in Hawai'i and that affordable housing should be a priority. However, this Bill is nothing but an invitation to greedy outside owners and developers to destroy our older neighborhoods for profit. Rather than encouraging new home development, some of it on "agricultural" lands that have not seen a crop in years, you have painted a target on the older, established neighborhoods. Do you think developers will focus on building affordable homes on small lots near the rail when this legislature gives them the opening to build three multi-million dollar homes on every large ocean facing lot in Aina Haina, Niu or Portlock? Please consider the impact on your current long-term residents and taxpayers. Many of us paid premiums decades ago to live in neighborhoods protected against high density, with plenty of greenspace and a mature infrastructure, sized for one home per lot. If you pass this bill you will radically diminish what we paid for and which is codified in our deeds. The effects on our existing neighborhoods is certain. The benefit for non-owners is uncertain at best. Right now, I feel betrayed by the very legislators whom I have loyally supported because I felt that they understood and cared for their communities and their constituents. Please restore the confidence we had in you by rethinking and drafting a bill that does not create additional housing on the backs of long term homeowners.

Submitted on: 3/26/2024 3:22:05 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keith Watanabe	Individual	Oppose	Written Testimony Only

Comments:

I am writing to strongly oppose SB 3202, which would serve to completely eliminate single family zoning statewide. This is in line with the democratic party's stated policy to get rid of all single family housing within the U.S. Zoning should remain with the local government, NOT the state.

Those who submtted this bill have no idea of the unintended consequences of this proposal. Increasing the number of dwelling units in no way guarantees lowerd housing prices. In fact, this would be a boon to those who are currently building monster houses that are destroying the character of our neighborhoods. If the intent is to reduce costs, there must be language in the bill to address this. Not having anything to address this is simply wishful thinking. It's like "of we build more units, the costs might come down" - no guarantees.

The City and County of Honolulu, community groups and citizens have spent years combatting the proliferation of unsightly monster houses, or more accurately apartment complexes being built in our residential neighborhoods. By this insane proposal, the State attempts to undo all the efforts that have been done by the city.

The State should butt out & let the folks with the best understanding of the issue led the way. They should not be getting into the complex issues they they have to understanding of.

Testimony of Paul H. White in Opposition to S.B.3202

I think it would be a serious mistake for the Legislature to adopt SB 3202 in anything like its present form. This bill seems designed to remove existing private covenants or county rules which limit subdivisions on existing lots and limit lots to one dwelling unit. It would also seem to require each new dwelling unit to be equal in size and capacity to the original unit. The result, I foresee, would be a glut of mini-developments on the most attractive urban lots on each island, with no increase in affordable housing. If you were a developer, would you rather build 10 or 15 homes for \$4 million each on the 5-acre former Kaiser estate in Portlock, or 15 \$400,000 homes in Waimanalo?

There is no doubt that affordable housing must be an important priority for our future. What this Bill does, though, is to (probably unconstitutionally) take rights away from each of the Hawaii residents who own urban property and give them to developers to pass on to new buyers. No one knows what developers will offer to those new buyers or what they will charge. We do have the last 10 years of Kaka'ako to see as an example. We also know the Cities and Counties are the other entities which will incur significant infrastructure building expenditures to meet the new statewide mandate for more unban density. Yet they would have no voice in deciding whether, when, and where to permit such developments.

All-in-all, then, it appears SB 3202 would make significant changes in our land use regime in Hawaii, with unknown effects on housing affordability, but known effects on the rights enjoyed by existing urban land owners and unknown demands on infrastructure projects of each of the cities and counties.

Respectfully submitted

Paul H. White

Submitted on: 3/26/2024 3:39:15 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joseph Bonfiglio	Individual	Oppose	Written Testimony Only

Comments:

Concerning House Bill 1630 and Senate Bill 3202 which would allow more homes on smaller lots in existing and future neighborhoods zoned for single-family use: our family and all the registered voters connected to our family are totally against these bills. Creating slums is not the solution. Putting a huge strain on already strained infrastructure is not a solution. Encouraging outside investors to build Air B&Bs is not a solution. Kill the bills or lose our votes! We will encourage all our friends to vote against anyone who supports these bills. Find a better solution to the housing issue.

Submitted on: 3/26/2024 3:52:17 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Teresa Parsons	Individual	Oppose	Written Testimony Only

Comments:

Honorable Committee members,

I stand in strong OPPOSITION to SB 3202. While there is a need for affordable housing, this is NOT the solution. Please do not destroy residential neighborhoods by effectively dissolving zoning laws.

Passage of the ADU legislation was intended to provide additional housing. It did not significantly impact the affordable housing shortage. Waiving the height restrictions, setbacks, and densities of condos were supposed to relieve the affordable housing shortage, but it did not. Rezoning agricultural lands for housing subdivisions were supposed to improve access to affordable housing, but it has not.

The affordable housing issue will not be resolved by dismantling neighborhood zoning laws. Go back to the drawing board by voting against SB3202.

Mahalo for the opportunity to hear the voices of community members.

Submitted on: 3/26/2024 4:34:35 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leonard Rossoff	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202 on the grounds that its stated purpose appears vague and unclear. It implies that it would increase the stock of affordable housing for Hawaii residents but could easily result in the construction of dwellings too large for the lots on which they are placed. This would result in many potential adverse effects on local communities including:

- 1. Increase local population density and overcrowding diminishing quality of life.
- 2. Strain Infrastructure e.g. water and sewage systems.
- 3. Increase impermeable surfaces.
- 4. Change the aesthetics of an area to the worse.
- 5. Decrease natural habitats and green spaces.
- 6. Worsen traffic, parking and pedestrian movements.
- 7. Price out lower-income individuals or families from the housing market. Override local
- 8. Bypass authorities who best understand community interests.

Len Rossoff MD

Kaneohe

Submitted on: 3/26/2024 4:37:56 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joe Ferraro	Individual	Oppose	Written Testimony Only

Comments:

I am not infavor in the way this bill is written incorporating consideration of lots as small as 2,000 SF. Where is the off street parking? Although other municipalities have omitted single family residence zoning (SFZ), Oahu is very different. Our current SFZ is extremely dense. Our utilities are old and undersized for denser development in thes residential zones. A better way to increase housing development would be to modify Commercial and Resort zoning for mixed use allowing more housing in these districts to revitalize them and allowing people to walk to work. It would also provide more local populaton within tourist locations.

Respectfully submitted

Joe Ferraro FAIA

Submitted on: 3/26/2024 7:06:57 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephen Kofsky	Individual	Oppose	Written Testimony Only

Comments:

Dear Council/Legislature,

I oppose the proposed Bill on the grounds it will not be a solution for anything. Adding more density to existing residentially zoned areas is a recipe for disaster. Why would water intentionally be added to super-saturated soil when the danger of flooding looms? We have seen the impact of overly large homes, so-called 'monster homes', and heard the very vocal dissatisfaction from adjacent neighbors.

It is a bad idea.

Stephen Kofsky, Kailua

Submitted on: 3/26/2024 7:31:45 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Torie Nakata-Nagao	Individual	Oppose	Written Testimony Only

Comments:

Lifelong Kalihi resident.

I oppose SB3202. Kalihi is too dense.

If this is for affordable housing, how will you make sure it is affordable with no language in the bill for affordability and to discourage investors and developers?

Submitted on: 3/26/2024 8:13:50 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joe Cooper	Individual	Oppose	Written Testimony Only

Comments:

I am writing in strong opposition to SB3202. While I applaud efforts to improve home affordability, SB3202 is flawed and will not achieve that goal.

First, because local governments know and understand the concerns of their constituents and communities, they are in the best position to make decisions regarding zoning and other residential land use policies. Historically, this has been the responsibility of local governments. This bill removes the authority of local governments and places it in the state government that is further removed from those constituents. That does not serve the people of Hawaii.

The zoning of older, established neighborhoods was designed to support a certain density and all of the infrastructure, such as roads, water and sewer lines, power and communications, was designed for that density. Already the introduction of accessory dwelling units, monster homes, and vacation rentals has put a strain on that infrastructure. Our once quiet street is now a parking lot. This bill would further disrupt our community.

Many of our neighbors have already enlarged their houses for either multigenerational living or as a rental unit within the current zoning regulations. Clearly there are opportunities for multigenerational housing without this bill.

Some of the recent commentary in the Star Advertiser made misleading and unsupported statements. For example current law does not mandate large front and back yards, and the average lot size is not 20,000 square feet as one commentary insinuated. This rhetoric does not foster trust in the proponents of this bill.

In conclusion, I strongly oppose SB3202 and urge you to vote in opposition.

Sincerely,

Joe Cooper

Kailua

I am writing in strong opposition to SB3202. While I applaud efforts to improve home affordability, SB3202 is flawed and will not achieve that goal.

First, because local governments know and understand the concerns of their constituents and communities, they are in the best position to make decisions regarding zoning and other residential land use policies. Historically, this has been the responsibility of local governments. This bill removes the authority of local governments and places it in the state government that is further removed from those constituents. That does not serve the people of Hawaii.

The zoning of older, established neighborhoods was designed to support a certain density and all of the infrastructure, such as roads, water and sewer lines, power and communications, was designed for that density. Already the introduction of accessory dwelling units, monster homes, and vacation rentals has put a strain on that infrastructure. Our once quiet street is now a parking lot. This bill would further disrupt our community.

Many of our neighbors have already enlarged their houses for either multigenerational living or as a rental unit within the current zoning regulations. Clearly there are opportunities for multigenerational housing without this bill.

Some of the recent commentary in the Star Advertiser made misleading and unsupported statements. For example current law does not mandate large front and back yards, and the average lot size is not 20,000 square feet as one commentary insinuated. This rhetoric does not foster trust in the proponents of this bill.

In conclusion, I	strongly oppose	SB3202 and urge	e you to vote in	opposition.
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Sincerely,

Joe Cooper

Kailua

Submitted on: 3/27/2024 7:07:14 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Krasniewski	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose passage of SB3202SD2. This is an attempt to take the Zoning power away from the counties. As we all know, zoning that is appropriate for the Big Island of Hawaii is certainly very different from what would be in the best interest of residents of Oahu. Allowing for three homes on tiny lots will over stress the current water and sewage systems as well as change the neighborhoods into more of an urban development. Please do not pass this bill. It might be a short term solution to our housing shortage but in the long term it will erase many nice residential neighborhoods. Stop this bill today. Thank you.

Aloha

Barbara Krasniewski

124 Kuulei Road, Kailua, 96734

808) 384-2879

Submitted on: 3/27/2024 9:45:08 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carl Hefner	Individual	Oppose	Written Testimony Only

Comments:

i absolutely and strongly oppose bill SB3202

- If affordable housing is the intent of this bill, why is there no language to ensure decent affordability and to prevent investors and out-of-state buyers who only seek profit and are completely careless when it comes to the impact of their development.. Foreign buyers rarely comply with established rules and regulations and violate residential code regulations at will. Most residential lots are a mere 7500 sq. ft. In valleys and hilltops, and there is little or no room to squeeze in more units.. Single family zoning is a MUST KEEP and this bill apparently does not take into consideration already highly dense neighborhoods and the unique differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property values up even ridiculously further and surely price local families out. Additionally, social science has proven that higher density equals more disputes amongst neighbors and therefore the likelihood of more crime, violence and clashes that involve cultural differences would ensue. Everyone is aware that necessary social services and HPD policing is already stressed to the limit. Reason and common sense would prevail here and ask, "why is this even bill even being considered?" This would lead to stresses in residential neighborhoods only yet to be imagined.
- I strongly oppose....

Submitted on: 3/27/2024 10:12:31 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Diane Harding	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

Senate Bill 3202 allowing for more homes on smaller lots in existing and future neighborhoods zoned for single-family use, would provide a sweeping statewide mandate allowing the state to usurp the counties and override years of thoughtful planning by the counties to institute zoning and sustainable development in their residential neighborhoods.

All residents on all islands should be alarmed at this prospect, which does not take into consideration the diverse individual needs of our communities, nor the overwhelming stresses such increased density will put on existing infrastructure, sewage, water, traffic, and parking.

This bill should not be passed!

Diane Harding

Kailua

Submitted on: 3/27/2024 11:15:49 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chris Sills	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202, which will take local land use power away from local governments. Single-family zoning is still absolutely necessary in many residential areas on Oahu, particularly those that are already at- or over-capacity for parking, sewer, and hardening that has already eliminated trees and greenery, subsequently increasing fire hazards, heat and brown water advisories, and flooding in those areas. Additionally, many residential areas do not have access to public transportation and already face issues of extreme over-parking. This will only exacerbate these issues, and is therefore NOT fitting for many communities on Oahu. This type of zoning may be useful in areas that are near rail stations and downtowns, but certainly not in many (or all, as written) communities around the island. Additionally, we have been fighting monster homes in our communities and also illegal short-term rentals, and developers who drive up prices for local families. This measure will only serve to AMPLIFY these issues and create more problems for local families. Finally, this type of legislation should not be forced through quickly and without ample time for input from the community that it is meant to affect. For these reasons and many more, I oppose SB3202, and ask that our representatives do the same.

$\underline{SB\text{-}3202\text{-}SD\text{-}2}$

Submitted on: 3/27/2024 11:19:54 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beryl Blaich	Individual	Oppose	Written Testimony Only

Comments:

Aloha, Senators,

Zoning issues and decisions, including allowable density, in the urban district is rightly the responsibility of each County.

Respectfully,

Beryl Blaich

PO box 1434, Kilauea, HI 96754

Submitted on: 3/27/2024 12:52:18 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
anne towey joyer	Individual	Oppose	Written Testimony Only

Comments:

- I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers.
- I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. If the neighbor islands want this density, then please exclude O'ahu.
- I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/27/2024 12:53:11 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Max Towey	Individual	Oppose	Written Testimony Only

Comments:

- I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers.
- I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. If the neighbor islands want this density, then please exclude O'ahu.
- I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

<u>SB-3202-SD-2</u> Submitted on: 3/27/2024 12:53:24 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marilyn Moniz	Individual	Oppose	Written Testimony Only

Comments:

Not the way to go. Take away unnecessary building regulations and restrictions.

Submitted on: 3/27/2024 12:56:52 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Elaine Anderson	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/27/2024 12:58:19 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Larry Baraff	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/27/2024 1:09:04 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Graham	Individual	Oppose	Written Testimony Only

Comments:

I wish to register my opposition to HB1630. I have read some of the testimony offered by other parties. I have three general areas of concern and one suggested alternative.

- 1. The state should refrain from overriding the authority of the counties. Our counties may be quite land constrained (Oahu) or land rich (Hawaii). Each island should be free to handle its need for affordable housing in its own way. The County of Hawaii Planning Department testimony indicates that "there are still regulatory barriers" that would presumably be overcome with this legislation. If so, then this legislature should address those barriers, not make a blanket rule for all counties. If the barriers are at the county level, the counties should act. My current understanding is that the County of Hawaii is already taking action to help with the need for more housing. Good.
- 2. What will be the effect of this legislation on residential lot prices? A first look would suggest that prices will go up, not down? That is contrary to the objective here. I do not see adequate attention being paid to this very important consideration. (Keep in mind that many young local families may not wish to live adjacent to their parents.)
- 3. When lot density is determined by county zoning then public hearings allow for live testimony. In many situations there could easily be important considerations that the writers of this bill are not foreseeing. The input of the public should not be dismissed so easily. In trying to serve the public the counties should not be forced into work-around applications of the tools that this legislation still makes available to them.

Alternative: The state of Hawaii is rich in lands that could be used to expand housing. This is especially so on the island of Hawaii. The state could transfer ownership of appropriate land directly to the counties.

In summary, although the intention of this bill is laudable it could have many unforeseen consequences that would be regrettable. Bring in more research and consider alternatives before enacting this bill.

Bill Graham of Hawi, Hawaii

Submitted on: 3/27/2024 1:18:46 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
jerry lam	Individual	Oppose	Written Testimony Only

Comments:

Dear Senators,

I strongly oppose SB3202 SD2 which is attempting to deal with affordable housing in Hawaii. Some of our leaders feel we need to rush to increase density of our urban neighborhoods. Their plan to allow more houses on single family home neighborhoods is wrong. It will not provide more units at affordable prices. Developers and rental owners will keep the costs of building high and the Dept. of Permitting and Planning will not have the means to efficiently approve permits or enforce the new plan';s consequences. There are so many issues that need to be addressed --- old water mains, aging sewers, limited street parking, noise, out of town buyers and the inaccurate thought that these new units will cost less to buy or rent. The sensible article in Civil Beat by Denby Fawcett makes many good points. Among them is that increased density should be focused in apartment and business zones. The City Council stands opposed to this legislation. They do not to change the ambaince of single family homes all over the island. 3 dwellings on 2000 sq. feet. is ridiculous.

According to Governor Green in the StarAdvertiser on March 24, "75,000 of the 89,000 units in our STR market are 'not legal'...That represents more than 80% of the STRs here - and more than our entire statewide housing deficit of 50,000 units. By working with the counties to fully enforce existing laws and returning only half of these illegal short-term rentals to the long-term local housing market, we could solve most of our housing problem immediately...This will increase supply and bring down prices in a local market artificially and unfairly inflated by the global demand from visitors to our state."

The new plan in this senate bill will create monster homes in another form. It will bring all the problems of monster homes and there will be no one to enforce infractions and handle what owners can do with the units, once they are built.

I strongly urge you to oppose this SB3203 SD2. thank you for the opportunity to testify on this important issue!

JEREMY LAM, M.D.

Submitted on: 3/27/2024 1:22:26 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gwendellyn Cruise	Individual	Oppose	Written Testimony Only

Comments:

I STRONGLY oppose this poorly thought out bill that opens the door to a wide array of unintended consequences, including more investors snapping up small, subdivided lots and driving housing prices up even further. Remember that affordable housing is great, but quality of life is also great. Squeezing a home onto a 2,000 sq ft lot in Hawaii, where people live with their windows and doors open to help cool their homes, would create a lack of peace and quiet for homeowners as people greedily start to subdivide lots. Furthermore, large undivided lots will become rare and sought out by the wealthy, further cementing class divisions in this state. Hawaii should feel like home - peaceful and quiet. 2,000 sq ft lots will give Hawaii the feel of a slum state with houses packed together and no place for kids to play and families to relax outdoors.

Submitted on: 3/27/2024 1:32:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nelson Lindsay	Individual	Oppose	Written Testimony Only

Comments: I strongly oppose this bill. I live in Kaimuki. It's already quite dense here and getting denser as people build more and bigger houses on the lots. The original Kaimuki homes have a distinct character with ample green yards. The new homes are large, air-conditioned boxes surrounded by cement. They kill the character of this wonderful neighborhood. I know this bill is a windfall for developers and other monied interests. I am a kamaaina. I love this community. Please don't destroy it with your insane bill!!

Submitted on: 3/27/2024 1:43:08 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Martha Jenkins	Individual	Oppose	Written Testimony Only

Comments:

I apologize for expressing my opinion so succinctly but this bill is bananas.

It seems as though some are forgetting that our 'āina is finite, and further stretching it beyond its carrying capacity will spell disaster for the 'ohana and the island itself. any housing "solution" that incentivizes outside development and profit and further pushes away local families is no solution at all.

Submitted on: 3/27/2024 1:54:48 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Groza	Individual	Oppose	Written Testimony Only

Comments:

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- o I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.
- SB3202. will drastically change the character of a neighborhood and force people to live in entirely different situations than they bought there home (rented) for. How can you dictate someone's surroundings after the fact. That's akin to a dictasorship/communism.

Submitted on: 3/27/2024 1:59:38 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ralph Bishop	Individual	Oppose	Written Testimony Only

Comments:

"Trust me," said the Fox. "I'll guard the henhouse and no one will come to harm." Ridiculous, right? Apparently not if we're to believe this legislation. Everyone is trustworthy and ethical. Everyone will do the right thing. Is that the underlying proposition? Sure. Right. In the most desireable place on the face of the Earth everyone will now use this massive addition of development property to build affordable homes. Imagine, thousands of new homes under \$250k each, right? Oh, wait, the legislation "conveniently" omitted any language actually defining affordability or assurances that this new development isn't yet another scheme to develop more and more "unaffordable" housing. So I suppose the new standard of "affordability" could include homes of several millions of dollars each as being "affordable." That is surely what will result. It would lead to massive, massive uncontrolled devlopment by speculators and developers. Market driven development. Whatever price the market will bear development. It would lead to massive overcrowding in every neighborhood. As written - and I personally believe intentionally so - it's an open door for the greed of every speculator and developer on and off island to be fully realized. By the way, if you're unfamilar with the story, it was never the Fox's intention to guard the henhouse, it was the Fox's intention to eat the hens. Vote NO on this proposed legislation. It would only make an already bad housing situation much, much worse.

<u>SB-3202-SD-2</u> Submitted on: 3/27/2024 2:11:00 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda Opple	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

Submitted on: 3/27/2024 2:12:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Roy Imai	Individual	Oppose	Written Testimony Only

Comments:

Too much density in neighborhoods already. must put an end to outside investors and foreign dollars coming in. Too many apartment like buildings (monster homes(and street parking issues in once quaint, quiet residential neighborhoods. Please stop this and keep Hawaii "HAWAII"!!!

Submitted on: 3/27/2024 2:31:56 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Liam Lynch	Individual	Support	Written Testimony Only

Comments:

I am in support of SB3202 because it is actually designed to create affordable housing for residents. If we are going to make any progress concerning the housing crisis in Hawaii, we are going to need a greater supply of housing. This bill allows for housing to be built in areas where it is needed and the sizing options make me believe that these units would maintain their affordability.

Submitted on: 3/27/2024 2:34:19 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Manuela Levitt	Individual	Oppose	Written Testimony Only

Comments:

There is plenty of undeveloped land - acres and acres of it that is no longer sugar plantations, and more arid land that would not sustain agriculture easily. It's absurd to take an existing neighborhood like Kailua and cram more people into each fraction of a fraction of land, losing green space, trees, privacy, and adding only more cars to park and more noise to already full and functioning communities. Full and functioning - which barely goes to the infrastructure on the windward side. We already have narrow roads that can take only so much traffic, and sewer systems and utilities that fail too often. To add more volume to the plumbing, electrical, and public works of a fully developed area is a recipe for disaster. Frankly, builders can build and investors can throw money around more quickly than our infrastructure can adapt.

Kapolei has successfully grown out its manicured communities and named subdivisions on much smaller lots because it was *planned* growth; this legislation would be forced density. Given overall culture, as well as the infrastructure issues mentioned, this legislation linked to a national agenda does not suit all of Hawaii. We need more housing, but it should look like the successful models of Kapolei for suburban living, and Kaka'ako for urban living.

Mahalo for the time to express my concerns on this matter.

Submitted on: 3/27/2024 3:37:00 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jennifer Geis	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. It will have the effect of legalizing and forcing "monster houses" into every neighborhood without regard for the character of the neighborhood or feelings of the residents. While I understand the urge to build more housing, this is not the way. Each neighborhood is different and should not be forced to allow such buildings. Thank you for your time, Jennifer Geis

Submitted on: 3/27/2024 3:47:03 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Deborah King	Individual	Oppose	Written Testimony Only

Comments:

I was living at 1965 Ala Wai Blvd, Apt 6 and the Apt 9, Honolulu, 96815 from September 30, 2021 to June 30, 2023. My spouse had moved in during July 2021 while I was visiting my ailing mother in Louisiana.

During this time period the owner decided to sell the property. The sale never happened; however, the owner moved forward with electrical renovations. He was installing a transformer for 11 apartments. He started this project and was unfinished as of June 30, 2023 when we moved out.

Prior to moving in I had physical injuries from several different accidents and I was recovering from water poisoning and gas poisoning while being stationed in Naples, Italy as a dependent.

In 2022, I started noticing odd things happening. The property manager that showed the property and discussed rent had no realtor license. It's my understanding (no written proof) that he was in charge of the electrical upgrades. The owner of the property is a realtor.

The main electrical access was located in the ceiling panel in the apartment that my spouse & I rented. This was located over the desk that I used and near the refrigerator.

I'm painting a picture because I believe they were trying to turn this into a monster home.

They installed electrical conduits that ran under my bedroom for 11 apartments that ran up and in the ceiling crawl space to the access panel.

The apartment had a lot of electrical surges. It happened for months. I believe that there was a build up of electromagnetic static in my apartment and the outdoor community laundry directly underneath my apartment. I suffered burns on my chest and cleavage area from when my VitaMix had a high influx of power and the lid popped off while I was blending hot carrots while making soup. I also lost many plants due to this buildup resulting in hundreds of dollars on lost plants. I have a green thumb so it took me a while to figure out why all my plants were dying. I also was zapped when I opened the dryer while doing laundry a couple of times. This zap was more than just static clean and it really hurt.

I lost a laptop as well as kitchen appliances. I had to purchase out of my own pocket a new laptop and accessories including a higher power surge protector. The electrical bills started going up exponentially for the amount of electricity we were using.

I emailed the owner to show me the dedicated meter for Apt. 9 and he never responded. Prior to renovation, there were old style analog electrical meters for each apartment.

During this renovation, the landlord asked us to move out for 5-weeks. We ended up having to stay in an Air BnB that was very expensive.

After the renovation, there were only a few digital meters for all apartments.

The owner kept the electrical bills in his name and only provided them to us on request when he notified us there was overage due. He only paid for \$125 of electricity per month and we were responsible for anything over that amount. Other residents complained to me about the high electrical bills. The electrical area is open so the meters and conduit were exposed in the garage area where we parked our vehicle.

I also had a fall and fractured my foot and ankle at this apartment complex.

After I brought all of this to the landlord/owners attention he decided that when our lease went to month-to-month to no longer rent to us. In 2021, it took my spouse over 6 weeks to find an apartment to rent because of the low supply on the market. In 2023, when we had to unexpectedly move, we were able to find an apartment within a week; however, the condition of the apartment would not pass a health inspection. Due to the landlord / tenant laws and the 45 day rule, we had to take what we could find or possibly be without an apartment.

According to Governor Green in the StarAdvertiser on March 24, "75,000 of the 89,000 units in our STR market are 'not legal'...That represents more than 80% of the STRs here - and more than our entire statewide housing deficit of 50,000 units. By working with the counties to fully enforce existing laws and returning only half of these illegal short-term rentals to the long-term local housing market, we could solve most of our housing problem immediately...This will increase supply and bring down prices in a local market artificially and unfairly inflated by the global demand from visitors to our state."

This is just a short version of my experience. I hope this is helpful. If you need more information, please contact me.

Mahalo,

Deborah King

Submitted on: 3/27/2024 3:51:37 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chow Yu	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill for several reasons:

- 1. The communities on the various islands are very diverse and this one size fits all approach does not take into account what the communities are dealing with already. For my community, there are traffic and parking issues, which also pose safety concerns. These are issues that are very common on Oahu.
- 2. Allowing more dwellings on a single residential lot woulld increase population density and the current infrastructure does not support that.
- 3. What is the true intent of the bill? It is not documented and I do not understand it after reading the bill.

Before passing another bill, perhaps enforcement of the existing ones such as short term rentals will help solve some of the housing problems if that's the intent of the bill.

Submitted on: 3/27/2024 3:53:14 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lurline McGregor	Individual	Oppose	Written Testimony Only

Comments:

I appreciate that the legislature is trying to find ways to address the housing shortage situation, but the reality is that making residential neighborhoods more crowded will have no impact on this problem. Has a cost/benefit analysis even been done of how this proposal would help? The biggest issue is that million dollar condos continue to be built for part time residents. Efforts should be more productively directed towards making part time residents stay in hotels and making housing available only for full time residents - at lower prices. The construction industry is the only beneficiary of most all these construction efforts. It is time to change the paradigm and come up with ways that will truly benefit the people of Hawai'i.

Submitted on: 3/27/2024 4:09:48 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel Cody	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. This is a terrible bill that will destroy neighborhoods and not deliver the desired outcomes. There are far better ways to add density and housing supply strategically, and to ensure that it remains affordable.

<u>SB-3202-SD-2</u> Submitted on: 3/27/2024 4:25:01 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mark Phillipson	Individual	Oppose	Written Testimony Only

Comments:

aloha Chair, Vice Chair, and committee members,

I oppose this bill because it has too many loopholes to successfully achieve its goal. SB 3202 is not the answer

Submitted on: 3/27/2024 4:36:02 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Randy West	Individual	Oppose	Written Testimony Only

Comments:

U strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/27/2024 4:49:40 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Judith Graham	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senators:

SB 3202 is well intentioned but not targeted to achieve its objectives--not targated as to buyer's income level or length of residency.

Any savvy opportunist who has land can easily plunk incoime producing mini-lots or rentals on the property, and charge whatever price. Developers could purchase a swathe of property, load it up with numerous lots/buildings,and advertise them on the mainland.

This bill will boomerang on the state, leading to more inmigration.

Sincerely,

Judy Graham, Kamuela HI

Submitted on: 3/27/2024 5:02:50 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Wendi Akiyama	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.

Submitted on: 3/27/2024 5:07:20 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Germann	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202.- Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Parking is non existent in several neighborhoods already. Water and sewer infrastructures are maxed out. If passed, someone will find a way to may these new tiny homes vacation rentals. NO to SB 3202 for OAHU!

Submitted on: 3/27/2024 5:09:05 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sylvian Cho-Moody	Individual	Oppose	Written Testimony Only

Comments:

I strongly OPPOSE SB3202 because majority of these "Monster Homes" are now owned by the Chinese. They use an American realtor (which speaks only Chinese), who represents non-residents of the USA.

March 27, 2024

Trevor Nagamine PO Box 37966 Honolulu, HI 96837 tnagamine.nb25@gmail.com

Rep. Luke A. Evslin, Chair Committee on Housing

Rep. Linda Ichiyama, Chair Committee on Water and Land

Rep. David A. Tarnas, Chair Committee on Judiciary and Hawaiian Affairs Hawai'i House of Representatives 415 S. Beretania St. Honolulu, HI 96813

RE: SB3202 SD2 — Relating to Urban Development

Dear Chair Evslin, Chair Ichiyama, Chair Tarnas, and Members of the Committees,

My name is Trevor Nagamine, and I am a resident of Mililani. I am also currently a member of Neighborhood Board No. 25 (Mililani/Waipio/Melemanu); however, I am submitting this testimony in my individual capacity, and this testimony does not reflect any official position of Neighborhood Board No. 25. I am writing today in support of SB3202.

SB3202 would require the counties to allow the subdivision of residential lots to be sized two thousand square feet or smaller. This measure is necessary to rectify persistent inaction by the counties (especially the City and County of Honolulu, where I live) in allowing development and construction of new housing, and will be a great step forward in addressing Hawai'i's housing crisis.

I myself am a Millenial resident who would like to continue living in Hawai'i, but am currently forced to live with my family due to the extreme cost of living independently. I have seen my friends and coworkers leave Hawai'i for the continent for want of being able to afford housing. SB3202 will help stop this trend.

I respectfully ask that the committees pass SB3202. Thank you for your time and consideration in this matter.

Mahalo.

Trevor Nagamine

<u>SB-3202-SD-2</u> Submitted on: 3/27/2024 5:37:53 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary K Foti	Individual	Oppose	Written Testimony Only

Comments:

A very bad idea. This will not lead to affordable housing. It will lead to overcrowding and stress of our infrastructure. Please vote no.

<u>SB-3202-SD-2</u> Submitted on: 3/27/2024 5:47:45 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
George R. Norcross	Individual	Support	Written Testimony Only

Comments:

I am in favor of tdahe bill because it should make housing more afordable.

Submitted on: 3/27/2024 6:13:38 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Geraldine Best	Individual	Oppose	Written Testimony Only

Comments:

My name is Geraldine Ome Best and I am VEHEMENTLY OPPOSED to SB 3202 SD2 for the following reasons:

- •Proposal is FAR FETCHED and GROSSLY MISLEADING by "selling" it under the lying guise of providing "Affordable Housing" for our people.
- •SB3202 SD2 is a "Snake Oil Seller's" dream having the effect of destroying our Oahu by grossly overcrowding our presently over crowded neighborhoods. Putting SQUISHED HOMES on 2,000 3,000 square feet lots is PURE INSANITY. Selling these very CRAMPED CRACKER BOXES as a home that can adequately house 4 6 people is PURE MALARKY..
- •NOT providing garage space forces cars to park on overly crowded streets. The feeling of *Community* will be lost with people fighting for parking spaces. Do NOT even counter to support this bill that people should take public transportation to justify not providing for home site garage space on the property.
- •Grading will have to be done for the lots thereby causing the loss of greenery which makes temperatures rise to unbearable levels and conceivalby will drain our energy supplies (already struggling).
- •Grading not done well can also create major flooding problems causing irreversible damage. Then additional costs to repair/replace will be incurred by the owners. Any hope of getting the work done to replace/repair in a timely manner can be thrown to the wind...you're lucky if your Permit clears within 24 months thus increasing the costs of repair/replacement.
- •Flood Insurance will be required in designated areas. The Premium costs are "SKY HIGH" and going up by a thousand dollars here to compensate and fund the costs of paying for the disastrous floods in the mainland.
- •Home insurance will also increase to cover the sky rocketing costs of replacement due to increasing weather storms due to climate change challenges.
- •As the access to homes become even more critical, the owners will want to expand these very small homes to accommodate family members who canNOT afford our "Affordable Homes." Severe overcrowing will result and create nasty situations between neighbors.

- •The Space Crunch becomes UNBEARABLE --- people and cars all scrunched together creating HIGH EMOTIONAL ENCOUNTERS with family and community members. Studies with the Crowding of Rats show that VIOLENCE (Physical, Emotional, Mental, Spiritual) occurs in short order. Violent crimes are at a high now due to inappropriate responses to life's presumed pressures. Violence will definitely become the "Rule Rather Than The Exception." Learning from the scrunching together of rats and the ensuing violence **VETO** SB 32202 SD2 to keep from overcrowing by falsely referring to the multi use housing on small lots as "Affordable" and Doable.
- •The reports FALSELY ATTEST that the passage of this bill will encourage our young people to stay here because this move allows for them to buy these so called "Affordable" homes, ARE YOU KIDDING---AFFORDABLE? \$955,000.00 for a TWEENY WEENY home without a garage on a 2,000 3,000 square foot lot is NOT affordable by any stretch of the imagination.
- •Throwing dust to cover up that the ONLY benefactors of this ILL CONCEIVED solution to our housing shortage problems are the DEVELOPERS.
- •In reality if SB 3202 SD2 is approved the prices of these Cracker Box homes will rise above \$1 million dollars thus making home onwnership a Pipe Dream for ALL who are not among the VERY RICH.
- •Our young people will reluctantly leave Hawaii for mainland cities where homes can be purchased because prices are much lower and incomes are higher, too. Right now Hawaii is losing \$185 million from the mass exodus of capable/qualified workers. The economic bleeding of lost monies will certainly continue if SB 3202 SD2 is passed.
- Should SB3202 SD2 be passed, we are looking at the VITAL LOSS of WHAT HAWAII IS and WHAT IT MEANS to OURSELVES and OTHERS. SB3202 SD2 will then open the doors to GREED and THE GRAB FOR POWER to control our most vital resources our AINA and ALOHA.
- •WE are ALL VESTED IN/CHARGED WITH the preservation of our shared and held Hawaiian Heritage and Values. It is incumbnet that we HOLD DEAR to preserving the WARMTH/ALOHA that we grew up with and dearly want to pass on intact to our posterity. We were GIFTED with our kupuna passing on the RICHNESS of COMMUNITY and ALOHA TO US....Let's NOT knowingly deny this to our Mo'opuna by allowing SB3202 SD2 pass.

^aIt is INCUMBENT that office holders like yourself who are charged with GUARDING and PROTECTING the INSTRINSIC BEAUTIES OF OUR ISLANDS by VEHEMENTLY OPPOSING SB 3202 SD2. We MUST STOP THE RAPING OF OUR LAND as proposed in SB 3202 SD2.

Respectfully submitted: Geraldine A. Ome Best

Submitted on: 3/27/2024 6:21:01 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steven Trecker	Individual	Oppose	Written Testimony Only

Comments:

I am adamantly opposed to SB 3202. It will inevitably lead to the destruction of residential neighborhood all over Oahu. It does not guarantee that the constructed housing will indeed be affordable. It will engender numerous major problems with parking and other infrastructure.

Please do not pass this horrible bill.

<u>Testimony for April 1, 2024 Hawai'i House of Representatives hearing in reference to SB3202 SD2</u>

My name is Barbara Mayer, retired teacher. I am <u>strongly opposed</u> to SB3202 SD2 because this Bill will degrade residential neighborhoods.

- Among other allowances, this Bill would permit a lot as small as only 2,000 sqft. to be COMPLETELY OCCUPIED (except for the existing required setback from the property line) by a monster of a house.
- This house could actually be THREE shared-wall living units.
- There could be 4 unrelated adults AND THEIR FAMILIES...in EACH living unit!
- This could be a total of 4⁺ x 3 units = more than 12... MORE THAN TWELVE people, many
 of whom could be UNRELATED.

This is a Monster House; it is not what a dwelling should look in a residential neighborhood!

Again: I'm **OPPOSED** to SB3202 SD2.

Submitted on: 3/27/2024 7:20:31 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Benjamin Ancheta Jr	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202 because it will not solve Hawaii's affordable housing problem, and will only cause more problems. Allowing more units per residential lot without requirements for sewer and water upgrades and parking requirements will only make current residential neighborhoods unliveable for curren residents.

There are already so many solutions we could employ at the County level.

- We have thousands of vacation rentals that could be returned to the rental stock.
- We could incentivize the construction of ADUs, which have just barely moved the needle so far.
- We can accelerate the development of affordable housing around transit stations, where the city can actually improve infrastructure for a large number of affordable units.

Building more housing without making it affordable has resulted in units that are sold and unoccupied. Take a look at the luxury buildings in Kakaako during the early evening hours, and you will see that they are only half occupied at most. We need to develop affordable housing that is aimed at people making less than 100% AMI.

Mahalo,

Benjamin Ancheta, Jr.

3258 Keahi St, Honolulu, HI 96822

Submitted on: 3/27/2024 8:49:07 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chad Sakumoto	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. If affordable housing is the intent of this bill, there are better ways to do it with appropriate density in the right places. Single family neighborhoods becoming dense, apartment-style buildings with no parking, etc will create blight.

O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. If the neighbor islands want this density, then please exclude O'ahu.

Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. The unintended consequences of this bill will be alarming and our communities will push back once they see monster-homes on steroids being built.

I support affordable housing. But this is NOT the way to do it.

Submitted on: 3/27/2024 9:25:29 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Patty Bell	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning on a State level is a one-size-fits-all approach that does not take into consideration existing master plans, already dense neighborhoods, capacity of infrasturcture, and the differences between each neighborhood and county. There are other solutions to follow up on first that will help provide local families with housing. For example, let's try enforcing vacation rental laws for properties that are not licensed, thus returning thousands of units back to long term rentals or owner occupied status.

There are also areas in which increased density is already provided for, such as A2 zoned properties in as transit oriented zones. Streamline the building process for these types of existing opportunities rather than a blanket override that does not take into consideration infrasturture and existing zoning.

Submitted on: 3/27/2024 10:10:27 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jorge Soto	Individual	Support	Written Testimony Only

Comments:

My name is Jorge Soto and I'm writing to voice my support for SB3202, that I believe will be a significant move in the right direction to address the housing crisis we face in hawaii. This bill will allow for smaller, affordable homes and more opportunities, helping local families afford homes and preserving the heart of our communities. It's a game-changer for the next generation of young locals and working professionals, preventing the displacement we've seen too often. Let's keep our island families where they belong — at home in Hawaii.

Submitted on: 3/28/2024 4:12:11 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Francine Won	Individual	Oppose	Written Testimony Only

Comments:

I've been informed by my representative, Lisa Marten of this bill and ISTRONGLY oppose it under it's current writing. It does NOT ensure affordability exclusive to Hawaii/Oahu residents, and does NOT discourage outside developers and out-of-state buyers. Our Oahu neighborhoods are already dense, with street parking a major issue now. I am a bus rider, pedestrian, and bike rider who has to manuever our crowded roads of all the cars using street parking. It's not safe, it's not right, and now this bill will only add to this problem.

I OPPOSE this bill for Oahu communities. Francine Won Kailua resident

Submitted on: 3/28/2024 7:39:33 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noela von Wiegandt	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I strongly oppose SB3202.

Eliminating single family zoning is a one size fits all approach does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out of state buyers, drive property value, and PRICE LOCAL FAMILIES OUT. Thank you very much.

Noela von Wiegandt

Submitted on: 3/28/2024 7:45:01 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Hailey Akau	Individual	Support	Written Testimony Only

Comments:

This bill will create more affordable housing options, increasing the possibilities for locals families to live together on the islands and stay together. I support this bill as it increases my chances of being able to eventually move back home after going to school in the mainland and possibly live near my parents and family to provide support.

Submitted on: 3/28/2024 8:07:49 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa H. Gibson	Individual	Oppose	Written Testimony Only

Comments:

STRONG OPPOSITION - while the intent of the bill is good the negative impacts of density and parking in some neighborhoods has not been thought out. This also sets up the opportunity for corporations to buy up residential lots and erode commuity. Finally, imposing a one size fits all zoning approach to all islands fails to recognize the unique requirments of each island.

Submitted on: 3/28/2024 8:23:00 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sean Maskrey	Individual	Support	Written Testimony Only

Comments:

As a current college student and born & raised citizen of Hawai'i, my dream is to be able to come back home and work to give back to building a better Hawai'i, but that dream will stay just that, a dream, without being able to afford living at home. This bill would be a great step in the right direction. By passing this bill, communities that tend to earn less like young people or non-white-collar career workers will have increased opportunities to find housing, or even own land. I support this bill because it promotes and actively creates a more livable and affordable Hawai'i for our future generations.

JEFFREY GRISWOLD 502 N. KAINALU DR. KAILUA, HAWAII

March 28, 2024

State of Hawaii, House of Representatives Committee on Housing Committee on Water and Land Committee on Judiciary and Hawaiian Affairs

Subject: SB 3202

To the Honorable Committee Chairs and Representatives,

I am submitting this testimony in Opposition to SB 3202 primarily because this Bill will not accomplish its stated purpose of making housing more affordable for Hawaii residents. The theory behind this Bill is that requiring the Counties to allow property owners and developers to build multiple small units on lots currently zoned for single family homes will increase the supply of affordable housing units and therefore prices will come down. While this type of program may be effective in bringing down housing costs in other states where the demand for housing is limited to those that live in the area, it will not work in Hawaii because so much of the demand for housing is fueled by nonresidents.

The cost of buying or renting residential real estate is primarily a function of supply and demand. The number of Hawaii residents has remained relatively stable at around 1.4 million for more than 10 years. During that time tens of thousands of new housing units have been built. Yet in the last 10 years the median sales prices for homes and condominiums have increased by at least 60%, and average rents have increased by about the same percentage. The rapid increase in sales prices for homes and condominiums is due in large part to strong demand for second homes and residential investment properties by nonresidents from the US mainland and around the globe. The increase in mortgage interest rates over the last several years has put local residents at even more of a disadvantage in competing with outside buyers who can pay cash.

Compounding the problem is that too many of the homes and condominiums purchased by nonresidents are left vacant for most of the year or are operated as vacation rentals and are not available for rent by people and families that live in Hawaii. Under the circumstances, it is unrealistic to expect that marginally increasing the supply of housing will lessen the demand by nonresidents or dissuade investors from maximizing their returns through short term rentals. On the contrary, building more affordable units will likely encourage more investment by nonresidents. The high cost of housing in Hawaii is more the result of high demand than inadequate supply. SB 3202 does nothing to tamp down the demand from nonresidents and will not make housing more affordable for Hawaii residents.

The other problem with SB 3202 is the potential that increasing the density on single family lots will create problems with inadequate parking, water, sewers, and other infrastructure.

SB3302 would strip the Counties of authority to enforce existing single family zoning codes or require developers to share in the cost of necessary infrastructure to mitigate the effect of new developments. Decisions regarding zoning rules and issuing building and development permits should be made at the County level based on planning and the circumstances of individual neighborhoods. SB 3202 effectively puts decision making authority in the hands of private property owners and real estate developers based on which properties will yield the most profit. The end result of SB3202 would be degradation of existing residential neighborhoods, while local residents end up paying the same or more for less. For those reasons I strongly urge your committees to vote against this bill.

Unfortunately, there are no easy legislative fixes to reduce the cost of housing for Hawaii residents. Prohibiting the purchase of residential real estate by nonresidents would likely be a violation of the Commerce Clause of the US constitution and not a viable solution. Changing zoning rules to prohibit short term rentals in resort areas where they are now legal would be challenged as a taking of property without just compensation. Providing property tax breaks or

other incentives for property owners to convert short term rentals to long term can only be temporary and would likely encourage more investors to purchase residential real estate. There is also nothing fair about an investor paying less in real property taxes than an owner occupant. However, the State could assist the Counties in enforcing the existing rules against illegal short term rentals. This should be an area of mutual concern between the State and the Counties as illegal vacation rentals not only diminish the housing stock, but it is also likely that many of the illegal rentals are flying under the radar and not paying their excise and/or transient accommodations taxes. Giving the Attorney General's Office additional resources to pursue illegal rentals and tax cheats would be a step in the right direction.

Ultimately however, the Counties are in the best position to reduce the demand for residential real estate using their authority to impose real property taxes. Property taxes in Hawaii are the lowest in the Nation. Property tax rates on residential properties could be increased while at the same time increasing the Homeowner's Exemption to ensure that the increased tax burden does not fall on individuals that own and occupy their homes as their principal residence. An exemption could also be created for residential properties that are rented on a long term basis for at least 8 or 9 months of the prior tax year. To discourage fraud, the penalties for falsely claiming an exemption should be substantial. These adjustments to the property tax rates could ensure that more of the tax burden falls on properties that are not owner occupied or available for long term rental. Increasing property taxes on vacant units or units that are operated as short term rentals may not discourage all outside investment in residential real estate in Hawaii. However, it would be a legally permissible step in the right direction. If nothing else, the increased property tax revenue could be earmarked to subsidize the construction of additional affordable housing that is reserved for sale to owner occupants or for long term rental to residents. In any case, issues regarding urban planning, zoning, and property tax rates are best left to the Counties to deal with in consideration of their own unique circumstances. SB 3202 is

a misguided attempt by the State Senate to impose a one size fits all requirement on the Counties that will likely cause more problems than it solves.

Respectfully,

Seffrey Griswold

Jeffrey Griswold

Submitted on: 3/28/2024 9:14:20 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Arnest	Individual	Oppose	Written Testimony Only

Comments:

This proposed legislation is not in the public interest. Land use in the State of Hawaii Urban District is to be regulated at the County level. It is the responsibility of the individual Counties to determine land use development standards. The proposed legislation is supposed to create affordable housing but does not provide specifics of how affordability will be assured. It also does not provide guidance on how the Counties are supposed to provide the infrastructure to support the increased density that will be created. It will, however, make our neighborhoods more congested and create barrios or favelas in our Honolulu. It is Honolulu, after all, that is the target of this proposed legislation. In short, it is not the responsibility of the State Legislature to intrude into land use planning. Previous forays into this arena by the State (HCDA, Section 201H-38) have had very little success in actually providing affordable housing.

Submitted on: 3/28/2024 9:15:23 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Chuck Brown	Individual	Oppose	Written Testimony Only

Comments:

State Bill imposes negative effects for community's. It will require more street parking because small lots will not support off street parking. More traffic congestion will occur and our infrastructure will be under even more stress.

Mahalo,

Chuck

Submitted on: 3/28/2024 9:40:03 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vanessa Distajo	Individual	Oppose	Written Testimony Only

Comments:

Dear Judiciary & Hawaiian Affairs Chair Tarnas, Water & Land Chair Ichiyama, Housing Chair Evslin, Vice Chairs, and Representatives serving on the Committees,

I am in staunch opposition to SB 3202 SD2. Please ponder the following thoughts tailored to your respective committees.

JUDICIARY & HAWAIIAN AFFAIRS

Please direct your attention to the diction of the bill. Some of the words seem vague, ambiguous, and subject to interpretation. For example, Part 1, Section 1, subsection 2 (C), "insufficient infrastructure." A definition is needed to enumerate what constitutes insufficient.

Part I, Section 1, Lines 7 and 11 state, "Shall." Shouldn't this be "may," so that the counties can retain authority?

What ever happened to Home Rule? Local governments are best equipped to make decisions about developments in their purview.

Our Hawai'i Constitution states:

HAW. REV. STAT. § 46-1.5(14) (2017). "General powers and limitation of the counties."

"Each county shall have the power to enact ordinances deemed necessary to protect health, life, and property, and to preserve the order and security of the county and its inhabitants on any subject or matter not inconsistent with, or tending to defeat, the intent of any state statute where the statute does not disclose an express or implied intent that the statute shall be exclusive or uniform throughout the State."

The City & County of Honolulu has expended considerable time, effort, and taxpayer dollars to formulate the Primary Urban Center Development Plan. The PUC DP Update states:

"The PUC Development Plan can also support existing neighborhoods that are not expected to be the focus of major new development. Mauka neighborhoods and others not along the rail line are not expected to experience the same kind of change as neighborhoods in and around the Downtown and in the TOD areas. Topics to address in these residential neighborhoods include:

- Preserving the character, quality, and affordability of the existing housing stock, possibly through an improvements program;
- Ensuring safety and quality of life for families, aging residents, and special needs populations;
- Promoting home retrofits to support aging-in-place;
- Providing connectivity, open space, and recreation opportunities;
- Encouraging infill development where appropriate;
- Addressing local infrastructure needs;
- Promoting complete streets and increased transit access; and
- Exploring reduced parking requirements in neighborhoods well served by transit."

If the State interferes with the City's PUC DP, then would the City be in a position to sue the State?

Part II, Section 3, subsection (12)(b), states:

"Any final order of a zoning agency established under this section may be appealed to the circuit court of the circuit in which the land in question is found. The appeal shall be in accordance with the Hawaii rules of civil procedure."

So, who has standing to appeal? Neighboring property owners?

Part II, Section 3, subsection (12)(g), states: "...shall be reviewed and acted upon by the director of the county agency responsible for land use..."

If City's DPP officials have been indicted in recent years for bribery and other criminal acts, do we really want to concentrate power into the hands of such few people as one director per county? Wouldn't this make them incredibly susceptible to corruption?

Concerning the proposed increase in the amount of dwelling units per parcel, as mentioned in Part I, Section 1(1), in Miller vs the Board of Public Works, the California Supreme Court ruled that two family dwellings were acceptable and not likely to cause deleterious affects upon neighborhoods, reasoning that, "A two-family dwelling requires no radical change of architectural design and does not entail any added burdens over the single family residences in the way of fire or health protection ..."

Why would our State want to push it too far and allow three family dwellings on small, subdivided lots? Please think about the devastation of the Lahaina fires, in which about one third of those who perished lived on a dead end street with a substandard road.

Although scholars of Sociology and Economics have analyzed decades of research and concluded that single-family zoning, in many ways, has been used to isolate ethnic groups and perpetuate wealth disparities, it is still the preferred choice of housing for most of our citizens. Legal scholar John Infranca, in the The Georgetown Law Journal [Vol. 111:659], published in 2023, explained that American courts are highly unlikely to rule that single-family zoning is an invalid exercise of police power.

To eliminate single-family zoning, the U.S. Supreme Court decision in Village of Euclid v. Ambler Realty Co (1926) would need to be overturned, and quite possibly even Village of Belle Terre v. Borraas (1974) too. The Court has maintained that a City's zoning ordinances do not exceed the local government's police power. Thus, zoning regulations will be upheld, especially if there is any reason to question the impact on the welfare of the public.

In addition, HUD published Housing Needs of Native Hawaiians: A Report From the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs. It was identified that:

- "Native Hawaiian households live in older housing at slightly higher rates and are more likely to live in single-family detached homes than are residents of Hawaii households...Further, 71 percent of Native Hawaiian households lived in single-family detached homes..."
- "Despite the affordability challenge, Native Hawaiians tend to prefer owning a single-family home. About 60 percent of households on the waiting list indicated an improved lot with a new house as their first choice, and 46 percent listed an improved lot with an existing house as their second choice. Further, only one-half of HHCA beneficiary households on the waiting list would be willing to accept a townhouse or multiplex unit rather than a single-family unit in order to get a home more quickly."
- "Native Hawaiians were more likely to live outside Honolulu County than were other residents of Hawaii. Because the Native Hawaiian population grew by a much larger percentage than did the residents of Hawaii population in Honolulu County,"

Given all of these factors, why would the State seek to eliminate single family zoning when that is how the majority of Native Hawaiians prefer to live?

Finally, the population density of Honolulu, as determined by the U.S Census of 2020, is 1,692.4 people per square mile. With the majority of our State's population, about 990,000+ people living in Honolulu, do we really want to pack more people on O'ahu, which is not even the largest island? Shouldn't the State be more equitable and just concerning its demands on the counties, pertaining to the distribution of the population's housing? Thus, an amendment should be added to SB 3202 SD 2 to exclude counties with a population over 500,000.

WATER & LAND

Part 1, Section 1, subsection 3(C)(2) states, "This section shall not apply to: Any area within an urban district that a county deems to be at high risk of a natural hazard such as flooding, lava, or fire, as determined by the most current data and maps issued by a state or federal department or agency."

Shouldn't tsunami zones along the coastlines be mentioned too?

Part II, Section 3, subsection (12)(3)(c) states: "Within a floodplain as determined by maps promulgated by the Federal Emergency Management Agency."

Which specific maps? The official source should be cited.

Honolulu contains the Ala Wai Watershed, in which the USACE has determined that, "The risk of a catastrophic flood devastating the Ala Wai watershed, Waikiki and the surrounding communities is high. The risk of flooding endangers the health and safety of people, property and businesses throughout the area, the environment, and the economy."

The Ala Wai Watershed covers a huge area within the primary urban center of Honolulu; therefore, the City & County of Honolulu should be excluded from this bill.

Part II, Section 3, subsection (12) mentions, "water reserve zones."

Isn't everywhere on our islands a water reserve zone that should be protected? Over development with too much concrete and other impervious surfaces exacerbates storm water run off. We need permeable land space, even within our existing urban neighborhoods to absorb water into our aquifers for future drinking, as well as serving as a micro approach to mitigating flooding within our watersheds.

HOUSING

Haphazardly upzoning the State of Hawai'i's urban land is NOT wise planning. Our infrastructure has a carrying capacity, and until our aging, substandard sewers, electrical grid, and roadways are improved, we cannot afford to cram more dwelling units into our neighborhoods, other than the ADUs that are currently allowed. Problems with older infrastructure will abound, and there will be increased risk of flooding and fires within communities. It is unethical to gamble with the health and safety of our people. Thus, counties with a population more than 500,000 people, namely the City & County of Honolulu, must be excluded from this bill.

Eliminating single-family zoned housing is NOT going to make housing affordable for local people. SB 3202 SD 2 does not contain any language that would make the new dwelling units or smaller subdivided lots affordable. Developers will build to the "highest and best use," and then sell for the highest prices that the market will bare. We have seen for years how lots in our neighborhoods are being sold to non-locals who pay all cash, hundreds of thousands of dollars over asking price, with one week closing. Local families are no competition for these developers. They will profit even more from this bill, not our people.

It is a farce that local families will benefit from SB 3202 SD 2. Families are already allowed to build an ADU on their properties. The reality is that those of us who want to live in multigenerational households already do without needing separate dwelling units because we are family and that is our way here. In Honolulu, over the last nine years, only 1,091 ADUs have been built. That is not many. Why? It's not really needed, and not many families can afford the exorbitant costs of building materials due to the Jones Act, not to mention the costs of subdivision. The interest rates on loans are high, and the cost of basic necessities is the highest we have seen in a generation. It is estimated that 40% of our state's population qualifies as ALICE. A lot needs to change before there is socio-economic justice and redistribution of wealth

because, unless the government subsidizes their housing costs, unfortunately most of these folks will never be in the financial position to even qualify for a mortgage for a "starter home" on a subdivided lot.

We need to learn from the example set by Minneapolis, Charleston, and other cities on the continent. Developing urban land in single-family zoned areas costs more. More than 140% AMI is expected to be needed to even qualify for a small starter home on a subdivided lot, so most local families still won't qualify for mortgages. Upzoning increases the cost of land by 5-20% within a couple of years, so it is NOT affordable housing policy.

Oregon and California were the first states to pass legislation that eliminated single-family zoning. Citizens still retain their rights to build single family dwellings, but the states have essentially removed barriers to building other types of dwellings. These changes happened within the last five years, and that is not enough time to study how the Upzoning has affected the housing markets and tax-assessed values. I'm concerned that as soon as a R-5 lot is sold here, subdivided, and three dwelling units built per 2,000 sq ft lot, the value of the land will rise significantly, as well as the taxes for all surrounding property owners. Families on fixed incomes, like retirees living off of their pensions and/or social security, may not be able to afford dramatic tax increases, and be forced into obtaining reverse mortgages, selling their homes, or relocating to the continent. Therefore, other key pieces of legislation, like property tax reform, as well as infrastructure improvements, are needed prior to any form of state upzoning.

Furthermore, according to Alexander von Hoffman, a Senior Research Fellow and a Lecturer in the Urban Planning and Design department at the Harvard Graduate School of Design:

"Merely eliminating single-family zoning, history suggests, is unlikely to increase housing stock significantly. To unleash residential development will require peeling back layers of regulations that have accrued over the decades. That could mean reducing minimum lot sizes, relaxing overly stringent construction and site requirements, easing design reviews, and rolling back some environmental controls, including certain provisions for wetlands and open space."

In the meantime, while you devise comprehensive legislation, more high-density housing options are coming soon! Multiple high-density apartments, utilizing 201H to create "missing middle, affordable, workforce housing" are slated to be built (ex: Kuilei Place and Pahoa Ridge). More transit oriented developments are planned too. The City's Primary Urban Core Development Plan, which had years of significant community engagement, identified eleven ideal corridors for upzoning along the main roadways. The PUC DP explains, "Many naturally occurring affordable units are located in older two-to four-story walk-up apartment buildings and low-rise condominium projects." So let's gets those types of housing developments going on unused open plots. Driving around Honolulu, there are many empty, leveled lots, just sitting there, unused near apartment zoned areas. Perhaps a task force could identify those TMKs and then the City could pursue getting into public/private partnerships with those landowners?

Lastly, please consider that currently, in the City & County of Honolulu, there are requirements that may need to be addressed by the City Council. Either the ADU or primary dwelling unit must be occupied by the owner of the property. 'Ohana units may only be legally rented by a

family member. Also, ADUs and 'Ohana units are not able to be conveyed. If these three things are changed, and owners were released from these limitations, that would free up housing for people to rent out long term to local families. It would be prudent to strive for these small, yet meaningful and manageable changes on the county level first.

Overall, we need to protect our people, our water, and our land by growing efficiently with smart, sensible, sustainable development! Please vote, "No," to SB 3202 SD2. I have faith that we can write better legislation that will genuinely help to provide affordable housing for local families, not line the pockets of greedy developers.

Thank you for your consideration!

Sincerely, Vanessa Distajo

<u>SB-3202-SD-2</u> Submitted on: 3/28/2024 9:55:03 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tina Gray	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. Sincerely,

Tina Gray

Submitted on: 3/28/2024 10:52:53 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Adam Felchner	Individual	Oppose	Written Testimony Only

Comments:

I am writing to express my opposition to SB3202. The bill feels like a blunt object with no regard for local needs or conditions. As an architect, I can see numerous holes in this bill that will negatively impact neighborhoods and services. I also fail to see how this bill will address affordability, because we already have the ability to add additional houses and ADU's on lots all over Oahu, but owners do not. Perhaps the state government should focus on incentivizing construction of additional units on lots that can already support them rather than forcing every zoning lot to accept multiple units **even though they were never designed to accept them**.

I also would like to point out that according to the census, as of Apr. 1, 2020 Hawaii had a population of 1,360,301. The census data for July 1, 2022 showed Hawaii with a population of 1,439,399. That is a growth of **5.8%**. The same census data showed Hawaii had 519,508 housing units on April 1, 2020, and 568,075 as of July 1, 2022. That is a growth of **9.3%**. That means housing stock has been outpacing population growth by almost **60%** over the last 12 years. So... where have those houses gone? More than likely, many were used for vacation rentals or as second homes for out of state purchasers. If we enforce the short-term rental laws on the books, we should be able to see some of those come back on the market which should help lower prices.

Finally, I would also like to address the problem that the law does nothing to prevent these additional houses just being purchased by out of state buyers as second homes. We live in a desirable location and there will always be demand from inside and outside the state. Flooding the market with smaller properties doesn't mean there will suddenly be more inventory for local families, it's more inventory for anybody and everybody who wants to purchase a home in Hawaii. A vacation home in Hawaii will suddenly become affordable to many more people, so with more inventory will come more competition.

Sincerly,

Adam Felchner

Submitted on: 3/28/2024 10:54:01 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joan Marie Florence	Individual	Oppose	Written Testimony Only

Comments:

I have lived in Kailua for 46 years! I strongly oppose Bill # SB 3202. I do not think higher density buildings on residential home lots is a positive idea. THe character & peace & quiet of Kailua neighborhoods would be ruined forever. Those of us that chose Kailua as HOME, do not want it to be high density living like Waikiki or Kakaako. I strongly oppose this bill!!

Submitted on: 3/28/2024 10:57:07 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jolyn Okimoto	Individual	Oppose	Written Testimony Only

Comments:

Aloha Representatives,

My name is Jolyn Okimoto, and I am writing as an individual in OPPOSITION to SB3202 SD2.

The proposal would have the effect of forcing toward a higher density every residential lot in the Primary Urban Center, which stretches from Kāhala to Pearl City.

On March 25, 2024 the City Council approved a resolution, RES24-065, CD1, opposing SB3202 SD2. It noted § 46-4, Hawaii Revised Statutes, originally enacted in 1957, and the county's authority to enact zoning ordinances "within the framework of a long-range comprehensive general plan . . . to guide the overall future development of the county."

The proposed bill would not allow the comprehensive general plan to continue. The resulting doubling or tripling the number of dwelling units would have the effect of increasing impervious surfaces, thus increasing flood risk. The proposal would also double or triple traffic and also put the same level of strain on infrastructure.

Even with Ohana/ADUs allowed currently, many existing residents cannot get permits due to existing lack of water or sewer capacity. This law would do nothing to support that fundamental problem and could make things worse.

Please OPPOSE SB3202 SD2.

Thank you, Jolyn Okimoto

Submitted on: 3/28/2024 11:11:06 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joey Katzen	Individual	Support	In Person

Comments:

Aloha,

I am strongly **supportive** of SB3202.

(I am the Managing Director of Hawai'i Angels, an organization that fosters the local startup ecosystem by offering early-stage venture funding, but I write in my personal capacity and have not polled our group for any opinion on this topic.)

Our housing crisis on Oahu is self-imposed by the zoning and planning laws that have been on the books since the island was **severely downzoned by City Council around the year 1980**.

The C&C currently uses government power to BAN, for example, 5 working local families from building normal houses on 10k sf lots in Kahala, only allowing ONE WEALTHY family to monopolize it for a SINGLE MANSION. The working families aren't even allowed to modify and *share* an existing mansion, lest it be called a "monster house" by the C&C!

But because the "zoning power to exclude working families" has been devolved to the counties, with councilmen elected from specific neighborhoods, it's too difficult politically to make any change at the city/county level, because every attempt will incur 50+ political veto points.

This REQUIRES state action to prevent local politicians from gumming up the works. Just as is happening in California, Washington, Minnesota, Montana, and other states.

The Hawai'i state government here has a choice:

- 1. Allow the counties to continue prioritizing existing land-rich homeowners who simply prefer to not have larger numbers of people as neighbors, **OR**
- 2. Allow working families to build smaller, more affordable homes in every neighborhood.

In short: Do we push the counties to prioritize "peace and quiet" or "roofs over people's heads" in a housing crisis?

I'm disappointed the bill has been watered down (from 4-plexes and 1200sf) to the current 3-plexes and 2000sf, but anything is a help.

Please do NOT further water down this bill.

--Joey Katzen, Honolulu

Submitted on: 3/28/2024 11:38:02 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ola Popovich	Individual	Support	In Person

Comments:

Chairs, Vice Chairs, and members of the Committee,

Please pass SB 3202, which will allow more housing units in our neighborhoods for working families. These are proven reforms that can help slow the exodus of local families from Hawai'i every single year. Thank you for the opportunity to testify.

Submitted on: 3/28/2024 11:44:33 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sun-Hee Yeo Tschopp	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202 and not because I am NIMBY.

Increased density and changing zoning should be managed carefully and with intention, not a blanket over the entire state. Whoever wrote this bill and is sponsoring it is lazy, destructive, and quite frankly doing a terrible job as legislators who are definitely not working on behalf of the people of Hawai'i.

DO BETTER!

Submitted on: 3/28/2024 11:59:53 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shalyn Rosek	Individual	Support	Written Testimony Only

Comments:

I, Shalyn Rosek, a resident on the Island of Kauai support SB3202. By legalizing two ADU's per lot, allowing for smaller lots with smaller homes, and reducing impact fees for multifamily housing - SB3202 would enable three generations of a household to live with dignity on the same property and had potential to change the lives of local families struggling to afford housing.

Submitted on: 3/28/2024 12:18:35 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

S	bubmitted By	Organization	Testifier Position	Testify
Lav	vrence S Franco	Individual	Support	Written Testimony Only

Comments:

I have worked and been a housing advocate for those who can not afford to live in a wonderful state. I am parctiularly concerned with oujr local people who have no hope to continue to live in Hawaaii. I see the middle housing concept as a way to allow our pepole to remain on Hawaai. I ask you to support the middle housing concept. Thanks.

<u>SB-3202-SD-2</u> Submitted on: 3/28/2024 12:24:19 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ralph Hasegawa	Individual	Support	Written Testimony Only

Comments:

Aloha, I support SB3202 because it provides more homes.

Submitted on: 3/28/2024 12:28:27 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brian O'Brien	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202! It will turn our neighborhoods into ghettos.

There are so many other better options. For instance: restrict purchase of Hawaii residential property to Hawaii residents only. Or remove the excessive state regulations that impede condominiums (see 05 Mar 2024 article from the Star-Advertiser, https://www.staradvertiser.com/2024/03/05/hawaii-news/building-regulations-drive-up-hawaii-condo-prices-by-58/?utm_source=pocket_saves).

Mahalo

<u>SB-3202-SD-2</u> Submitted on: 3/28/2024 12:38:28 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Heather Wawrzensk	Individual	Oppose	Written Testimony Only

Comments:

I don't think this the way to help with affordable housing. This could destroy neighborhoods and out price locals desiring homeownership.

Date: March 28, 2024 Subject: SB 3202

My name is Dr. Justin Tyndall. I am an Assistant Professor of Economics at UHERO and the Department of Economics at the University of Hawai'i at Mānoa. My research is focused on the economics of housing. This testimony, joint with Dr. Carl Bonham, is to offer strong support for SB 3202. Our testimony is submitted as individuals and not as a representatives of the University of Hawai'i.

I strongly support SB 3202. This bill serves an important purpose—to make it easier to develop multi-family housing in the state urban land use district. According to research at UHERO, Hawai'i has both the highest housing costs and the most restrictive land use regulations in the nation. Given Hawaii's unique island geography, the availability of buildable land is naturally constrained. Scarcity of land can lead to higher land prices. However, regulatory limits on where multifamily housing can be built is potentially the more important constraint. Building housing is not legally permitted on 96% of land within the state. Within areas where residential development is allowed, 93% of the land is restricted to single-family only, meaning multifamily housing is disallowed on 99.7% of land. These regulations drastically limit the ability to build multifamily housing.

Hawai'i is not alone in considering zoning changes to encourage home production. In a recent analysis by the Pew Charitable Trust, Alex Horowitz and Ryan Canavan looked at the experience of four regions that have recently adopted new zoning rules to allow more home building. They looked at the experience of Minneapolis; New Rochelle, NY; Portland, Oregon; and Tysons, Virginia where restrictive zoning rules were reformed to make home building easier. The analysis found that all four areas experienced more rapid household growth between 2017 and 2021 than was true nationally, yet these areas added housing even faster leading to much slower rent growth than nationally. Over the period from 2017-23 median rents grew by 31% nationally, but of the four jurisdictions that reformed their zoning rules, only New Rochelle, NY saw rent growth exceed 5%. The authors of the Pew study concluded that policymakers in these jurisdictions set a goal of improving affordability by increasing the supply of housing. "They have succeeded in keeping rent growth low even while rents have soared in the U.S. overall and in nearby cities and towns. That has helped local tenants save thousands of dollars per year in rent relative to growing places that have placed greater restrictions on new housing."

I also research the political incentives that lead to suboptimal housing supply. A study I coauthored was recently included in the White House Council of Economic Advisors' Economic Report of the President. As quoted from the report:

Locations with more homeowners than renters have stricter housing supply regulations than their counterparts, and the regulations tighten as homeowners' political influence grows (Fang, Stewart, and Tyndall 2023). Regulations reduce the price elasticity of the housing supply; in other words, the supply of housing is less responsive to market prices in markets with more regulation. Research consistently finds that increasingly stringent zoning restrictions lead to lower housing construction.

Broadly, local decision-making processes lead to at least two cascading housing market failures. The first is of negative externalities, which predict too much land-use regulation relative to the

social optimum because homeowners, developers, and local governments do not account for the welfare cost of these regulations for individuals in neighboring communities or would-be residents. The excessive regulations lead to an incomplete housing market, where the private sector does not create enough supply to meet demand. Corrective policy at the State or Federal level can help bridge the gap between housing supply and demand.

-2024 Economic Report of the President, pg 151 (emphasis added)

I agree with the Council of Economic Advisors report. Overly restrictive zoning represents a market failure. This current system undercounts the needs of those who don't currently own housing. Lower levels of government face political incentives to limit housing supply, meaning housing is underprovided everywhere. State-level intervention, like what is proposed in this bill, can help overcome this market failure. In Hawai'i, all counties face a severe housing shortage, in part caused by overly restrictive housing regulations. Implementing the law state-wide is preferable to preserve fairness and ensure new housing is made available across the state.

I respectfully urge your support for SB 3202 to make it easier to develop multi-family housing and support Hawaii's families by slowing the growth of Hawaii's housing burden.

Justin Tyndall Assistant Professor, UHERO & Economics Professor, Department of Economics University of Hawaii at Manoa

Carl Bonham **UHERO** Executive Director University of Hawaii at Manoa

Submitted on: 3/28/2024 1:03:37 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Annalise K Lambert	Individual	Support	Written Testimony Only

Comments:

I am writing to express my strong support for SB 3202 and HB 1630, which are vital to addressing the housing crisis in Hawai'i. As a college student from Maui studying real estate and the built environment at the University of Denver, I am deeply interested in the impact of housing policy on communities.

The current zoning regulations in Hawai'i restrict the development of smaller, more affordable homes on smaller lots and multigenerational housing, contributing to the high housing costs that force many kama'āina to leave our islands. SB 3202 and HB 1630 offer a solution by legalizing these housing options, making homeownership more attainable for local families.

These bills not only provide more affordable housing options but also help preserve the character of our local communities. By allowing families to remain together and reducing the need for large, expensive homes, we can create a more sustainable future for Hawai'i.

I am encouraged by the broad support these bills have received from organizations and individuals, including the Maui Chamber of Commerce, Construction Industry of Maui, and the Maui County Planning Department.

I urge you to support SB 3202 and HB 1630 and help ensure a more affordable and sustainable future for our community.

Submitted on: 3/28/2024 1:10:41 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nate Hix	Individual	Support	Written Testimony Only

Comments:

We do not have enough homes to house our current population. The United States has 55 homes for every 100 adults. Hawai'i has the second least of any state, with less than 50 units per 100 adults. This housing shortage has led to unaffordable home prices.

In order to build more homes, we need to make it legal to build more homes. Currently most urban land is built to its legal max capacity. If it remains illegal to build the homes we need, we will never have a sufficient housing stock.

Please pass this bill so we can end the housing shortage here in Hawai'i.

Submitted on: 3/28/2024 1:47:28 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jason Economou	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing in strong support of SB 3202 and HB 1630, as they offer meaningful solutions to Hawai'i's housing crisis. My background as an attorney with a focus on land use and real estate matters, coupled with my experience in the industry, help me understand the extreme urgency needed in addressing our housing crisis.

Current zoning regulations in Hawai'i have limited the development of smaller, more affordable homes and multigenerational housing, exacerbating the high housing costs that displace many families. SB 3202 and HB 1630 present a viable path forward by legalizing these housing options, making homeownership more accessible to local residents.

These bills not only provide much-needed affordable housing options but also contribute to preserving the unique character of our communities. By enabling families to stay together and reducing the demand for large, expensive homes, we can cultivate a more sustainable future for Hawai'i.

I am encouraged by the diverse support for these bills, including endorsements from the Maui Chamber of Commerce, Construction Industry of Maui, and Maui County Planning Department.

I urge you to consider the profound impact these bills can have and to support SB 3202 and HB 1630. Together, we can work towards a more equitable and sustainable housing landscape for our community.

Mahalo,

Jason Economou

Attorney & Founder,

Economou Law & Consulting, LLLC

Submitted on: 3/28/2024 2:23:49 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Frances L. Britten	Individual	Oppose	Written Testimony Only

Comments:

Outrage doesn't come close to describing my reaction. Such a blatantly cynical breach of trust by elected public officials is unbelievable! Trying to persuade us that ignoring its sure and certain consequences is grossly insulting to the intelligence of Hawaii's people.

It appears whoever wrote this proposal wants to increase population density. Why would we want to do that? Do we want to be like Hong Kong? Or Los Angeles?

It's possible other counties might find it beneficial – but it should be up to them, as individual counties. Each of our counties is a unique place with unique issues. In the particular case of zoning regulations, the State needs to stay out of it!

But – regarding Oahu: Zoning regulations exist to PREVENT exploitation of our resources and to PROTECT our residents from incursions into their right to peacefully enjoy their homes!

2,000 square feet minimum residential lot size? And THREE homes on that 2,000 square feet, when it's too small for even one? (Research shows mice put in overcrowded cages attack and kill each other! Will crowding families that way be any different?)

Even if common sense is ignored, as this proposal does, what about our infrastructure – already aged or aging and stressed to the max in many areas? What's it going to cost to make all those supposedly affordable homes feasible? And who's going to pay for it?

Consistent road maintenance is already a serious problem. Clean water, sewage and trash disposal are already threatened because of demand outstripping supply. We already have a shortage in ALL emergency services, from police to fire fighters to EMT's to hospitals.

We've all been warned another pandemic is likely, if not certain, the next time a new virus appears. How would that impact large numbers of people living in overcrowded subdivisions?

What about the next time a wildfire nears a residential area? What would stop it from jumping from one home to another until Lahaina is repeated somewhere else? And by the way, cheap construction makes that more, not less, likely. (And we wouldn't have enough firefighters to stop it, either!)

What this proposal would do is stress our already severely limited resources until OVERuse becomes ABuse!

The hard fact that OUR ISLANDS ARE SMALL cannot be changed. And we must realize that before any solution to the challenges facing us can possibly be viable. NO MATTER HOW HARD WE TRY, we CANNOT fit a couple million more people here, without destroying the very things that make our Hawaii a beautiful and special place with a culture that is unique in all the world!

This proposal will not help those of us who struggle to remain here! What it WOULD likely do is encourage more people to move here from outside! And that, we cannot afford!

Will creating overcrowded slums solve housing affordability? It will not! Will allowing quantities of "affordable" (CHEAP) homes help? No! Cheap homes just deteriorate faster and turn into maintenance nightmares!

Most of us WANT our local residents to be able to stay here. (And most of us WANT foreign and mainland interests to stay OUT! If the law doesn't protect us, we must change the law!

Most of us also WANT neighborhoods where we can enjoy the Paradise we've been given, instead of destroying our Hawaiian lifestyle with overcrowded ghettos, tiny lots, monster houses OR luxury condos for the few!

Contrary to other testimony, supposing this proposal would NOT bring increased crime, slums and health threats is the real fantasy!

Better solutions DO exist! They will take abandoning selfish individual and corporate greed in favor of ingenuity, creativity and patience. All of which are available to us, IF we choose to use them, and IF we choose to pay attention and think things through.

Such as what better solutions?

Such as creating opportunities for local folks to BUY their homes within the affordable projects already being planned, instead of forcing them to be perpetual tenants.

Such as absolutely banning further luxury condo developments – such as already exist in Kakaako. That area is already a shameful display of pandering to people who DON'T live here at the expense of people who DO, amounting to outright prostitution on the part of officials who participate and promote those ventures.

Such as finding a LEGAL means of controlling the fee conversion cost of leasehold residential land. The cost of land approximates 75-80% of residential property on Oahu, but reducing lot sizes doesn't change the square-foot cost – does it?

Bottom line: We CANNOT afford to allow this proposal to move forward! So – in good faith and with honest concern for the public interest – reject it out of hand and make sure it never

raises its ugly head again! Start doing what the people who elected you expect. Protect our island from invasion, whether it's from invasive species or from invasive political and business interests!

$\underline{SB\text{-}3202\text{-}SD\text{-}2}$

Submitted on: 3/28/2024 2:38:56 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Desiree Watson	Individual	Support	Written Testimony Only

Comments:

Dear Legislative Friends,

Hawaii is in dire need of more affordable housing. Please vote for SB302 to allow for more small homes to be built on a lot.

Thank you, Desiree Watson

Submitted on: 3/28/2024 2:42:29 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ingrid Peterson	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

I agree with my State Rep. Natalia Hussey-Burdick who wrote, "

This bill requires the Counties to allow at least 2 ADUs per lot, and reduces minimum lot sizes significantly to 2,000sqft (the current minimum for Honolulu county is 3,500sqft, but all of Kailua & Kaneohe residential lots are currently 5,000-10,000sqft. Click here if you want to see an interactive zoning map for Oahu.)

I'm voting NO on this bill and its companion, because <u>urban sprawl</u> is not the answer to our housing crisis. Our urban roads, sewer systems, and emergency facilities are not built to withstand 3x higher density. My community is already feeling the impacts of <u>overburdened sewer systems</u> and <u>roadway congestion</u>. While it may (at least temporarily) slightly reduce the cost of each rental unit, the fact that each lot would be able to generate 3x the rental income will quickly increase the price of each lot, pushing the dream of home ownership even farther away for most people and ensuring the majority of our residents will live in tightly packed houses with many roommates living in each house. There is still no mechanism to prevent outside investors or companies from buying up all these properties, subdividing the lots, and renting them out at top dollar. If the legislature was serious about reducing the cost of housing, we would impose a steep vacant homes tax to incentivize our EXISTING 20-25% VACANT UNITS to go back on the market and bring prices down, or fix the unprecedented <u>permitting backlog caused by corruption</u>, <u>bureaucracy</u>, and <u>outdated technology</u>. The passage of this bill would almost certainly result in a flood of new permit applications to subdivide lots and build ADUs – exacerbating the existing backlog to unprecedented levels."

Submitted on: 3/28/2024 2:46:55 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynette Von Elsner	Individual	Oppose	Written Testimony Only

Comments:

Selling Hawaii off to the highest bidders is stupid and greedy. Our water tables are dwindling at an alarming rate. It takes thousands of years to fill an aquifer. The water we have left has been polluted. And you want to keep developing?!? Islands have limited resources. When they're gone, the islands are dead.

Cut the crap. Use common sense.

- 1) Only Americans should be able to own land in America!
- 2) Cap the population we're tiny islands in the middle of the ocean.

Submitted on: 3/28/2024 2:51:09 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Amber Lehmann	Individual	Support	Written Testimony Only

Comments:

Please pass this bill to help create more affordable housing for working families. The insane housing costs are pushing the people who make this community great out. It's also so difficult to see hard working families and children living in tents.

Submitted on: 3/28/2024 3:13:06 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Haloa Dudoit	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs, Vice-chairs, and committee members from all committees,

I am tesitifying in support of SB3202. Everyone expresses their frustration about the need for housing. It's bills like this that can alleviate some of this frustration. This bill would allow another option for more housing units which at the end of the day is the only thing we can ask for, OPTIONS. I respectfully ask that you adopt this measure today.

Mahalo,

Haloa Dudoit

Submitted on: 3/28/2024 3:47:45 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lhaberkorn@msn.com	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to SB3202 because the nature of our neighborhoods will be permanently changed. The saturation of cars and people will be more than the infrastructures in our community can support.

Submitted on: 3/28/2024 4:05:03 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
WIlliam Atwater	Individual	Oppose	Written Testimony Only

Comments:

This measure will create congestion and overcrowding of communities as well as overwhelm the existing infrastructure (parking, water, sewage, electrical, etc.). In addition it will create more safety concerns in communities by exponentially increasing the amount of vehicle traffic in residential areas. The increase of vehicles that utilize street parking will create blind spots that could potentially lead to injury or worse (primarily concern are children and kupuna).

Submitted on: 3/28/2024 4:22:16 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alexis Ching	Individual	Support	Written Testimony Only

Comments:

Please support SB 3202 to allow smaller, more affordable homes in our neighborhoods while protecting our infrastructure and our environment. This law will help create more affordable housing options and options for homeownership. Mahalo for considering this important measure, which will ensure more local people can afford to continue living in Hawai'i.

David Kimo Frankel 1638-A Mikahala Way Honolulu, HI 96816

April 1, 2024

TESTIMONY IN OPPOSITION TO SB 3202

Chairs Evslin, Ichiyama and Tarnas and members of the three committees,

We need more affordable housing. But SB 3202 is not the answer. SB 3202 is poorly drafted and will create far more problems than it will solve.

First, it will cost taxpayers hundreds of millions of dollars. Because the bill requires the counties to allow for increased density, whenever the counties restrict density, they will face lawsuits for taking of property. The City & County of Honolulu is facing a stiff bill for attempting to restrict short-term vacation rentals – which a court has concluded are residential uses. That is the kind of litigation this bill is inviting. "Notwithstanding any law, ordinance, code, or standard to the contrary" is so sweeping – does that include the subsequent paragraph (b)? – that the County will be handcuffed from preventing the consequences of inappropriate densification. (And if the County won't be handcuffed, what exactly does the bill do?). Attorneys will make millions suing the counties. And taxpayers will be left holding the bag. At a minimum, SB 3202 should state explicitly in each section of the law being amended that this language does not create any vested rights.¹

Second, SB 3202 fails to acknowledge the impacts of increasing density. More people in a limited area increases demand for parks and parking spaces, both of which are already short in supply in many neighborhoods. It requires more garbage containers (is there room to pick up the big bins?). It increases noise. It requires adequate wastewater capacity as well as drinking water. The benefits may outweigh the costs, but this analysis should be done at the neighborhood level by the county councils – not automatically in all residential areas. For these kind of issues, homerule works better.

Third, SB 3202 fails to recognize the importance of green space and natural beauty. Increased density means more impermeable surface – which increases flooding, polluted runoff, and heating of our neighborhoods. We all need to sacrifice to create more affordable housing, but pruning is a better approach than bulldozing. SB 3202 is a one-size fits all approach.

Fourth, SB 3202 will increase the value of every single residential lot, inviting foreign and mainland money to buy up residential lots, increase the density and sell for a profit. In the short-term, housing will become much more expensive. In the short and long term, a lot of land will be sold to folks who do not live here.

¹ Consider that the governor includes this language in his emergency proclamations: "I FURTHER DECLARE that this Proclamation is not intended to create, and does not create, any rights or benefits, whether substantive or procedural, or enforceable at law or in equity, against the State of Hawai'i, the counties of this State, or any State or County agencies, departments, entities, officers, employees, or any other person."

Fifth, there is no provision in the bill that ensures that any of the housing that is built is actually affordable.

Sixth, in Honolulu, density needs to be significantly increased near rail stations. Our energies should be focused on increasing density there – not every residential area in the State.

Finally, SB 3202 radically changes how subdivisions are approved on Kaua'i. Unlike other counties, its charter and ordinances give the planning commission the authority to approve or disapprove subdivision applications. Kaua'i County Charter Section 14.03(C); §§ 9-3.4(b), 9-3.5, 9-3.8(d)(2). SB 3202 takes that authority from its citizens who serve as volunteers on the planning commission and gives it to the planning director. Does the Kaua'i planning commission even know the implications of this bill?

Aloha,

/s/ <u>David Kimo Frankel</u>

Submitted on: 3/28/2024 6:03:43 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kaylyn McCoy	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers? O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. If the neighbor islands want this density, then please exclude O'ahu. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/28/2024 7:11:01 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mathew Johnson	Individual	Oppose	Written Testimony Only

Comments:

TESTIMONY for the 4/1/24, 2 p.m. hearing of the House Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs

To the Honorable committee chairs and members:

I am writing to you in strong OPPOSITION to SB 3202, S.D. 2

SB 3202 and HB 1630 are being pushed on the people of Hawaii by politicians AND the special interests who stand to make money from building new housing.

The most egregious opportunism would be any POLITICIANS pushing this legislation WHO STAND TO MAKE MONEY on construction resulting from its enactment.

In recent weeks, Civil Beat reporter Denby Fawcett has revealed that **U.S. SEN. BRIAN SCHATZ** is among those applying pressure to get this legislation passed. *

I've looked into this and learned that his wife, **LINDA KWOK KAI YUN SCHATZ** is PRINCIPAL of **Schatz Collaborative**, **LLC**, and a REGISTERED LOBBYIST on the Hawaii State Ethics Commission website:

 $\underline{https://hawaiiethics.my.site.com/public/s/account/0012K00001hBVSRQA4/schatz-collaborative-llc}$

Her 2017 interview with Pacific Edge Magazine, states, "Schatz Collaborative manages real estate development projects for partners and investors, focusing on fee development and servicing real estate companies *OUTSIDE of Hawai'i* [emphasis added] that need local expertise. Schatz is ...also responsible for finding properties, concepts, investors and project teams to execute real estate deals." **

DOES SEN. SCHATZ STAND TO PROFIT, DIRECTLY OR INDIRECTLY, FROM THIS LEGISLATION? And, with nothing in this bill to: 1) Ensure the new housing would be affordable for moderate, low, or very low incomes, nor 2) Discourage wealthy real estate developers and buyers both in-and-outside Hawaii from taking land and housing needed by local families, -- **DOES THIS BILL HONESTLY ADDRESS OUR HOUSING NEEDS?!**

Please **HOLD SB 3202** and all similar proposals. We need COUNTY zoning and building regulations that create housing that is affordable for those making **60% AND BELOW** the Hawai'i Community Development Authority's Annual Area Median Income (**AMI**) statistics.

Thank you,

Mathew Johnson Oahu

* Denby Fawcett: The State Has No Business Forcing Residential Density On The Counties *March 26, 2024*

 $\underline{https://www.civilbeat.org/2024/03/denby-fawcett-the-state-has-no-business-forcing-residential-density-on-the-counties/}$

* * Linda Schatz, founder and managing member Schatz Collaborative February 14, 2017

https://www.pacificedgemagazine.com/leadership/linda-schatz-schatz-collaborative/

Submitted on: 3/28/2024 7:15:48 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Shimizu	Individual	Oppose	Written Testimony Only

Comments:

Maintaining and upgrading our infrastructure is difficult enough as it is. Passage of this bill will only make it worse.

This is avoidance of a more comprehensive plan to increase affordable housing.

Submitted on: 3/28/2024 7:18:42 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Franco Salmoiraghi	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202 SD2.

Allowing such broad revisions to zoning laws is not the best way to create affordable housing and may adversely affect the quality of our neighborhoods and communities and lessen our quality of life.

Please stop this bill from advancing! Thank you.

Submitted on: 3/28/2024 7:25:43 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James F Moonier	Individual	Oppose	Written Testimony Only

Comments:

- o I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers.
- o I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. If the neighbor islands want this density, then please exclude O'ahu.
- o I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/28/2024 8:41:21 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Courteney Martin	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Courteney Martin, and I am from Koloa, Hawaii. I am submitting testimony in strong support of SB3202. Stable, safe, affordable housing is the key to a thriving community, economic prosperity, the preservation of Native Hawaiian culture, and the continued residency of Native Hawaiians in Hawaii. However, the limited housing supply, high costs, and high demand have made finding a stable home to rent or buy in Hawaii an increasing challenge for many residents (The Hawai'i Housing Factbook, 2023).

This bill legalizes two ADAs per lot, allows for smaller lots with smaller houses, and reduces impact fees for multifamily housing. It enables three generations of a household to live with dignity on the same property. It could change the lives of local families struggling to afford housing. Allowing smaller homes on smaller lots would help lower housing costs and remove the need for many Hawaii residents to move to the mainland in search of more affordable housing.

Hawaii is one of the most expensive states for housing. High housing costs lower the standard of living for residents. Median housing costs are 27 times the national level. Fewer than one in three households in Hawaii can afford the typical single-family home (The Hawai'i Housing Factbook, 2023). Over the past year, the median price of a single-family home sold in Hawaii was \$852,000, and the median condo price was \$600,000. Median single-family home and condo prices have tripled since the mid- '90s (Thomas & White, 2023). The surge in mortgage rates over the past year has radically decreased housing affordability for buyers. In 2022, home buyers needed to earn nearly 180% of the state's median income (or 150,000 per year) to afford the median home (Thomas & White, 2023). An annual income of \$252,000 is needed to afford a new median-priced home in Hawai'i; fewer than one in two can afford a condo, and fewer than one in three households can afford a single-family home (Yunker, 2023).

Enclaves of homeless camps that dot various popular spots among all the islands have become increasingly common. In 2022, Hawaii had the fourth-most significant share of residents experiencing homelessness in the country. It is twice the national rate, with an estimated 41 per every 10,000 residents experiencing homelessness (Thomas & White, 2023). Native Hawaiians are overrepresented in the homeless population. Of the 4,448 people facing homelessness on the island of Oahu, 51% identified as Native Hawaiian/Pacific Islanders (NHPI) despite accounting

for only 10% of the population (Magbual, 2020). Lack of affordable housing is one of the primary reasons for Native Hawaiian homelessness.

SB 3202 would facilitate the creation of smaller, more affordable "starter" or "missing middle" homes for residents. It can potentially increase Hawaii's housing supply, decrease homelessness, and bring down the cost of renting or buying a home in Hawaii.

Mahalo for your time and consideration,

Courteney Martin

Submitted on: 3/28/2024 10:03:49 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Seth Kamemoto	Individual	Oppose	Written Testimony Only

Comments:

The generic premise of this bill, which mandates a minimum housing unit density with no stipulations, cannot deliver more affordable housing units while simultaneously supporting existing local owner-occupant residents. In a vacuum, the naive idea goes: if you allow more units to be built per lot, more housing units will be generated. And if more units are generated, at some point the price per housing unit might go down. This would provide more affordable housing in the state. If only reality were this simple.

In reality, most (if not all) of Oahu already allows multiple units on residential lots in the form of Ohana units or ADUs. DPP has received 2,462 ADU applications since the ordinance was adopted in September 2015, and it has issued 1,541 permits. So nearly 40% of all permits were denied, quite probably due to lack of infrastructure access (e.g. water, sewer, roads). This bill would do nothing to support additional infrastructure; those 40% of permit-seekers would still be unable to even build a second unit, let alone a third.

And if no other existing current residents are choosing to build even a second unit, why would they build a third? This bill provides no other financial incentives to help existing owners improve their properties.

However, this bill does open the floodgates for real estate investors to scoop up residential properties. The existing ADU and Ohana rules have one key stipulation; either the additional unit needs to be for the same family (Ohana) or the owner must still be a resident on the property (ADU). This proposed bill would allow three units per lot, by-right, with no other stipulations. The owner does not need to occupy any unit; I don't even think the owner needs to be a resident of the state.

Our existing residents had the opportunity to add units to their properties for over a decade and they chose not to. The only thing this bill would do is allow outside investors to buy up residential properties and then develop them to the maximum as market rentals (as there's no affordability requirement).

So if this bill ends up generating more housing units, it won't be from existing local owner-occupant residents. It will be from outside real estate investors who bought them out, and either forced them to become renters themselves or move away from Hawaii entirely. We need laws that support our existing residents and enable them to improve their properties and age-in-place with their families, not sell them out to outside investors.

Thank you for your consideration, Seth Kamemoto

Submitted on: 3/28/2024 10:38:45 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellen Awai	Individual	Support	Written Testimony Only

Comments:

I support SB3202 SD2 on Urban planning. I am glad our state government realizes that the counties and towns needed to develop their own strategies of urban development, because they are closer to the needs of the people. We are finally working on what the people need and not a top-down situation. Although Oahu's Honolulu City & County may be the most populated island, Maui County with its four islands and land value of over three times more than Oahu, leads the state. Kamehameha I chose Lahaina as his capitol, but with colonization, Oahu was said to have better harbors. My mother was the first-born NIsei child in Napili, past Lahaina, so we visited Maui regularly and noticed the difference in the cost of living on the island, thus Maui No Ka Oi!

I took a Real Estate Investing tour in Indianapolis, IN and got my masters in Criminal Justice at Chaminade, I now have a better understanding of urban development, which I was unable to recognize in our island settings. The U.S. continent with its vast expanse of land developed their cities and surrounding areas in clusters. As these cities developed over decades the center got older, became overcrowded, and turned to slum areas. This would attract the highest rate of crime activities, like our Chinatown and the surrounding areas. Huge freeways were developed on the outskirts of these cities and like our rail system, the areas surrounding the transportation facilities needs to be redeveloped. The county & local governments of cities like Indianapolis, and those in Utah and Florida, provide investors from out-of-state, like Hawaii, funding resources and necessary entities to redevelop their inner cities. It's time to reinvest in our own islands!

In Hawaii, we developed differently in Honolulu County, we created a second city, Kapolei, for the population that were growing out towards West Oahu. We listen to developers and otheroutsiders who place a huge value on our land, making it unaffordable to those that were born and raised here. Again an issue created by colonization of our islands! Government needs to listen to the people of the islands, especially the Native Hawaiians. My father was the first Hawaiian diesel mechanic and traveled around the Pacific Rim developing other countries, but was not listened to in his own Island community for projects like the Halawa Stadium and the Red Hill Tanks, which was only supposed to be temporary. He knew Governors and even U.S. Presidents, but like myself and my brother, was imprisoned and called crazy for knowing too much! Colonization, where all institutions were created by a culture that wanted to obliterate the Hawaiians to profit and capitalize on our Islands!

Please support SB3202 SD2!

Bryan Li 2411C Liliha Street Honolulu, HI 96817

March 28, 2024

Committee on Housing
Committee on Water & Land
Committee on Judiciary & Hawaiian Affairs

RE: SB 3202 SD 2: Urban Development

Dear Members of the Committee on Housing, Committee on Water & Land, and Committee on Judiciary & Hawaiian Affairs:

Mahalo for the opportunity to submit testimony in STRONG OPPOSITION to SB 3202 SD2 – relating to Urban Development and requiring high-density development of multiple dwellings on subdivided undersized lots within established single-family neighborhoods.

While I strongly support affordable housing, a one size fits all approach that SB 3202 SD 2 hopes to achieve does not make sense for the reasons the City Council outlined in Resolution 24-65. What might be appropriate for the neighbor island counties may not be appropriate for the City and County of Honolulu, which has a population of over 900,000 people and is over 5x the density of the next largest county, Hawai'i County. There may be significant unintended consequences if this Bill is passed.

Please allow me to express my STRONG OPPOSITION for SB 3202.

Mahalo,

Bryan Li Liliha/Nuuanu Resident

cc: Rep. Jenna Takeuchi

Submitted on: 3/29/2024 12:17:48 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Karen Luke	Individual	Support	Written Testimony Only

Comments:

I could support his bill if the building permit included infrastructure improvements pegged to increased density. We do need to encourage the best use of land already carved out for residences.

Submitted on: 3/29/2024 12:26:44 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bruce	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha kākou,

My name is Bruce Lum and I am testifying in strong opposition to SB3202 for the following reasons:

- I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers.
- I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. If the neighbor islands want this density, then please exclude O'ahu.
- I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.
- To emphasize Gov Green's message above, we have 75,000 illegal short-term rentals statewide that "*could solve most of our housing problem immediately*."
- On O'ahu, there are 106,000 residential lots that are eligible for an ADU. Let's provide ADU subsidies and incentives to homeowners much like we do for large developers.
- According to the <u>DPP's annual report</u> (see page 23, Table II-2), we have 80,225 approved and permitted housing units on O'ahu that HAVE NOT BEEN BUILT? The fact is we don't have a supply problem, we have a building problem.
- Statewide, 23% of single-family homes and 29% of condos were sold to out-of-state buyers. Over half of condo sales on the neighbor islands were bought by out-of-state buyers.

Mahalo,

Bruce Lum Aiea

Submitted on: 3/29/2024 4:17:27 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicholas Zehr	Individual	Support	Written Testimony Only

Comments:

To the Honorable Members of the Hawaii State Legislature,

I am writing to express my strong support for the proposed amendment to Chapter 46, Hawaii Revised Statutes. Our outdated zoning laws have hindered our ability to find innovative housing solutions. This amendment offers a much-needed opportunity to increase affordable housing by allowing additional dwelling units on residentially zoned lots within urban districts.

This approach has proven successful in other high-cost areas, showing that increased density can coexist with community well-being. It provides flexibility for counties to address local needs while tackling the broader housing crisis.

I urge you to support this amendment, helping to create more inclusive communities and ensuring Hawaii remains a place where everyone can afford to live.

Mahalo for your time and consideration.

Sincerely,

Nick Zehr

Submitted on: 3/29/2024 5:36:13 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
janice zane	Individual	Oppose	Written Testimony Only

Comments: I strongly oppose bill 3202. Please do not vote for bill 3202. I believe that this bill will be detrimental to the communities of Hawaii. I believe that we need more of Josh Green's Kauhane homeless villages where the physical and mental health needs can be addressed. Crowding people into tiny spaces will create more physical and mental health problems, with increase traffic, increasing land value for other residents that cannot afford or do not want to add monster homes to their property, no space to grow food or exercise. I believe this bill will only benefit rich real estate developers, investors and the construction industry and not the other people of hawaii.

<u>SB-3202-SD-2</u> Submitted on: 3/29/2024 6:14:20 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Erich Kimoto	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202. This only benefits monster homes and greedy developers. Homeowners can already add an ADU so SB3202 is unnecessary.

Submitted on: 3/29/2024 6:50:37 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol Titcomb	Individual	Oppose	Remotely Via Zoom

Comments:

I stand in passionate opposition to SB3202.

This bill to permit the construction of AT LEAST two additional dwelling units (ADU) on residential lots is a short sighted, ill-conceived measure that will enable land speculation and over-development, forever changing the nature of our island community, and further driving property values / rental fees up and local families out.

I have personal experience with this situation. I was renting an older home on a lot with green space and fruit trees in Wahiawa Heights. The new owners subdivided the lot and built a 3 bedroom home on the other half, which they sublet. They then raised the rent because, of course, their property taxes increased with the value of the improvements. Within 2 years they had built one large ADU and renovated an existing garage on the same lot, with intent to rent them out as well. I moved out because my rent was going to increase again.

Moreover their actions quadrupled the density in what was once a quiet residential lane. The formerly green space with good drainage for our wet climate is now largely paved over for house foundation and tenant parking, with increased run off when it rains.

The owners are foreign investors who have bought another two lots in the same neighborhood with plans to continue subdividing, building and renting. They live in town, plan to retire in another country, and have no appreciation for the community of Wahiawa and how their activities have transformed our environment and our neighborhood.

Though past retirement age, I continue to work 10 hours a day and can't take time off to testify in person. If this bill is passed, I will have to push retirement back just to keep a roof over my head. My children have already joined the diaspora of Hawaiians living on the mainland, having been priced out of the market. Where am I to go if the rent keeps going up?

Which industry does this bill benefit? Which industry can afford to take time during the day to testify in person at the legislature? I don't have a lobbyist to monitor bills moving through the legislature that have critical impact to my life and the future of my family. Therefore I thank my representatives for making me aware of this awful bill. I thank you for your consideration,

Submitted on: 3/29/2024 7:17:36 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Morioka	Individual	Oppose	Written Testimony Only

Comments:

These State bills to eliminate single-family zoning is a **lazy** and **irresponsible** one-size-fits-all approach that doesn't consider or reflect the diversity or differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract and encourage **rash** developers, drive property values up, and price local families out. This contaminated homogenize concoction will "kill the goose" and further infect our beautiful golden island-way. Back to the drawing board on low-income housing.

Dear Senators:

Please accept my testimony in favor of SB 3202, SD 2. For more than three decades I have been an environmental scientist and planner preparing environmental impact statements for the infrastructure of the State of Hawai'i and its four counties. I have also spent 24 years on State boards, including the Environmental Council and the Marine and Coastal Zone Management Advocacy Council, and I also cofounded and continue to serve on Hilo Bayfront Trails, Inc., a non-profit focused on building bike paths and making our roads safer. As I wind down my professional career, I am now focused on promoting livable, walkable, valuable communities for Hawaii's future, for our children and grandchildren. This life experience has gradually made me aware that the solutions to a whole host of our problems in Hawaii can be ameliorated – if not solved – by a thoughtful increase in density. SB 3202 is of course centered on increasing density in order to increase affordable housing. I am fully convinced that permitting additional density will allow a variety of parties – from homeowners to small-scale entrepreneurs to construction firms to developers – to provide small, affordable homes for both rental and homeownership. Is it a panacea? No, but it is definitely a step in the right direction, a step that states, counties and cities across the country are taking.

But apart from its role in increasing and improving our housing choices, additional density can also take us "back to the future". I remember a time in Hilo before we had fully adopted continental American style suburban sprawl in the city's outskirts, before the large-lot, substandard subdivisions of Puna. There was a great variety of housing available, from cottages and bungalow courts and small apartments to larger homes. Houses and lots DID tend to be smaller, and Hilo was thus dense enough to be walkable. Despite bicycling's current reputation among some as an unwelcome import from Portland, Oregon, I recall that the Hawai'i of the 70s had more bikes than nowadays. Students safely biked to school if they wanted to. Downtown was brimming with local shops and national department stores. It was bustling in the daytime and the streets were thronged with walkers on Friday and Saturday nights. Small sampan buses took you across the town for a nickel. OK, can we fully return to this idyllically remembered past? No, we can't, and we shouldn't. In fact, we can build an even better future. Our housing can be better, with improved designs for tropical living, energy efficiency, and high-tech amenities such as fiber-optic broadband and smart homes. We can build or expand bike lanes and paths, wide sidewalks with room for cafés and popup events, small-scale transit, with a built-in clientele. With a little encouragement, there will be a positive feedback loop among growing retail and services, job expansion and increasing densities that will build a more sustainable Hawai'i, with less need to drive and fewer greenhouse gas emissions and motor vehicle pollutants.

I appreciated reading the testimony of some residents in wonderful neighborhoods like Manoa and Kaimuki who oppose the bill because they fear changes to their neighborhood's character. I live in a wonderful neighborhood in Hilo and I understand their trepidation. But I have found that the densest parts, the old parts that organically grew before our sprawl-inducing zoning codes were adopted, are really the best parts of our city. They retain a few "non-conforming" lanes of bungalow homes, older homes with ADUs built before that was even a term, accessory duplexes, etc. These units may affordably house the family's elders, some student boarders, or a young family just starting out. These small homes

also provide homeowners with the ability to have extra income and to gracefully age in place rather than futilely chasing a "downsized" home. These communities in denser neighborhoods are more diverse and reflective of our society. Living in such communities with the density to support walking to the corner store and dining in a locally owned restaurant promotes neighborly interaction among all of Hawaii's different people, which can only be a good thing. I would like more of that.

I hear the worries about parking, but in general, these tend to take care of themselves. Even small lots can accommodate a parking space somewhere in the generous setbacks each county requires. Not all residents need a car, and very few really need the two to three per person that can be common in the suburbs, where ample, publicly subsidized curbside parking is provided without even a thought as to the enormous cost in tax dollars. Parking will tend to sort itself out.

Because of the well-crafted bill, including sound amendments by the Legislature, the other objections to the bill that I hear about – worries about too many rentals and not enough homeownership, property value increases, infrastructure, or conforming with existing zoning – are either non-issues or easily resolved through adjustments to existing policies. I strongly urge you to pass SB 3202.

Ron Terry, Hilo

Submitted on: 3/29/2024 8:53:41 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jolie Wanger	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill as a resident and urban planner. The solution to Hawaii's housing crisis is not to densify all areas of the state. This bill will have disastrous, irreversible effects to our islands. It is important to strategically restrict density to areas such as select urban centers and transit corridors. We must not pass a one size fits all approach that will push out local families, attract out of state investors, and further erode our island character and communities.

Respectfully,

Jolie Wanger

Submitted on: 3/29/2024 9:12:58 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Laura Margulies	Individual	Oppose	Written Testimony Only

Comments:

Aloha Kākou,

I strongly oppose Bill SB3202. Older neighborhoods like Niu Valley, where I live, have been plagued by monster homes. This bill would allow big units to infiltrate our neighborhood, raising the property values negatively. These small apartment style homes ruin the quality of the neighborhood. Builders max out the property with huge homes and reduce green spaces. Investors buy old homes and cut down old trees that should be preserved for monitary gain. The people who buy and dwell in these units are not neighborhood contributors. Thank you for not passing bill SB3202.

Laura Margulies

Submitted on: 3/29/2024 9:26:07 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Craig Gorsuch	Individual	Oppose	Written Testimony Only

Comments:

Aloha Legislatures, I STRONGLY oppose State's bill SB3202. Although affordable housing is important, this bill is NOT a good solution. Many neighborhoods are already too dense and hawaii does not have the natural resources to sustain a drastic increase in housing density. The watershed currently cannot handle the increased stormwater runoff from housing impervious surfaces contributing to the currently proposed project to proposal to "fortify" Waikiki from stormwater runoff. Communities need more buffer permeable watersheds to absorb stormwater runoff, not less. Not to mention limited capacity for wastewater hookups and utility infrastructure. This bill would eliminate many green spaces including urban trees so important for a healthy urban ecosystem and green aesthetics important to attract visitors/tourists that support our economy.

There is no language in the bill to ensure affordable housing and housing on O'ahu is already too dense in many areas. A one-size-fits all approach does not take into account the differences between neighborhoods and counties.

This bill would encourage an urban blight of over development negatively impacting the watershed health, quality of life, and future tourism growth.

Mahalo, Craig

Submitted on: 3/29/2024 10:13:23 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Peter Jaeger	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB 3202 that is tied with HB1630. These State bills to eliminate single-family zoning is an irresponsible one-size-fits-all approach that doesn't take into consideration the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers, drive property values up, and price local families out. This will not solve our housing crisis and will not withstand any legal challenges in court.

Please kill SB3202.

J Peter Jaeger

Submitted on: 3/29/2024 10:45:03 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeffrey Laupola	Individual	Support	Written Testimony Only

Comments:

To the Honorable Chair and Members,

Thank you for the opportunity to submit testimony IN SUPPORT of SB3202.

For too long, the lack of supply of housing has forced Hawai'i's families to separate due to the high cost of housing. Hawai'i is losing its soul, its local families. This bill enables a more sustainable method to build more homes for Hawai'i families.

Your leadership in hearing this bill is commendable and I strongly urge the respective committee members to push forward this legislation to keep Hawai'i families together, mahalo.

Aloha,

Jeff Laupola

Submitted on: 3/29/2024 10:58:00 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lucinda and John Pyles	Individual	Oppose	Written Testimony Only

Comments:

Please oppose this measure. There are other, better ways to address the need for affordable housing some in the works, others with yet unrealized potential.

While the idea is to provide more affordable housing, it completely negates so much else that we value; open space, green space, private property and aina protections afforded by zoning and master develop plans and the C&C public/private processes essential to residents. Below I have listed some of the issues I think we could address that would make a difference in our housing crisis without destroying our existing communities.

*Make existing housing available to residents, since according to our Governor and Mayor, we have around 70,000 residential units statewide that are not available to residents either because they are vacation rentals or unoccupied investment properties.

*Expand existing and develop new diverse industries, as tourism, our primary economic engine, is an industry that is low skill, low pay.

*Implement the Oahu General Plan and 8 the regional development plans that represent incredible time and effort over decades by government and individuals like you and I engaging in public process to provide for diverse housing development, including affordable, while creating and preserving character and quality of life in our neighborhoods. According to a DPP report there are 80,000 permitted but unbuilt housing units on Oahu.

*Support the complete implementation of the master planned second city (Kapolei), with carefully planned communities not yet fully developed, connected by the about-to-be-completed \$15 billion rail and 100's of acres of transient oriented development land waiting to be developed.

Submitted on: 3/29/2024 11:15:10 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
George Lingle	Individual	Oppose	Written Testimony Only

Comments:

I have been a resident and in real-estate for over 45 years and know SB3202 will be detrimental to the residents on Oahu based on overcrowding and lack of adequate infrastructure to support such growth. Also, I believe it will encourage developers to take advantage of such a zoning change to build more "monster homes". Please DO NOT APPROVE BILL SB3202

Submitted on: 3/29/2024 11:17:47 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kyle Burchard	Individual	Support	Written Testimony Only

Comments:

I fully SUPPORT the bill SB3202 regarding allowing additional housing to be built across Hawai'i, including my home county of Honolulu. This is common sense legislation that has shown to provide additional homes and lower costs when implemented elsewhere. I also strongly encourage our State Legislators to finally put action behind their words in regards to solving our housing crisis that effects Americans nation wide, and Hawai'i residents even harder.

Submitted on: 3/29/2024 11:19:52 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Scott Whiting	Individual	Oppose	Written Testimony Only

Comments:

I stronly oppose SB3202. A one size fits all solution will end up causing many issues and mostlikely not improve the cost of housing. This bill is designed to benefit the real estate investors and developers and not our community.

Submitted on: 3/29/2024 11:31:16 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
B.A. ALEXANDER	Individual	Oppose	Written Testimony Only

Comments:

WHY is this the only hearing on this Bill? WHY is the hearing scheduled for the Monday after Easter weekend?...when the Satate office are closed on Good Friday?

I am strongly opposed to this Bill 3202. The State ought to STAY OUT of county land use/permit and planning matters.

The counties are the best to assess the needed infrastructure to support added development. On O'ahu we DO NOT have the needed infrastructure.

This bill takes planning out of the hands of the counties BUT then says the counties must implement these proposed new rules. Also, what about the budget that will be needed to implement? It seems relatively easy to say "thus and so" will become the law BUT implementation and enforcement are yet another matter.

Where in this Bill does it state that new housing would benefit those in lower income status?

Who will really benefit IF this Bill is passed?? I fear that it will NOT be residents in need of housing which they can afford.

IF the State wishes to promote needed housing for its RESIDENTS, pass a ban on vacation rentals(short-term rentals, 'STRs'). The City & County of Honolulu will provide data that the ownership of STRs is NOT primarily by residents; but by owners out-of-state, and in many cases; quite a large numbers of STRs are held by a single owner.

For those pwners of property who, in fact, are stgruggling to remain in their homes, OK, rent out a room/rooms to visitors BUT mandate that the hoiuse MUST be owner-occupied.

Where has the State been in the years leading up to the current situation (as evidenced in Maui, post- 2023 wildfires, where residents lack housing they can afford and yet there are thousands of STRs) where we have this vast proliferation of STRs????... a large numver of which are operated illegally ie; not non-confirming use permys?

I urge you NOT to pass SB 3202.

We do not have the supportting infrastructure in-place.

VOTE NO.

Mahalo.

Respectfully submitted,

B.A. Alexander

Ka'ohao ,O'ahu Resident

Submitted on: 3/29/2024 11:33:57 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carolyn Lewis	Individual	Oppose	Written Testimony Only

Comments:

Please think this through. I am willing to bet if the counties put more effort into enforcing the STR rules it would have a huge impact on the housing shortage. It seems like new regulations/laws get passed but are not given the time, man power or the effort to see what happens. If this passes people will start renting to out of towners not locals. The impact on allowing 2000 square-foot homes will hurt communities. If we allow this to take place will the counties pay for the differnce in property values for the people next door when they decrease due to the density and looking at a wall instead of beautiful greanery? Where is the secuirty in knowing that you bought into a neighborhood that is the way it is today. Has anyone taken a look at communities in other states and/or countries to see the environmental impact? This scares me and in my opinion will open pandoras box WIDER. I know we have a housing crisis but this is not the answer. Please dont pass this bill! Mahalo Piha

Submitted on: 3/29/2024 11:49:10 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nancy Taylor	Individual	Oppose	Written Testimony Only

Comments:

Please consider my strong opposition to SB3202. Further development of residential areas in areas such as Kapolei is what is needed. NOT increased density in areas already overburdened. Thank you for your consideration of my strong opposition to this Bill.

Aloha.

Submitted on: 3/29/2024 12:45:59 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted	By	Organization	Testifier Position	Testify
Kelly Nishin	mura	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. I speak for many in our diverse, working-class communities of people who live in urban neighborhoods that will be harmed by this bill. We, who trade mangoes and avocados with our neighbors and who supplement our meals with vegetables from our gardens, don't want to see our trees and backyard gardens replaced with buildings.

Our landlords will cut down trees and pave over gardens to build more housing on their lots if SB3202 is passed. Our rents will be raised to pay for the new construction that will swallow up our small patches of urban greenery. Please vote NO on SB3202. Mahalo nui.

Submitted on: 3/29/2024 1:58:38 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Diane Masuo	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. The bill does not include language that would ensure affordability for residents, identify the negative costs of increased density, nor address the how delays in building permit approvals will be resolved. Single-family zoning must be determined at the county level, not by a statewide statute.

Submitted on: 3/29/2024 3:59:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Piikea Miller	Individual	Oppose	Written Testimony Only

Comments:

Dear Committee Members,

I adamantly oppose SB3202. Trying to legislate our way out of a problem as multi-faceted and complex as affordable housing is a bad idea. This is a sure way to hurt local communities and families.

- Nothing in this bill insures affordability or that housing will go to local residents rather than out-of-state renters/buyers.
- Hawaii has 1,000s of short-term illegal rentals that could be used for housing.
- Honolulu already has an ADU program, and
- Zoning is a County issue not a State one, this bill forces the County to do something that it neither has the systems nor the desire to do.

Thank you,

Pi'ikea Miller

Lifelong Hawaii resident

The Honorable Chair Stanley Chang and Vice Chair Troy Hashimoto Committee on Housing

The Honorable Chair Karl Rhodes and Vice Chair Mike Gabbard Committee on Judiciary

The Honorable Chair Maile Shimabukuro and Vice Chair Kurt Fevella Committee on Hawaiian Affairs

The Honorable Chair Lorraine Inouye and Vice Chair Brandon Elefante Committee on Water and Land

Subject: Opposition to SB 3202 SD2

Dear Senators.

I am writing to you in opposition to SB 3202 SD2 and strongly urge you to vote NO on this Bill.

Many of our communities have already increased their densities through Ohana Zoning, ADUs and other efforts to help house our citizens. A doubling (or more?) of permitted densities without going through a thorough vetting process will lead to serious problems in the future. My single family street is almost impassible due to parked cards at every curb, because families have doubled up, and added bedrooms and bathrooms to accommodate multi-generational family members.

My County government is responsibile for land use management with input from citizens in my community, to plan and manage future land uses. Good urban planning includes analysis and study by the local government in consultation with our communities to develop comprehensive master plans for its neighborhoods. This also requires environmental and sustainability assessment, with detailed analysis of infrastructure, carrying capacity for water, sewer, traffic, parking, police, fire, schools and other urban services. The local Plans convey how communities envision their future and quality of life.

In its rush to adopt SB3202 the State will be denying the rights of existing residents to determine how the communities they have lived in and built over time will either continue as is or change. At the same time, people are looking at the results of State control over zoning in Kakaako, with no new schools, parks, playgrounds, libraries, etc. and do not want the same in their communities.

Ironically, after years of work and communication with citizens, community organizations and institutions, the Honolulu City and County will soon vote to adopt a land use plan for the Primary Urban Center. The bills proposed by the Legislature would ignore all those efforts, the cost and time spent and turn our zoning laws upside down. The ensuing disruption and chaos will cause distrust in our governmental systems which will take many years to correct.

I urge you to please Vote "NO" on SB3202.

Sincerely, Gail Baron

Submitted on: 3/29/2024 4:54:23 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Josh Leong	Individual	Support	Written Testimony Only

Comments:

It is very hard for us to commit and invest in this community at the current prices of homes, it's hard to budget for a family, and I don't see why we can't make homes that are smaller and more apt to our needs as a family. I also employ people in Hawaii and this is the number one big issue in growing the company is finding housing for our engineers.

<u>SB-3202-SD-2</u> Submitted on: 3/29/2024 5:29:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carolyn Ma	Individual	Oppose	Written Testimony Only

Comments:

I respectfully submit this testimony in opposition of this bill. Thank you.

Submitted on: 3/29/2024 6:24:09 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeannine Johnson	Individual	Oppose	Remotely Via Zoom

Comments:

I vehemently oppose SB3202SD2 and shudder to think what would happen in our bedroom communities in East Honolulu if it were passed. SB3202SD2 will defy our residential lot standards that limit building height, coverage, paving; remove landscaping, causing temperatures to rise; increasing traffic and noise; and the long-term cumulative impact of this transformation will adversely affect the character of our existing neighborhoods. We have **the** highest property values, homes built in the 50s with one car garages and narrow streets that are already crowded with residents' cars. SB3202SD2 will allow even more density than monster homes and bring even higher property values, making it even more unaffordable to live in Hawai'i. The DPP says about 122,600 additional dwelling units could be built on Oahu under our current regulations so therefore SB3202SD2 will only further entice developers and out-of-state buyers to buy up hundreds of our homes like Genshiro Kawamoto did, drive our property value up, and price our local families out. Look no further than Kaka'ako with all of its overpriced condos instead of affordable workforce housing for what will eventually become of these "affordable" units.

In the later part of the last century, developers had free rein to build hotels in filled-in wetlands, thousands of homes in filled in fishponds and thousands of condos in a filled in salt lake resulting in a wholesale loss of our cultural resources. In this century, though, because of environmental and cultural concerns the public has regarding Hawaiian burial sites, horrendous traffic due to overbuilding and unfettered growth, dwindling water capacity, and inadequate infrastructure, laws were passed to restrict monster homes and enforce the laws against short term rentals that protect and preserve the character of our residential neighborhoods. SB3202SD2 will override years of careful planning contained in our East Honolulu Sustainable Communities Plan that contains the spread of urban development.

This is unacceptable, I can only assume that **the real purpose of this bill is to benefit realtors**, **foreign investors and the state and county coffers** which would outprice our local community AGAIN. Your opposition is therefore respectfully requested. Mahalo.

Submitted on: 3/29/2024 8:28:16 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda Legrande	Individual	Oppose	Written Testimony Only

Comments:

We have zoning laws for a reason. We have an island plan for a reason. This variation is not the solution to affordable housing, but rather a developers dream. Let's provide ADU incentives to homeowners and keep our neighborhoods for families. You know what will happen if we build out our small lots. Infrastructure will explode! Thank you, Linda Legrande

Submitted on: 3/29/2024 9:15:39 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Colbert Matsumoto	Individual	Support	Written Testimony Only

Comments:

Please demonstrate your political courage in enacting this legislation. Our community is in crisis because of the lack of affordable housing and its impact on Hawaii's affordability. The now chronic annual decline in our population and loss of hope of our youth that they can realize a future in Hawaii warrants dramatic action. This bill offers a key step in the right direction. I urge you to act favorably on this measure and give hope to our citizens.

Submitted on: 3/30/2024 6:39:34 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Keefe	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs Evslin, Ichiyama, and Tarnas, Vice Chairs Aiu, Poepoe, and Takayama, and Members of the Committees on Housing, Water & Land, and Judiciary and Hawaiian Affairs.

My name is Jackie Keefe and I am a resident of Lahaina.

I am writing to express strong support of SB3202 SD2.

This bill is desperately needed to create a system of affordable housing in Hawai'i. Currently, the minimum lot size is much larger than is needed for reasonable-sized homes, encouraging the development of monster homes. Combined with the ability to legally build only one ADU, this makes it so that it is virtually unafforable for local families to buy homes.

Passing a bill like this takes a step towards keeping, and possibly even bringing back, our kama'aina families to the islands.

I am looking forward to the passage of this bill.

Thank you for your consideration.

Jackie Keefe

Lahaina, Maui

Submitted on: 3/30/2024 7:47:10 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Evan Gates	Individual	Support	Written Testimony Only

Comments:

Chairs and Committee Members,

I hope this message finds you all in good health and spirits. I am writing to express my **strong support** for SB 3202 and HB 1630, which I am certain are critical in addressing the housing crisis in our beloved Hawai'i. As a Native Hawaiian student studying at Harvard, my heart is deeply rooted in our culture and community, and I aspire to return home to contribute to our islands' future.

Discussions with friends at school who also come from Hawai'i have shown me that they also worry *deeply* about their ability to return home.

Unfortunately, the current zoning regulations in Hawai'i create significant barriers for families seeking affordable housing, often forcing them to leave our islands in search of more accessible options. SB 3202 and HB 1630 offer a chance to crack at these laborious regulations by legalizing smaller, more affordable homes on smaller lots and multigenerational housing, making homeownership more feasible for local residents like myself who dream of returning home to Hawai'i.

These bills not only provide much-needed affordable housing options but also honor our culture and traditions by allowing families to stay together and fostering a strong sense of community. By supporting SB 3202 and HB 1630, we can work together to create a more sustainable and inclusive future for Hawai'i.

I am encouraged by the broad support these bills have garnered from organizations and individuals alike. I believe that by supporting SB 3202 and HB 1630, we are taking a significant step toward ensuring that future generations of Native Hawaiians have the opportunity to thrive in our homeland.

Mahalo nui loa for your time and consideration. I urge you to support SB 3202 and HB 1630, and help pave the way for a brighter future for Hawai'i.

Me ka ha'aha'a,

Evan Kamakana Gates

<u>SB-3202-SD-2</u> Submitted on: 3/30/2024 7:54:37 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Susan Roth	Individual	Oppose	Written Testimony Only

Comments:

Please do not pass SB 3202. We do not need to disrupt residental neighborhoods with granting more buildings on current property lots. Thanks

Submitted on: 3/30/2024 9:02:09 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Taylor Campbell	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Taylor Pi'ikea Campbell and I am writing in strong opposition against SB 3202. I understand that the intention behind this bill was likely to make housing more accessible. While I agree that affordable, accessible housing is necessary, my fear is that this bill will mostly benefit developers, landlords and outsiders more than it does local folks and families. This bill will allow for neighborhoods to be over-developed, with streets more congested and green space sacrificed for buildings.

<u>SB-3202-SD-2</u> Submitted on: 3/30/2024 10:19:45 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Randy Roth	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202-SD2 primarily because I believe in HOME RULE. Please do not pass SB3202-SD2. Mahalo for this opportunity to submit testimony.

Submitted on: 3/30/2024 10:30:09 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joshua Montgomery	Individual	Support	Written Testimony Only

Comments:

COMMITTEE ON HOUSING

Rep. Luke A. Evslin, Chair

Rep. Micah P.K. Aiu, Vice Chair

COMMITTEE ON WATER & LAND

Rep. Linda Ichiyama, Chair

Rep. Mahina Poepoe, Vice Chair

COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Rep. David A. Tarnas, Chair

Rep. Gregg Takayama, Vice Chair

Hawaii State Capital 415 South Beretania St. Honolulu, HI 96813

Aloha Chairs Evslin, Ichiyama and Tarnas, Vice Chairs and Members

I want to talk about two important bills, SB3202 and SB2948, which could really help our community by making more homes available. Imagine our neighborhood as a garden; right now, we don't have enough flowers for everyone who wants to enjoy them. These bills are like deciding to plant more flowers so more people can have a beautiful place to live.

You might have heard some people, including those in charge of Honolulu County and folks who like things just the way they are (NIMBYs), aren't too happy about this idea. But here's the thing: their opposition is actually a good sign. It means these bills are strong enough to make a real difference by building more homes for people like us.

Neighborhoods change, just like seasons. What looks like today isn't what it looked like years ago, and it won't stay the same forever. These changes can be good, especially if they mean more of us have places to call home. SB3202 and SB2948 are about making sure our neighborhood grows in a way that includes everyone, making our community stronger and more vibrant.

Let's support these bills to help solve our housing shortage and make sure everyone has a home. It's about building a future where our neighborhood blossoms, offering a place for everyone.

Mahalo,

Joshua Montgomery Guard Well Farm 75-1097 Keopu Mauka Dr. Holualoa, HI 96725

Submitted on: 3/30/2024 10:32:29 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kris Adair	Individual	Support	Written Testimony Only

Comments:

COMMITTEE ON HOUSING

Rep. Luke A. Evslin, Chair

Rep. Micah P.K. Aiu, Vice Chair

COMMITTEE ON WATER & LAND

Rep. Linda Ichiyama, Chair

Rep. Mahina Poepoe, Vice Chair

COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Rep. David A. Tarnas, Chair

Rep. Gregg Takayama, Vice Chair

Hawaii State Capital 415 South Beretania St. Honolulu, HI 96813

Aloha Chairs Evslin, Ichiyama and Tarnas, Vice Chairs and Members

I'm reaching out to talk about a golden opportunity for urban renewal through the support of bills SB302 and SB2948. These aren't just pieces of legislation; they're a blueprint for a vibrant, inclusive future where every member of our community can find a place to call home.

Think of our city as a canvas, currently dimmed by the challenge of housing shortages. These bills propose to add color and life, transforming our urban landscape into a mosaic of opportunity and growth. By addressing the crucial issue of housing supply, we're not just building homes; we're rejuvenating our streets and neighborhoods, making them more welcoming and lively.

Opposition from some quarters, including local authorities and those resistant to change, underscores the potential these bills have to effect meaningful transformation. Their resistance highlights the strength of SB302 and SB2948 as catalysts for change.

Let's embrace the evolution of our neighborhood's character as a natural progression towards a brighter, more inclusive future. By supporting these bills, we're voting for an urban renewal that places the well-being and housing needs of our community at its heart.

Together, let's build a foundation for a renewed, thriving urban space where everyone has a place to belong.

Mahalo,

Kris Adair 75-1097 Keopu Mauka Dr. Holualoa, HI 96725

Submitted on: 3/30/2024 11:11:34 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Aria Juliet Castillo	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill to help with the overwhelming housing crisis we are facing.

Please consider the benefit to ALL counties and ALL neighborhoods when voting for this bill, not just your backyard.

Submitted on: 3/30/2024 12:01:42 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Oppose	Written Testimony Only

Comments:

This testimony is in strong, vehement opposition to SB3202 and its companion HB1630. Yes, we need more affordable housing. But this is not the answer. Its vigorous supporters, Sen. Stanley Chang and Rep. Luke Evslin are misguided. They should be ashamed of themselves by trying to ram this travesty down the throats of loyal, Hawaii residents who support the zoning laws and have worked hard, year after year, to balance development with food sustainability, sight lines, the need for trees which help the environment and provide needed shade and food, to keep Hawaii Hawaii. These bills will overtax our already burdened water supply, traffic on roads, parking space shortage, create concrete slabs replacing cool, green neighborhoods, destroy zoning, etc. There needs to be a holistic approach, not a battering ram saying if it means more housing it is good.

This bill must be defeated. What we lose by destroying well reasoned planning will never be regained. Instead many areas of the state will become a slum, a word the Honolulu City Council used in a previous draft of the resolution they recently passed against this bill. The monster home controversy on Oahu, which has lasted for years, is a prime example of what lies ahead if this bill becomes law. Do not become willing accomplices to the instigators of this travesty.

Most of the housing that is defined "affordable" is not. It is a formula based on median income and other factors which is rarely translated into dollars, often in the six figures. When one is lucky enough to find the hidden dollar equivalent it turns out to be out of the range of most of those seeking homes. How about some truth in advertising instead of opaque numbers.

What is needed is more home rule, not less, with the individual counties making these decisions, not the state legislature.

Please defer this bill. It needs a lot more work. All too often I see committee chairs killing bills, year after year, because there are too many unanswered questions. This bill clearly falls into that category.

Submitted on: 3/30/2024 12:08:17 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Toni Hartman	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to SB3202. I think the density issues would be very difficult for the Kailua community. We already have water mains breaking and our infrastructure could not cope with unlimited ADU or smaller lots. Also the parking would be an issue. I know the goal is more housing but to push through this measure is a huge mistake. It is very short sighted and I oppose it.

Submitted on: 3/30/2024 1:06:38 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Faith Christy Soliven	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Chang, Vice Chair Hashimoto, and Committee Members,

I am testifying in support of bill SB 3202. As a young college student born and raised in Hawai'i, I wish to always stay close to my family and the islands that are my home. It matters that we articulate our affordable housing solutions and break ground so that I and all generations of locals are allowed more opportunities to own or rent homes in Hawai'i.

SB 3202 initiates a critical step toward **providing more smaller homes on smaller lots that still fit within infrastructure capacity.** While many single-family homes already accommodate multigenerational families, what options do we have for Kūpuna who wish to downsize to a smaller unit? What options exist for young people who come home from college and can't afford a high-rise apartment while wanting to live independently? Or for working-class families with high rent and mortgages?

Growing up, I was lucky enough to live near my grandparents and extended family because we were neighbors right next door to each other. In the 80s and prior, my immigrant family could afford land and housing in South Maui, along with many others in my old neighborhood. It is so old and rural that it has aging homes, and many cars have to park on the shoulder with no sidewalks on our street. So, I see the frustration that more housing units might cause overflows in parking and stress in infrastructure.

However, this bill, fortunately, **allows for homes that can only be supported by the infrastructure we have,** ensuring that structures like "monster homes" aren't built. As a result, many supporters of the bill echo the importance of building smaller homes on smaller lots as long as they fit infrastructure capacity.

These homes are affordable. Why? **Locals can purchase less land than they need for starter homes that fit the character and form of a residential neighborhood** rather than the average single-family home, which amounts to over a million dollars. According to the <u>Grassroot Institute of Hawai'i</u>, Hawai'i's minimum lot sizes "range from 3,500 square feet for a single-family home to 10,000 square feet for a duplex or multi-family unit." While that's plentiful land, this current policy incentivizes much larger and more expensive homes.

It is not easy to imagine owning my own home here in Hawai'i at the rate of our housing market. But I am writing in support of this bill because I aspire to, and I want the same for my friends, family, and community of all ages.

Many might claim that passing this bill will raise concerns about parking, transit, land use, etc. **However, we can use these issues to focus on this situation holistically.** We know that housing impacts density, which impacts transportation, then roads, which affects land, and so forth. Passing this bill is only a step in the right direction of creating a better and more affordable living experience for locals in Hawai'i. For example, a few other steps are mixed-use communities, adaptive reuse of vacant buildings into housing, and transit-oriented development within dense urban areas. There's much work left, but I believe Hawai'i can do it.

Mahalo for your consideration, and I commend your efforts in making space for many of us to stay close to our families and stay home in Hawai'i.

Thank you,

Faith Christy Soliven

Andrew Laurence Honolulu, Hawaii 96815

Testimony for the Joint Hearing of the House Committee on Housing Committee on Water & Land Committee on Judiciary & Hawaiian Affairs

Monday, April 01, 2024, 2:00 p.m.

OPPOSING SB3202 SD1

Aloha to the Honorable members of these House Committees:

If the purpose of SB3202 (and HB 1630) is to address the need for more affordable housing for Hawai'i residents most in need, every draft of the bill <u>fails to effectively solve that problem</u>.

In fact, it appears far more likely that the proposed changes <u>would only exacerbate the</u> <u>problems we currently face</u>. They <u>clear the way for more luxury development</u> (not specifically prohibited in the bills), or clusters of smaller homes that will <u>likely create the **full effect**</u> of <u>monster homes and monster lots</u> that we have worked so hard to manage in recent years; ...which then results in further stresses on insufficient infrastructure, worsens neighborhood parking conflicts, and intensifies traffic in already dense working-class neighborhoods.

Most problematic, there is <u>nothing</u> in any draft of the bill that would ensure the new housing in densified neighborhoods would be <u>affordable to those who need it most</u>. Those who need it most make 80% and below the 2023 Area Median Income (AMI) figures (i.e., 80% AMI is Low Income, earning \$73,400/year, \$35.29/hour; 50% AMI is Very Low Income earning \$45,850/year, \$22.04/hour). If our society is to be one that is fair and just, we must provide housing for those who are most critically in need <u>first</u>.

National research on similar efforts in other states shows that the new housing provided for under SB3202 (and HB 1630) **does not** ultimately drive down costs and rents, nor create "trickle-down housing." Hawai'i is simply not the kind of market where this happens by itself because of the sustained demand from around the world for our island real estate.

Of considerable importance, the sections of the Hawai'i Revised Statutes you are attempting to change are so complex, it is highly unlikely that most people understand the implications of the proposed revisions. We cannot afford to assume. We must **know** the effects beforehand.

Further clarity on the implications of any changes is needed by both our community members and elected officials to ensure the long-term effectiveness of any statutory changes that attempt to ease the need for housing. As such, I respectfully ask you to vote <u>HOLD</u> SB3202 and all similar measures this year, until everyone has more time to understand the consequences.

Mahalo nui loa,

Andrew Laurence

anhew Saurence

Submitted on: 3/30/2024 2:58:14 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Oppose	Written Testimony Only

Comments:

Instead of wasting time on well-intentioned but disruptive and contentious ideas that create additional bureaucracy, you should focus on initiatives that would get strong, if not unanimous, support. Here are just three:

- 1. Expedite building houses on Hawaiian Homes Lands for locals that will stay local forever. That will help Hawaiians stay in Hawaii and lessen housing demand on the open market.
- 2. Expedite projects for affordable housing for purchase, not rent. 100% financing so buyers don't need that huge down payment. 35 or 40 year mortgage options to lessen the monthly payment. Provision to sell and re-sell only to local residents in perpetuity. Owners will build equity and are more likely to stay in state.
- 3. Expedite Transit-Oriented Development (TOD) along the Honolulu Rail. The Rail is now running. Where are all those hundreds and hundreds of affordable, high rise, high density apartments and condos that were promised?

It says throughout SB3202 that counties have review / approval / overriding powers and all structures must follow county codes. So why is SB3202 even necessary? Let the counties handle density matters. SB3202 could open a Pandora's Box for further overreach and intrusion by the state.

"At least two additional dwelling units..." Why force two? What if only one, larger unit is wanted? Counties already have rules and regulations for accessory dwelling units (ADU) in their building codes. SB3202 is not necessary.

SB3202 would cause chaos to street parking. Four ADU's could add eight or more vehicles to the immediate street area. Several of these ADU clusters on the same street would cause a ridiculous parking situation. Oh yeah, defer to the county.

The reasons to support smaller lots with ADU's can also be said to support monster homes. The reasons to oppose monster homes can also be said to oppose smaller lots with ADU's. So why are smaller lots with ADU's good but monster homes are bad? Where is your consistency? At least monster homes would utilize the spaces between ADU's.

SB3202 has merits, is well-intentioned but not necessary. The counties are already handling the situation. At best, SB3202 should be a resolution, not a Bill For An Act.

<u>SB-3202-SD-2</u> Submitted on: 3/30/2024 4:06:30 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Subi	nitted By	Organization	Testifier Position	Testify
C. K	aui Lucas	Individual	Oppose	Written Testimony Only

Comments:

Counties have to deal with permitting impacts. Honolulu City Council is very much against this bill.

Please do not pass.

Mahalo,

Kaui Lucas

Barry Sullivan, Attorney 999 Bishop Street, Suite 2110 Honolulu, HI 96813

April 1, 2024

TESTIMONY IN OPPOSITION TO SB 3202

Chairs Evslin, Ichiyama and Tarnas and Members of the Committees,

I submit that SB3202 will harm the people of Honolulu and Hawaii in many ways, while doing nothing to advance long-term, affordable housing. I urge that it be rejected and offer a number of reasons why. Given that I am a resident of Honolulu, my comments are largely limited to Honolulu, though my professional experience as a land use, zoning and real estate lawyer on all major islands.

Boiled down to its basics, I submit that **SB3202**:

- Seeks to impose top-down, one-size fits rules that will eliminate home governance.

In reading the New York Times and other papers recently, I have seen several articles to the point that President Biden's reelection depends upon the perception that he is doing something about housing prices. I have read the press releases regarding the conditioning of federal block grants on communities eliminating their zoning codes or funding organizations like YIMBY to push for such changes. I submit that the promise of federal funds or a federal election should not dictate Hawaii land use policy and that density alone does not make good land planning. The densest urban areas in the USA happen to also be amongst the most expensive (New York, Los Angeles, Seattle), while also having some of the highest percentages of families living at or below the poverty level (18%, 17.1%, and 11% respectively).

- Is a mainland import unsuited for Hawaii.

The "one size" that is being imposed was not created in Hawaii but is a mainland import, including by advocates who claim that single-family residential, and the concept of the nuclear family, should be discarded to the dust bin of history.

Honolulu has had a radical mandate for community planning that stands in contrast to other areas. This bill will reverse decades of very time-intensive and expensive planning, all

done by statutory mandate and done democratically: Through direct engagement of neighborhoods and guided through extensive public participation and input at every level.

I submit that Honolulu land planning and zoning since the 1970s (and the adoption of the Land Use Ordinance, General Plans and various other improvement and community/neighborhood plans) represents the considered will of Honolulu's ethnically and economically diverse people and, as mandated by law, are subject to review and readoption. They are not static. It is not, as advocates of SB3202 recently announced in a bold press release only last week, racism. Such claim is an insult to the multicultural participants who put so much time, energy and effort into each of our communities.

Is patently unsafe and puts lives at risk.

SB3202 will spread the risks of natural destruction and put the safety of our families at risk. I submit that one of the lessons of the Lahaina wildfires is that very dense residential housing, constructed of wood and without compliance with the life and safety code and standards required for apartment/multi-family directly and materially contributes to risk of loss of life.

SB3202 mandates densities in single-family residential districts that are so high they actually exceed, in Honolulu, the densities permitted in many apartment districts. Existing single-family communities in Hawaii are dominated by decades-old wood structures and the vast majority of all new home construction on Oahu is wood (due to cost). Into these communities will go huge increases in density be introduced, all built under single-family development standards and building codes.

These differences are not trivial and include things like the required the use of non-combustible building materials, the installation of fire prevention and fire suppression systems, steel fire doors and safe fire exits, and a number of other life safety requirements. ALL of these are applicable to multi-family apartment construction because the experts considering it concluded that density of such scale necessitates different rules for community safety -- particularly of elderly and children who have limited means of fast escape.

SB3202 will triple, quadruple or, as currently proposed, increase by more than 10-fold the densities in single-family residential districts. At the same time, rather than requiring the building standards of multi-family apartment, SB3202 effectively precludes counties from

imposing such development standards (through vesting of rights, discussed below). And this new density will be in and adjacent to single-walled homes that were built decades ago and which still require buffer space and winds for livability.

Fast-spreading fire is also one of the principal risks associated with climate change, related both to prolonged draught and a prediction of more high-wind events. This risk is likely to grow. Large fires that decimate closely grouped wood structures are no longer something that may happen, it has happened and will happen again.

- Is contrary to the investments made to develop Honolulu's Skyline Rail and seems designed to assure its failure and impose huge costs upon Honolulu residents.

In 2023, the most recent report I could readily find disclosed that the Oahu GET surcharge was generating over \$300,000,000 (\$300M) per year to pay for rail construction and would, over time, contribute nearly \$6,400,000,000 (\$6.4B). These tax funds were and continue to be taken from every resident and consumer on Oahu, on the promise that Skyline Rail was not just good transport but the essential component for the future of affordable housing and affordable living in Honolulu. That is, new housing would be concentrated along the rail route in the new Transit Oriented Development (TOD) Special Districts that were to be created.

Only now – in 2024 -- will the last of the TOD Special Districts be made into law. Only now has Skyline Rail commenced operating, though still a fraction of its intended route.

Precisely now is when the investment in housing is supposed to come – because every piece that developers and government officials and power brokers told us, the taxpayers, was needed to solve the barriers to housing construction are now (or shortly will be) in place. To the support this investment in housing,

- Honolulu has been making huge increases in density and height freely available (that is, build-by-right)
- Honolulu is offering even bigger increases in density and taller heights in exchange for additional community benefits
- o Honolulu has reduced or eliminated costly burdens, like parking requirements

- Honolulu has been making available all or nearly all essential infrastructure like water, sewer, roads – available so that developers do not have to pay for huge offsite improvements as are often required
- Honolulu has been streamlining and improving the process to review and approve TOD projects.

As (now) US Senator Schatz stated to Civil Beat in 2010, "if rail is built then it's likely there would be affordable, attractive places to live in the urban core" that would allow his children to stay in Hawaii and thereby encourage him to stay. Similar comments were made by many other elected officials, including the sponsor of this bill. Hawaii's Sierra Club premised its support of rail on the sustainable development it would create.

By pushing housing density away from the Skyline Rail route, SB3202 runs directly contrary to the heart of the multi-billion dollar investment into Skyline Rail. This TOD housing was not just supposed to reduce the cost of construction and thereafter the cost living for its residents (e.g., no cars, no insurance, shorter commutes), such housing was deemed essential to the viability of rail itself – because it would provide a primary user base.

Mandating development density away from TOD, as SB3202 does, is bad policy and puts Skyline Rail at even greater risk. Please also consider that Honolulu taxpayers remain on the hook for hundreds of millions of dollars in general obligation bonds that remain outstanding, with the prospect of even more in the future.

Does not address the cost of construction, which drives high housing costs.

It is patently untrue that the high cost of housing in Honolulu, which is the island I know best and will therefore avoid extrapolating to other communities, is due to a restriction on density in residential districts. I am a professional in this field. Rather, a very large part of the high cost of housing is due to cost factors that are both well documented and that can be addressed, or at least mitigated, but which are not.

The cost of shipping, inflated by the Jones Act and political restrictions on infrastructure efficiency improvements, hugely increases building material prices. My own experience, with developing steel-framed homes, was that the cost to bring the materials to the site in Honolulu proved to be nearly double what it would have cost for delivery onsite on

mainland. That is, it is the port-to-port and Honolulu port to jobsite costs nearly equaled the cost of the product itself.

Construction labor costs are not only amongst the highest in the country, the costs are disproportionately high relative to the median wage rates when compared to any other city. For example, the second most expensive construction labor market, New York City, has a much higher median wage which works to offset that cost. I am not saying that construction labor in Hawaii should not earn disproportionately more when compared to other trades or professions in Hawaii, but that cost is a significant driver of housing prices in Hawaii. Labor costs represent over 50% of construction costs and these higher costs need to be offset by higher wages for other occupations or other policies that reduce the cost of the housing being created.

Our construction insurance costs are also amongst the highest in the country. These costs are not small and, for example, in a high-rise project are in the tens of millions. Costs for certain coverages have more than doubled in the past decade alone, and the availability of certain insurances is now in question.

The type of construction matters, as construction costs are much higher, per square foot, for single-family (or addition thereto) when compared to multi-family apartment. SB3202 purports to drive density into the highest cost housing product despite, in Honolulu, the availability of massive development density and other incentives for TOD district development.

These "highest in the country" costs not only impact new housing stock, they raise the bar, every year, on the replacement cost of existing housing. When the choice is \$400/sf or more for new housing, existing homes are more valuable because they are so expensive to replace. That cost trickles down the market and while, as UHERO recently explained in a panel presentation on housing, new market housing has a potentially significant trickledown effect to less expensive housing, that impact will remain muted because of the impact of replacement cost on the market.

To make housing affordable (and sustainably affordable), the cost structure must be addressed and done in a way that (a) the savings do not just go into the pockets of developers or (b) simply fill demand coming from the mainland and other markets – after all, adding more people has never resulted in lower home prices.

As but one example, our US senator has vigorously defended the Jones Act, arguing that it is essential for national security. No exception or modification should be allowed for Hawaii -- despite the unique cost harm that is imposed and Hawaii as the only state that is not also served by trucking and rail. If we assume this is correct, that national security does in fact depend upon Hawaii being uniquely constrained by the Jones Act, that means that Hawaii's people are the ones bearing the brunt of its cost – a cost that has been estimated by some at over \$1.0 Billion annually (excluding the gain to the class who benefit directly from the reduced competition). Why is the federal government not being asked to make a like contribution to Hawaii, which can be dedicated to encouraging and/or providing affordable, accessible housing for locals?

Does not address tax policy, which drives housing costs instead of lowering them.

Hawaii grants massive tax benefits to a variety of industries. For example, the Act 221 High Technology Business Investment Tax Credit, even though it was eliminated in 2009, was still costing taxpayers over \$16 Million a year in 2016 alone. In a headline Civil Beat article, local technology startup and venture capital veteran Greg Kim called it "the gift that keeps giving" and he could identify, in 2016, only one company that even remained in business. That is, hundreds of millions were spent, or more correctly distributed via tax credit, with exceptionally little to show for it. In that same 2016, the total state credit available to support low-income rentals was only \$2.7 Million.

Our state has also chosen to exempt an entire class of non-Hawaii investors in Hawaii real estate from state income tax, provided only they create certain tax avoidance structures. Beyond the lost tax revenue and the tilting of the playing field in favor of non-local interests, it drives pricing up for locals. Investors look at after-tax returns and by simple strategies like domiciling in a tax haven (like Wyoming, Nevada, and other states with no income tax) and using these tax avoidance structures, the same property will be worth more to mainland investors and less affordable to locals. Even a partial rollback of those tax benefits, done carefully, could generate significant funds for affordable housing initiatives and policies and contribute to reduced prices.

Our state has also chosen to exempt from local taxation a host of other businesses and incomes, none of which reduce the cost of housing. For example, income received from a software patent, a book, or any other form of intellectual property right is completely exempt from income tax in Hawaii (HRS Sec. 235-7.3). Other segments receive whole or partial exemptions. While there is a limited GET tax credit for subcontractor-to-general

contractor in Hawaii, it is very small and does not overcome many other effects that are particularly harmful to construction. If we want more housing, which we do, our tax code should reflect that. These cost savings should benefit housing consumers and thereby would help move the meter for local families.

Lastly, our state also chooses to exempt from real property taxation broad classes of property and broad classes of property owners. This shifts the burdens to local families, whether the tax on their home or the taxes effectively pass through in rent. SB3202 will actually further drive up property taxes, because tax assessments are required to be based upon comparable sales to determine tax assessed value. A residential lot that can have 5 or even 10 homes will be worth much more, per square foot, than one that has only one or one with an ADU. Yet, because the entitlement exists for more intense development on all lots, even though not exercised, those property taxes will and must increase based upon the one or two lots that are so developed. These same families often have intergenerational living arrangements and who have committed their lives to their communities, yet they will suffer even more forces to push them out in favor of mainland investors who are skilled in the industry.

Does not help move the market to one driven by local families and local incomes.

Hawaii remains a highly desirable location for mainland buyers seeking to invest in Hawaii, to second-home in Hawaii, or to move to Hawaii. These buyers often come from markets that are driven by what is called the innovation economy, where wealth and high wages are generated as a result. Hawaii's two largest industries, by a huge measure, are tourism and government. They are, literally, the definition of rent-based economies (the renting of rooms and the spending of tax revenues). These industries have never seen the wage increases that other markets. Over time, like other tourist destinations, we run the risk of pricing our local population out of the market.

SB3202 is a free-for-all that will not protect local families, as it invites outside speculation outside of resort-designated areas. Investors that take advantage of SB3202 want to maximize their profit, while we want lower priced housing for local families. Other tourist markets who face the same or similar issues that we face have acted creatively to focus on the rules that effectively address this. I submit that the essential first step is to prevent vesting this increased density by right because, once you do, every owner can challenge any future restriction placed on it. The Skyline Rail condemnation process is a warning shot: The price of land is based in large upon its entitlement, even if unbuilt. Once vested, you

cannot easily down-zone it by regulation without substantial legal fight. In my opinion, SB3202 most certainly will vest rights that cannot be later regulated, or later regulated without the substantial risk of litigation and loss.

A better approach is to condition new density entitlement on the requirement that local housing be provided. One example, that has survived judicial challenge at least at the federal trial court level in Colorado, conditions new development entitlement rights on providing one or more housing units (ADU) that must be rented to a local which is defined as someone who (a) is a resident of the county, (b) works at least 120 days in the county, and (c) earns at least 80% of their income within the county. So restricted, rents will track what the local economy can support and, provided the cost of construction can be contained, it is truly a win-win.

* * *

I truly thank you for your consideration of the points raised and, as was once said, I wish I had the time to make this submission shorter. Please do not pass SB3202 and let's please get to work for next session on a package that addresses the core issues we face. I remain available to assist in any way that I can.

Very truly yours,

Bay Evi

Barry Sullivan

Submitted on: 3/30/2024 4:40:41 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pam Lough	Individual	Oppose	Written Testimony Only

Comments:

This bill is a bad idea. It will lead to increased density, with increased traffic, increased noise, and reduced privacy. It will also increase competition for parking. Please do not pass this bill.

The Honorable Luke A. Evslin, Chair Committee on Housing

The Honorable Linda Ichiyama, Chair Committee on Water & Land

The Honorable David A. Tarnas, Chair Committee on Judiciary & Hawaiian Affairs

Dear Committee Chairs and Committee Members:

We respectfully ask you to table SB 3202, SD2 in order to address infrastructure issues more adequately, especially those pertaining to fresh water resources.

We offer three comments regarding this Bill.

First, we applaud the Legislature for addressing our very limited housing supply. Housing is a national problem and our limited land area and delicate fresh water supply make our housing issues especially critical.

Second, while we support retaining permitting authority with the Counties, County Permitting Departments tend to be understaffed and underfunded. These shortfalls could impair full vetting of permit applications to the extent that various infrastructures may be compromised. Additional resources are needed at county levels to ensure permitting consistent with rules and regulations.

Third, we urge the Legislature to use the current attention to our housing crisis to continue to invest in improving our fresh water systems. More specifically, we favor bold investments by the Legislature to implement more provisions of *A Blueprint for Action, Water Security for an Uncertain Future*, 2016 – 2018 (The Hawai'i Community Foundation's Hawai'i Fresh Water Initiative). Such investments would appear to

provide a sustainable base for increasing housing densities in our urban communities.

Thank you for allowing us to offer comments on S.B. 3202, SD2.

Aloha,

Chauncey Ching Lia Foster

Submitted on: 3/30/2024 6:32:16 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Eric Young	Individual	Oppose	Written Testimony Only

Comments:

Re: SB 3202, S.D. 2

Monday, April 1, 2024 2 p.m. HSG/WAL/JHA

Conference Room 325 State Capitol 415 South Beretania Street

Aloha Chairs Evslin, Ichiyama, and Tarnas, Vice Chairs Aiu, Poepoe, and Takayama, and the Honorable members of the Housing, Water & Land, and Judiciary & Hawaiian Affairs Committees:

I OPPOSE SB 3202, S.D. 2.

The main problem is that this idea is being rushed. The result is very few people understand the on-the-ground changes the bill would make in residential areas around the state. I believe some would change their position of supporting or opposing this bill if they really understood it.

Given the serious long-term impacts this and other housing legislation appears likely to have, I respectfully ask that you please **HOLD** this bill for now.

Instead, a more prudent action for this year would be to commission a study to research how other states and communities have tried to address their housing issues using plans similar to those proposed by SB 3202. The study group should also work to discover any other solutions that have produced new housing that is affordable for those making 60% and lower AMI.

Because this issue is so divisive in our community, the study group should either be comprised of neutral individuals from out of state, or a group comprised of stakeholders from each side of the issue. Regardless of who is involved, the members should not be appointed by the House, Senate, governor, or any county politicians to keep politics and accusations of unfairness and corruption out of the process. Each stakeholder group on each island should select their own representatives.

Ideally, the housing solution discovered would be very livable and comfortable for residents (not packed together in cheap box-houses), it would not create traffic problems, the housing would not go to real estate speculators, would not drive up market housing costs, and would provide ample green space and environmental safeguards to protect from flooding, runoff, etc., and most importantly, be affordable for those making 60% and lower AMI.

Mahalo for your consideration of this alternative approach.

Eric Young Hawaii Kai

Submitted on: 3/30/2024 8:01:40 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Levani Lipton	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Evslin and Vice-Chair Aiu, Chair Ichiyama and Vice-Chair Poepoe, Chair Tarnas and Vice-Chair Takayama and Committee Members on Water and Land, Housing, Judiciary and Hawaiian Affairs:

I am a member of the Kailua Neighborhood Board, but I am testifying on behalf of myself. I am testifying in strong opposition to SB3202. Having a state law take precedence over county law especially in this case where there are so many variables creates unnecessary conflict with the already challenging issue of housing and development and will ensue in multiple cases of litigation where there are exceptions or caveats. This will not solve the affordable housing crises. This one size fits method is not the solution to affordable housing. It benefits certain constituencies. There is no language to ensure affordability. How will this be guaranteed? How do we know that this housing will be secured for local hardworking families and not investors and out of state buyers? Where is the disincentive for out of state buyers and investors who see this as a business opportunity? If the language is not in the bill, how can the public be assured this will be intended and given priority for populations with the greatest needs who are asset constrained and limited? We need to prioritze local residents over outside interests.

Each county is different, each neighborhood is different, each island is different, each population demographic is different. Honolulu county doesn't have as much land as other counties with an abundance of land especially in rural areas and lower population density. Each county should be able to dictate what works for them.

SB 3202 in my community of Kailua on Oahu could mean the loss of familiar neighborhoods that we grew up in and the proliferation of monster homes which my community is strongly against. We do not want high density packed neighborhoods. If those monster homes turn into vacation rentals at some point, our sense of community and place and belonging will be lost. We cannot afford to let this happen. I strongly urge you to vote NO on SB3202.

Thank you for the opportunity to testify.

Sincerely, Levani Lipton

Submitted on: 3/30/2024 8:52:21 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beth-Ann Griswold Coller	Individual	Oppose	Written Testimony Only

Comments:

I have major concerns about the proposed bill for a number of reasons and strongly oppose this bill. I urge the members of the legislature to vote NO on this bill. My specific concerns include:

- If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers? Investors and out-of-state buyers continue to drive up the cost of housing in the state and specifically on Oahu and this approach should not be an incentive for their further investments.
- O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. Specifically the DPP has the responsibility and expertise to decide on a case by case basis if such building is appropriate for the specific neighborhood and lot taking into account all aspects including infrastructure including utilities and parking.
- To build upon this idea, eliminating single-family zoning as a one-size-fits-all approach does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property costs up, and price local families out. Investors and out-of-state buyers should be specifically excluded if any such approach is considered to support affordable housing.

Submitted on: 3/30/2024 9:55:26 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bob Gahol	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/30/2024 11:18:04 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol Miyashiro	Individual	Oppose	Written Testimony Only

Comments:

I am writing to express strong opposition to SB 3202 and HB 1630. I believe these bills are short sided and lack key safeguards that support the purported goals of increasing affordable housing for local residents. There is nothing in the current bills that would prevent an out-of-state or foreign developer from maximizing the subdivision of residential lots and then selling them to out-of-state buyers to be resold or rented out at market (i.e., "unaffordable") prices. I urge you to conduct more due diligence before passing bills of this nature as once irreparable harm is done to communities throughout Oahu, it will be too late.

I respectfully share why I oppose SB 3202 and HB 1630:

- 1. It is my understanding that this legislation is being forcefully pushed as a "national" housing initiative. I have lived on the continental U.S. in Washington, West Virginia, and Indiana. My sister currently lives in Colorado and my daughter lives in California. There are great dissimilarities between the density of homes and neighborhoods in the continental U.S. versus Hawai'i, especially on Oahu which houses the bulk of the state's population. First, Hawai'i is an island and there is a finite amount of space. While homes on the mainland generally have yards and space between the neighbors, that is not the case here. Streets (and parking spaces) tend to be wider on the mainland and parked cars don't seem to overrun the roads and unimproved sidewalks. I live in the Coconut Grove area of Kailua in a lane that consists of 12 homes in very close proximity. Some homes are owner occupied; some are rentals; and others have renters in their homes. There are seniors, multi-generational families, and young parents with children. The lane is congested with cars continually going in and out (there is room for only one car to pass at a time). There is five feet of space between my home and my neighbors. I hear my neighbors talking, their babies crying, their tvs playing and I can smell what they are cooking or what they are smoking. I can't imagine this lane getting even more dense with six to nine separate living units on each lot. That would be 72 - 108 residences in the lane. What a very unpleasant way to live. What may work on the mainland is not always a good fit or appropriate for Hawai'i.
- 2. When ADUs were being promoted, my husband and I went through all the various steps to meet each of the requirements. We have an on-site dedicated parking spot for the ADU tenant, we had to upgrade our electrical panels, we had to add fire resistant drywall, and we had to have sufficient capacity for water and sewer. As required, my husband and I live in our home. We rent the ADU to a local senior couple and have maintained the rent at \$1,800/month (even if the market rate is higher). What safeguards are there to make

- sure owners of subdivided lots would remain onsite? What safeguards are there to make sure the rents are "affordable"?
- 3. It is my understanding that this legislation does not require dedicated parking spots as is required for ADUs. Street parking is already inadequate with cars parking all over the place including too close to stop signs, making it hard to see other cars. Parking scarcity is compounded with tourist cars that park on the streets and unimproved sidewalks (Lanikai is a prime example of a residential community being overrun with cars). As additional homes are built, where will their cars park? The streets of Kailua have not seen any major improvements in the past 20+ years. Yet there are more cars, tourists who flock to Kailua, commercial buses and vans, and stores like Target that attract shoppers. It is irresponsible in my opinion to pass legislation that will create more traffic and parking problems.
- 4. With regard to water, sewer, and electrical infrastructure, BWS and HECO are already unable to meet the current needs and demand. The Kailua sewage treatment plant is often over capacity causing sewage run off into the ocean. Adding more concrete slabs under homes is going to decrease yards and grassy areas around homes which will make the storm water runoff issue worst. And HECO is already experiencing frequent outages caused by insufficient power supply and aging infrastructures that break down. I can't imagine how BWS and HECO would be able to handle an exponential increase of demand caused by squeezing more homes and people into the older established neighborhoods. Kailua is an older community with wires hanging all over the place connecting homes to poles and double poles (some are rotting). The exposed hanging wires (some are electrical and others are cable/telephone/internet) are hazardous, especially during wind and storms. In my opinion, it is irresponsible to increase exposed wiring in neighborhoods without a plan to upgrade and modernize the existing grids. Drainage is also an issue as is sewage treatment. Even Mililani, a newer community with the benefit of underground electrical lines, is experiencing disruptions to their power. It is irresponsible to increase demand for electricity, water, and sewer in communities that are not even being adequately serviced at this time. Moreover, uncertainty related to the Maui wildfires and HECO's potential liability should be resolved before any exponential increase in new home electricity demand.
- 5. My son and his wife were fortunate enough to purchase an "affordable" condo in Kakaako (Ke Kilohano). To qualify, they had to be Hawai'i residents and first-time home buyers. They were required to live in the home, with restrictions on when they can rent or sell it. It is my understanding that the proposed legislation has no such safeguards to make sure that local families are prioritized. Moreover, with the speed by which condos continue to be built in the Kakaako area (a few are "affordable" but mostly not), is the solution to keep building MORE homes or more truly "affordable" homes for people who live and work in Hawai'i? What is to prevent developers and persons from out-of-state from taking advantage of opportunities to buy lots and subdivide them? There would be NO protections for local families and that is not acceptable.
- 6. As more homes are built and more people are added to neighborhoods, where are the support services? With all the new condos in Kakaako occupied by families with young children (like my grandson), where is the elementary school that was slated to be built nearby? Where are the additional police officers, firemen, bus drivers? Is there room in

- our parks and beaches for more residents and tourists? Where do all the cars park? Can the roads handle more traffic?
- 7. We need to maintain and upgrade and care for what we already have. It kills me to see our park facilities so run down, our roads so dilapidated, and our schools in such disrepair. Yet, legislators and government officials like throwing money at new and shiny things rather than rolling up their sleeves and fixing the problems that we have. In my opinion, we can address the housing shortage by dealing with the illegal short-term rentals throughout Oahu. We can disincentivize people from other states and countries from buying properties in Hawai'i that sit vacant through higher fees and taxes (they did this in Vancouver, B.C.). We can help homeowners add ADUs under the current laws by improving the permitting process at DPP and offering low interest loans. We have solutions already to improve our housing supply; we just lack the will, commitment, and enforcement to take the steps forward.

I urge you to avoid the negative and unintended consequences of SB 3202 and HB 1630 which would ruin the charm, character, and nature of established neighborhoods throughout Oahu. If the goal is to add more affordable housing for our local Hawai'i families, these bills miss the mark. Thank you.

Submitted on: 3/31/2024 2:18:13 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Janyce Mitchell	Individual	Oppose	In Person

Comments:

I oppose SB3302 (and its companion measure HB1630) and hope that you will vote against it. SB3202/HB1630 makes sweeping statewide changes to zoning that run the risk of pricing out local families and harming neighborhoods without meaningfully furthering the goals of affordable housing.

By establishing zoning across the state, these bills ignore the unique nature of each county in Hawaii. For example, Honolulu already has the densest housing by far. Monster homes are a real concern for residents of Honolulu. These bills would encourage the same kind of issues around density that monster homes bring. Under these bills, Honolulu and other counties are unable to tackle challenges around housing and density in the way that suits their residents.

Though paying lip service to issues around infrastructure, these bills ignore the fact that many counties have aging infrastructure. Counties also face other related issues, like the conversion of cess pools and preparation for climate change. These bills strongly encourage higher density that could over-burden existing infrastructure. They also rely on understaffed permitting departments to be the last stand against overdevelopment. This is poor planning and a bad idea.

It is likely that housing developed under SB3202 and HB1630 would have more hard surfaces and fewer trees than the housing that is replaced. Honolulu, for example, has already lost many trees over the last few years. The green space that provides a welcome relief in our urban areas is also shrinking. These bills will accelerate these processes. This may impact our aquifers, make urban heat islands more problematic, and contribute to climate change.

Although claiming to make housing more affordable, there is no requirement that the housing built under the bills actually be affordable. Instead, a developer, who is more likely to have financial backing than a family, could outbid a local family for a 6000 square foot lot with a single family home. The developer may then demolish the home, subdivide to three 2000 square

foot lots, build three luxury residences occupying most of the rlot, and sell each at market rates. This aids developers, not local families.

A better solution would be more support for ADUs for which the owner lives on-site, ohana units, and transit oriented development (i.e. around rail). ADUs and ohana units allow for multigenerational living and may provide a rental income stream that can help a family afford a home. Tax incentives or lower cost loans for ADUs/ohana units would be a more effective way to provide housing for local families. In contrast, SB3202 and HB1630 encourage developers to outbid local families for single-family residences, demolish existing housing, subdivide, build, and reap the profits.

These bills attempt to import mainland ideas, for example from California and Washington. There is no recognition that Hawaii is differently situated for a number of reasons. Further, these states still have affordable housing issues despite passing laws on which SB3202 and HB1630 are modeled.

There are other, better ways of addressing housing. Governor Green, a strong advocate for affordable housing, recently indicated that there over 50,000 illegal vacation rentals in Hawaii. Many of these are owned by mainland entities. Enforcement of existing laws on vacation rentals would go a long way toward quickly providing more housing stock while preserving the character of our neighborhoods. SB3202 and HB1630 may do neither of these.

For these and other reasons, I implore you to vote against SB3202, as well as HB1630.

Thank you for your time and attention.

Submitted on: 3/31/2024 4:07:19 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel G. Chun	Individual	Oppose	Written Testimony Only

Comments:

I **STRONGLY OPPOSE** SB 3202 SD2 for:

- 1. State's assault on quiet enjoyment of established neighborhhoods
- 2. Assault on long-standing county zoning
- 3. lHouse leadership intention to minimize any **OPPOSING** opinion by cramming three committee hearings into combined hearing and scheduling joint hearing on April Fool's Day forcing testimony to be due on Easter Sunday.

TESTIMONY IN SUPPORT OF SB 3202 SD 2 BY GALEN FOX

House Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs
April 1, 2024 at 2 p.m.
Conference Room 325 & Video

Chairs Evslin, Ichiyama, Tarnas, VCs Aiu, Poepoe, Takayama, Members,

<u>SB 3202 SD 2</u> allows, but does not require, two or more additional residential units, each (three total) on lots of at least 2,000 square feet, to be built per single family lot within urban districts. Counties will continue to impose restrictions in line with new or existing ordinances or rules (i.e. no Monster Homes).

Similar bills to generate affordable housing are on the books in Minneapolis, Seattle, Oregon, Atlanta, Boston, Rhode Island, California, and Maryland's Montgomery County. Land-limited Oahu especially needs such a law, where **64% of urban land** not controlled by the military **is zoned for just one or two homes**.

Hawaii has the nation's highest housing costs. Adjusted for inflation, the price of existing homes in Hawaii has increased by more than 150% since 1984. Meanwhile, Hawaii's median household income, adjusted for inflation, has risen only 24% over that time.

We have the nation's highest percentage of homeowners paying more than 30% of income on their mortgage, driving our people to the mainland. Our population has declined for seven consecutive years. The people leaving include our young and others most needed for our future. **More Native Hawaiians now live outside Hawaii than here**.

SB 3202 SD 2 carries out the intention of Hawaii's historic land use law, which states that urban growth should be encouraged primarily in existing urban areas where adequate public facilities are already available or can be provided with reasonable public expenditures, not in areas where other benefits are present, such as protection of important agricultural and conservation land [1961 Act 187].

We need small, naturally affordable **Starter Homes** that cost well under the current median home price, built where **urban area housing needs** lie. Starter Homes are small, single-family homes that fit in current urban neighborhoods. They add per-unit tax revenue well beyond their added cost. They mean young families own homes much sooner, and stay here.

Legislators pay attention to the voices of current homeowners. And they should. It's harder to hear the left-out younger generation, closer to my grandchildren than to me. When Gen Zers speak, many now must shout from Las Vegas.

Mahalo for your attention to my testimony SUPPORTING SB 3202 SD 2.

Aloha, Galen Fox

Submitted on: 3/31/2024 6:48:00 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
lisa parker	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to SB3202 SD2. There are detriments to a neighborhood if this passes. I recall people in an uproar about AirBnB parked cars in their neighborhoods. Having an increased number of small homes or allowing more structures on a lot will create a similar overcrowded parking situation. Already, there are illegally built homes on lots built secretly without displaying building permits. If SB3202 SD2 passes, the unlicensed builders will keep constructing their "Frankenstein" structures because the building permit office takes bribes or is overloaded with requests. Please reconsider passing this bill until more building inspectors are available and to protect homeowners that do not have to depend on living with relatives from streets overloaded with cars.

Submitted on: 3/31/2024 6:57:26 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kenani Gramberg	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

- I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers.
- I strongly oppose SB3202. O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. If the neighbor islands want this density, then please exclude O'ahu.
- I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Mahalo,

Kenani Gramberg

Submitted on: 3/31/2024 7:00:33 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pat Watson	Individual	Oppose	Written Testimony Only

Comments:

I absolutely oppose SB3202 SD2 as written. Unless you have lived in a neighborhood that has been overbuilt, with no parking, in which the beauty of the neighborhood has been destroyed by the construction of houses which maximize lot density, rent out rooms & add to crime in the area, please don't tell me this will fix any problem of affordability & availability. More people will NOT be able to buy land & build homes, no, quite the opposite, greedy unscrupulous developers will swoop in & do what they've been doing for years. Look at the Ohana Zoning issue, I built a house on a family lot, my sister in law lives in one house, my daughter the other. Under Mayor Eileen Anderson, this was the intent of this law, we did it right, but again these greedy developers built houses & sold them, so the law back in the early 80's was rescinded. It's gotten significantly worse. As much as I think the intent of Representative Evslin is an honorable one, this bill as written, will create more issues, but this time, the law will protect them. Question, what is affordable, don't you think the issue of who has the money to buy will still prevail? What about the look of neighborhoods? It will a mishmash of buildings. I am not certain why this bill, really without much thought, is being railroaded through the legislature but it's so wrong on so many levels & will only help those who have the money to buy property & misuse what the bill intended. I truly understand how futile my words might be but I have to try otherwise when the mess this WILL create is looked by on, I can say I tried. Please take the time to do the same, think about the flaws in this bill. Thank you.

Submitted on: 3/31/2024 9:29:30 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
David Paulson	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202. This bill is bad urban planning. SB3202 will further harm residential communities that are already struggling with the impacts of illegal "monster" homes, including loss of neighborhood trees and landscaping, excessive number of vehicles, lack of on-street parking, noise, increased temperature, overburdened sewer systems, and loss of residential character. Additionally, SB3202 will almost certainly permit the spread of these impacts to other communities that don't already have monster homes.

Please do not pass SB3202.

Submitted on: 3/31/2024 10:11:14 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brian McNamara	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out. Let's first disincentivize investors and out-of-state buyers.

Submitted on: 3/31/2024 10:48:47 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Luff	Individual	Support	Written Testimony Only

Comments:

Many opponents of this bill claim that it will lead to more "monster homes" being built in their neighborhoods. However, it is overly strict rather than overly permissive laws that have led to the creation of monster homes. Hawaii has the highest housing costs in the nation and a shortage of tens of thousands of housing units, yet our laws make it extremely difficult, if not impossible to build the housing that we need. To build the housing that we need while "keeping the country country," we need to build more densely in existing neighborhoods that have the infrastructure and jobs that we need. Unfortunately, zoning laws, like the large minimum lot sizes and rules that allow only one or two dwellings to be built on each lot, which this bill would partially eliminate, as well as the arduous process for rezoning a parcel, make it impossible to build the "missing middle" housing that could reduce our housing shortage. Given this context, monster homes are a creative, albeit detested, solution to our housing crisis. Because it is impossible to build the middle density housing that so many people want, developers instead build huge "single family" homes with large amounts of bedrooms, bathrooms, and wet bars (which can easily be retrofitted into kitchens). Monster homes demonstrate that density will always find a way, whether we make it legal or not. However, if we make it legal to build denser housing, we will be able to ensure that it gets built safely and doesn't overburden our infrastructure. Put simply, monster homes are a symptom of the severity of our housing shortage, which this bill hopes to ameliorate. Rather than increasing the amount of monster homes, this bill will remove some of the conditions that have caused them to exist, by making it easier to build the "missing middle" housing that we need to alleviate our housing crisis.

Opponents also claim that the bill will overburden our infrastructure. Anyone who has read the bill knows this to be false, as the bill allows the counties to "[r]eject a permit application for development on the residentially zoned lot if the county determines there is insufficient infrastructure for the development."

<u>SB-3202-SD-2</u> Submitted on: 3/31/2024 11:37:55 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jason Kott	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 3202.

<u>SB-3202-SD-2</u> Submitted on: 3/31/2024 11:49:36 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Anita Anderson	Individual	Support	Written Testimony Only

Comments:

I support SB3202. Many residents need more affordable homes. SB3202 can help!

Thank you

Submitted on: 3/31/2024 11:57:36 AM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Taka Sento	Individual	Oppose	Written Testimony Only

Comments:

I strenuously object to this bill.

The counties have always had the power to do this on their own. Rather than simplifying the issue ,you will in fact be complicating it, adding more regulation through yet another branch government, setting the stage for many lengthy, expensive court fights. The state should stay out of this and leave it to the counties to decide for themselves. If you are going to pass it anyway, then I plead with you to please remove section 205 which grants an exemption to subdivisions with existing private covenants. This is extremely unfair to those people who own homes in a neighborhood that does not have covenants. For example, Hawaii Loa ridge with its huge lots and restrictive covenants would be entirely exempted while the immediately adjacent neighborhoods of Aina Haina and Niu valley would not be exempt. So you would be preserving the rich wealthy enclaves and over crowding the others. If anything the opposite should true. Hawaii Loa ridge should have its covenants stripped away, while Aina Aina and Niu should be exempted as they have already been CPR'd and monster home'd beyond recognition. You will be protecting the rich and shafting the poors. Thanks.

Well, "we had to do something" is the worst possible reason to hurriedly pass legislation. The unforeseen consequences will be enormous. DO NOT PASS THIS BILL!!!

House Committees on Housing, Water and Land, Judiciary and Hawaiian Affairs April 1, 2024 Joint Hearing 2:00 PM, Conference Room 325

Testimony in Strong Opposition of Senate Bill 3202 SD2 Relating to Urban Development - Requiring High Density Development of Multiple Dwellings on Subdivided Undersized Lots Within Established Single-Family Residential Neighborhoods

Housing Committee Chair Evslin, Vice Chair Aiu and Members Kila, Kitagawa, Miyake, Onishi, Todd, and Matsumoto:

Water and Land Committee Chair Ichiyama, Vice Chair Poepoe and Members Chun, Ganaden, Hashem, Mizuno, Morikawa, Takayama and Souza; and

Judiciary and Hawaiian Affairs Committee Chair Tarnas, Vice Chair Takayama and Members Evslin, Ganaden, Holt, Ichiyama, Ilagan, Kong, Miyake and Souza:

I stand in strong opposition to Senate Bill 3202 and iterations thereof, and fully support Honolulu City Council Resolution 24-65 adopted on March 25, 2024, entitled "RESOLUTION EXPRESSING THE HONOLULU CITY COUNCIL'S OPPOSITION TO HOUSE BILL 1630, HD1, AND SENATE BILL 3202, SD2, RELATING TO URBAN DEVELOPMENT" – together with the following justifications:

City Council Resolution 24-65 opposing the proposed State Legislative companion bills Senate Bill 3202 (Chang) and House Bill 1630 (Evslin), emphasizes and echoes the larger public's significant concerns relating to the detrimental ramifications of these aggressive State bills, which seek to eliminate single-family zoning and replace it with an irresponsible "one-size-fits-all" mandate that neither considers or respects established, stable and historic neighborhoods and communities or the unique differences between each neighborhood and county within the State.

Imposing unfettered density upon Hawai'i's established, stable and historic residential neighborhoods will replace sound planning practices with arbitrary and incompatible high-density spot zoning of the subject properties conveyed; will further attract and encourage destructive developers and offshore interests and investors continuing to price local families out of their chosen neighborhoods; and will ultimately drive property values and property taxes ever higher, thereby continuing to price local families out of their neighborhoods, their communities, and the State.

The Hawaii Revised Statutes stipulate the following under HRS Chapter 46-4, County Zoning:

- Zoning in all counties shall be accomplished within the framework of a long-range, comprehensive General Plan to guide the overall future development of the county.
- Zoning shall be one of the tools available to the county to put the General Plan into effect in an orderly manner.

Senate Bill 3202, if passed jointly by your committees to be adopted by the present Legislature and enacted by the present governor, will take away each county's ability to comprehensively plan for each Island's future, and the public's ability to rightfully participate in the comprehensive planning process.

Senate Bill 3202 and House Bill 1630 dictate the number of housing units that SHALL be on residential lots by subdividing established residential neighborhood lots of 3,500 square feet or more into 2,000 square feet or less, with three or more dwellings within each subdivided lot, thus mandating high-density housing with significantly adverse effects on contiguous neighborhoods and the larger community, including but not limited to the following:

- A) Encasing residential lots with concrete that exponentially heats neighborhoods and surrounding communities and increases destructive flooding and water runoff;
- B) Compounding and amplifying noise disturbance factors;
- C) Exacerbating parking problems and traffic congestion within established neighborhoods and communities, particularly where the streets are commonly narrowed to a single traffic lane with off-site parking on both sides, and where some urban roadways remain without sidewalks;
- D) Eliminating the green space that is essential to the fabric of Hawai'i's established neighborhoods;
- E) Destroying and prohibiting necessary tree canopies that mitigate the increasing effects of climate change.

State Legislators, just as City Councilmembers, are democratically elected to act in the interests of and on behalf of those residing within their respective community districts.

Clearly, any affordable housing proclamations should not be used as an excuse to gut the laws that protect the valuable unique character, environment and cultural quality of life in Hawai'i's established communities.

Further, the Honolulu Department of Planning and Permitting's Annual Report discloses that 80,225 properly-zoned housing units have been approved and permitted on O'ahu but have not been built; and there are presently between 10,000 and 14,000 short-term vacation units on Oahu that if returned to residential use would provide needed housing.

Conversely, habitual and overbearing proponents of high-density housing development, obsessive in converting Hawai'i Nei to Singapore and erasing all that has gone before, and some with contempt for long-time and multi-generational residents who care about their communities, continue to blindly push for legislation such as Senate Bill 3202 and House Bill 1630 and various versions thereof to promote construction of high-density housing in established residential communities and neighborhoods – all with ultimate disregard and disrespect for established and historic neighborhoods and the generational residents therein - thus blindly following the universally-rejected "MONSTER HOUSE" syndrome that has proven to adversely and irreversibly impact O'ahu's established neighborhoods and communities.

Senate Bill 3202 and House Bill 1630 attempt to dictate the number of housing units that SHALL be on residential lots by subdividing established residential neighborhood lots of 3,500 square feet or more into 2,000 square feet or less, with three or more dwellings within each subdivided lot, ultimately allowing construction of 15 dwellings on a 10,000 square-foot single family lot.

The Diamond Head-Kapahulu-St. Louis Heights Neighborhood Board has consistently opposed increasing density within the community district's established and historic neighborhoods that include the Diamond Head Special District, where supporting infrastructure cannot be reconfigured to increase population density as these uninformed Bills surmise.

Clearly, Senate Bill 3202, SD2 and House Bill 1630, HD1 promote high density housing *devoid of comprehensive planning* by attempting to remove the county's ability to comprehensively plan for the future growth of each Island and the public's ability to comprehensively participate in the planning process.

Thus I strongly oppose any legislation, policies or proposals devoid of comprehensive planning and that would:

- A) Undermine the county's authority to plan and determine with comprehensive community consultation where any increased density should or could occur;
- B) Override sound planning practices and established zoning regulations to arbitrarily determine where density should increase;
- C) Require the county to allow development of three or more dwelling units on residential lots of 3,500 square feet or less; and/or require the county to allow subdivision of the minimum 3,500 square-foot lots, or any residential lot, to 2,000 square feet or less, thereby
 - Encasing residential lots with concrete that exponentially heats neighborhoods and surrounding communities, compounds and amplifies noise disturbance factors, and increases destructive water runoff and flooding;
 - Eliminating the green space essential to the fabric of Hawai'i's established neighborhoods, and destroying and prohibiting necessary tree canopies that mitigate the increasing effects of climate change.
 - Exacerbating parking problems and traffic congestion within established neighborhoods and communities, particularly where the streets are commonly narrowed to a single traffic lane with off-site parking on both sides;

In view of the growing overwhelming public opposition to the proposed companion measures Senate Bill 3202 and House Bill 1630, mahalo for very seriously considering and supporting your Community constituents' clear concerns regarding Senate Bill 3202, which is **sorely absent** the necessary comprehensive and educated approach to planning for Hawai'i's future that requires recognition of Hawai'i's finite water and infrastructural limitations, increasing need for flood zone protections, and protecting tree canopies and other green resources to mitigate climate change and carefully plan for Hawai'i's sustainable future and its people.

Michelle Spalding Matson

Diamond Head-Kapahulu-St. Louis Heights Neighborhood Board Planning and Zoning Committee Chair and Diamond Head State Monument Foundation President

Testifying Individually

<u>SB-3202-SD-2</u> Submitted on: 3/31/2024 12:54:36 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Roberta Ma Reed	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. This bill does not benefit the local community.

Submitted on: 3/31/2024 1:16:33 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nancy Schnur	Individual	Oppose	Written Testimony Only

Comments:

To Whom it May Concern, (and to those of us who it definitely concerns)

I cannot imagine my quiet Maunawili neighborhood, as one example of many, being over run with multiple houses per lot. Aside from noise, parking problems, and the fact that your solution provides no room for green space anywhere on a lot, how do you anticipate our infrastructure handleing the load? We can't get water pressure at the end of our street now and the BWS is very aware. What will happen when just 1/4 of the existing lots on the street take advantage of adding two more homes to the lot?

You are not thinking this through, but then our land use commission rarely does when it comes to long term solutions. Perhaps you should consider this bill to be a part of NEW development where home owners are fully aware of what their surroundings will be in their new home. But don't inflict this policy on those of us who have owned homes for a long time and selected lots for a purpose and an investment.

Respectfully submitted,

Nancy Schnur

Damien Waikoloa
Honolulu, HI 96822
damien.waikoloa@gmail.com

House Committee on Housing House Committee on Water & Land House Committee on Judiciary & Hawaiian Affairs Hawai'i State Capitol 415 S. Beretania St. Honolulu, HI 96813

April 1, 2024

RE: Testimony in **SUPPORT** of SB 3202 SD2 - Relating to Urban Development

Aloha Chairs, Vice Chairs and Members of the Committee,

Mahalo for the opportunity to testify in support of SB 3202 SD2 - Relating to Urban Development (SD 3202). My testimony is in my individual capacity as a resident of Mānoa Valley, born and raised.

I believe that the ideas proposed in SB 3202 are creative and necessary steps in the right direction to address Hawai'i's housing shortage. The ability to build two ADUs within the State's Urban district, with proper protections to ensure adequate infrastructure and building form, is a critical piece that could help local families who are desperately trying to make space for kūpuna and younger generations. Giving local families the option to build ADUs would reduce the stress on the overall housing market by allowing them to better utilize land they already own, cutting down on building costs and reducing demand. The ability to subdivide a residential lot to a 2,000 sqft. lot would also allow for smaller homes on smaller lots, that would still fit in with the form and character of the surrounding neighborhoods. Allowing a small home to be built on less land reduces the burdensome cost of land, while still allowing a modest and affordable dwelling unit to be built.

To put this simply, the housing crisis is exacerbated by the fact that we have little to no options with how to better utilize our land. With little to no options comes forced decisions, where you need to make life-changing choices. Do I stay in Hawai'i or move to the mainland? Do I have children, or not? If I have children, where will they live when they are adults? - We need more options! SB 3202 gives us more options. Options = Stability

I come from a large family. From my father and mother's sides combined, we have 27 first cousins in our generation. Of those 27 cousins, 18 of us (two-thirds) either live with our parents or live in a home that was inherited from our parents. It is unreasonable to think that this is a sustainable method to house our future generations. I constantly wonder what our generation of cousins will do when our children become adults. I have taken this concern to heart and I rethink if having my own children and starting a family would be a wise choice. I believe that SB 3202's ideas would benefit my family because we could potentially reconfigure our existing lot to make space for my children, my parents to age in place, and provide stable and dignified living for three generations of a local family.

No single housing bill will change the course of our housing crisis, however, we need to continue to advance bills that will help us chip away at the larger issue. Decades of inaction has caused this crisis. Inaction in the name of preventing rich outsiders from entering our housing market and taking housing from local families. And what has this inaction gotten us? A housing market where *only* rich outsiders can afford to buy, slowly squeezing local families out.

Inaction is NOT an option.

I urge this committee to pass SB 3202 and take action in this housing crisis.

Mahalo,

Damien Waikoloa

<u>SB-3202-SD-2</u> Submitted on: 3/31/2024 1:46:18 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify	
Christine Otto Zaa	Individual	Oppose	Remotely Via Zoom	

Comments:

[&]quot;Submitting" testimony to register for Zoom testimony. I oppose SB3202.

READY, SHOOT, AIM?

This is no way to overhaul a massive land-use change for Hawaii

April 1, 2024 2:00 pm HSG/WAL/JHA Committees Hawaii State Legisture

OPPOSE SB 3202 SD2 HB1630

Measure Title:	RELATING TO URBAN DEVELOPMENT.
Report Title:	Counties; Zoning; Urban District; Subdivision; Residentially Zoned Lots; Approval; Impact Fees Assessment; Calculation
Description:	Provides that for residentially zoned lots within an urban district each county shall allow for at least 2 additional dwelling units. Establishes provisions by which a parcel zoned for residential use that is in the state urban land use district may or may not be prohibited from being subdivided, consolidated, or resubdivided. Requires the counties to consider the square footage of a development when determining the development's proportionate share of public facility capital improvement costs. Permits the appropriate board of water supply to calculate impact fees based on total number of fixtures when the public facility impacted is a water or sewage facility. Effective 1/1/2026. (SD2)

Aloha State Legislators:

This is one of the most alarming bills I've seen in years! There may be good intent behind the name of "affordable housing" but these bills contradict and undermine the big picture of land use planning for Hawaii.

As expected, you have received the support of those in the building and lobbyist industries and their supporters as well.

I submit to you that Ordinary People at large has no clue what is going on yet. However, a small segment of neighborhood residents have now caught wind of it and have submitted testimonies AGAINST this.

I've been in residential real estate for over 30 years and involved in the Honolulu City affairs including land-use issues as well. Above-mentioned Hawaii State Legislature HOUSE BILL1630 and Senate Bill 3202 relating to "urban development" are very problematic and very lacking in good careful planning with long-term sustainable positive policies.

No one is against affordable housing but this is a knee-jerk solution that will create other multiplier problems on many levels.

For Oahu, what happened to the promise to build affordable housing along the rail corridor for our residents?

Allow me to share with you some facts and pertinent severe concerns about this ill-thought bill.

- 1. What is the **vision** for the State of Hawaii? Has any heard of the **HAWAII 2050 Plan** that considered all levels of planning? Don't cement the entire Hawaii into a big parking lot.
- 2. **Instant value increase**. It's a fact that once a land is entitled to a higher density, the property value automatically escalates. If these bills are enacted, real property becomes MORE expensive.
- 3. The existing **State Condominium Regime** (**CPR**) already allows subdivision of smaller lots into higher density in residential communities.
- 4. Just in Oahu alone, there are about existing 80,000 entitled construction allowed. What's happening with those? Permitting problems?
- 5. **Definition of Hawaii Residents.** Who will these Bills really help? There are no safeguards to protect local residents or prevent rich investors to buy these entitled properties to flip and sell or invest and speculate. Do you think investors will give cheap rents to local folks?

Will it hasten more gentrification by inevitable increasing real estate prices and rental rates? Definitely!

To establish residency under HRS § 78-1(c), a person must minimally believe or say, "I intend to make Hawaii my home" while he or she is in Hawaii. That is it.

Because intent is someone's state of mind, a person does not have to show proof in order to demonstrate intent. Therefore, <u>it does not matter</u> if, for example, the new employee still has a driver's license from another state, the new employee has not yet had the chance to register to vote in Hawaii, or the new employee just arrived in Hawaii last week. **NO PROOF IS REQUIRED TO SHOW INTENT.**

- 6. Hawaii is the most remote location in the world. Why do we have to be a copycat of California's messed up planning? About 75,000 Californians left in 2023. Businesses are closing and leaving too. Crime and homelessness are rampant. Billionaires are ganging up to build their own utopia city in Solano County. It would appear that we should **think twice** before we copycat California.
- 7. It's **contradictory** to argue that the motive for these two bills -- to keep families together through affordable housing **but** to also enjoy equity of home ownership. If we're trying to hold families together, **selling the extra house is counter-productive**. Chances are high that a new buyer could possibly disrupt the quality of life for other family members with barking dogs or smoke and so on.
- 8. Wanting to enjoy the "equity" through developing more homes means that the home price is expected to increase. How affordable would it be? Who will it benefit then? The final end-result will be a residential community packed like sardines and increasing home prices. Longterm residents will be left with the negative impacts.
- 9. What is stopping investors to come in and buy properties in residential communities and stack homes up like sardines to rent?
- 10.Are we cutting ourselves below the knees to lure more investors to exploit the affordable housing problems in Hawaii?
- 11. It must be noted that almost the entire island of Oahu is designated as "**Urban District**" in the State Land Use classification. This Urban classification covers Oahu's agriculture, Preservation, Conservation,

- and Business zones as well. (Note: Since my written testimony to the Honolulu city council on March 25, 2024, I noticed today that many property agriculture parcels listed as LUO as "Urban District" has been deleted. Instead, it's now listed as "Agriculture District". However, Preservation zoning is still listed as LUO Urban District.)
- 12. Why would legislators usurp proven and established county land use designations that offer Hawaii residents the **freedom to choose** the communities they want to live in?
- 13. What happens to Private Property Rights? Why force every resident to live in only high-density neighborhoods? Some prefer high rises, some prefer townhouses, some prefer homes with yards. **Some choose to be a city mouse and others want to be a country mouse.**
- 14. Some supporters have used "discrimination" as a reason to support the two bills. Unfortunately, **discrimination and inequity** will become more pronounced with these two bills. The communities that have existing sewer services will be allowed to build up. Rural communities with cesspools and septic tanks with leach fields required space and distance will be discriminated.
- 15.**Home Rule.** It's very alarming to see certain State Legislators subverting county **Home Rule**.

General Plan Development Pattern



This is one of the most vexing and puzzling actions that two State legislators are initiating. Senator Stanley Chang has been known to promote extremely high-density ideas like building 1,000.00 units on an acre and so on. Chang has led contingents to learn about Singapore's the affordable housing program. Even the former HART CEO Andrew Robbins took the trip.

It was thought that motive was to learn insights for the Honolulu Rail Transit **AFFORDABLE housing** along the rail route. Mayors have promised and campaigned that they wanted to develop high density along the Rail corridor in order to Keep The Country Country. (There are good reasons to Keep The Country Country to provide diversity, protect the watersheds, preserve rural communities, food sustainability and so on. The north shore is the golden goose for tourism.)

What happened to the promise to build affordable housing along the rail corridor for our residents?

Their intentions may be good but these bills are very lacking. Let's get to the roots of these housing problems to find solutions. These bills need much more dialogue. Don't cement the entire Hawaii into a big parking lot.

Aloha,

Choon James 808 293 9111 ChoonJamesHawaii@gmail.com

Submitted on: 3/31/2024 2:25:57 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tom Coffman	Individual	Oppose	Written Testimony Only

Comments:

Fifty-four years ago the office of lieutenant governor said Hawaii had a shortfall of 50,000 homes. Now, with a population more than double, we are told the shortfall is also 50,000 homes. Does this mean our problem is half what it was? No. It means the campaign for SB3220 is based on loose assertions. The 158% cost figure is similarly an unexamined assertion, ignoring the fact that off-site costs are downloaded on developers and ultimately buyers. "Emergency solutions" thus far have wasted two years. The challenge is to make government work, not upend it.

Submitted on: 3/31/2024 2:47:48 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kimberly Towler	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers?

O'ahu is already dense with 70% of the state's population. If the neighbor islands want this density, then please exclude O'ahu.

Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property value up, and price local families out.

Thank you,

Kimberly Towler

Kaimuki

Submitted on: 3/31/2024 2:55:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Janice Palma-Glennie	Individual	Oppose	Written Testimony Only

Comments:

aloha,

i'm strongly opposed to SB3202 and HB1630. the only way these iniatives won't result in more pollution, traffic, social damage and other hardship is if there is substantial infrasture upgrades and concurrent infrasture improvements ahead of any such subdivision that creates such intensely increased density.

i've been invovled in the creation and ongoing work associated with the kona community development plan (KCDP). i support increased density but not willy nilly (aka anywhere that's in the Urban Area) nor without the infrastructure to support it. anything else will doom hawai`i to a sad, imbalanced, inretrievably grim, crowded future.

Say "NO" to SB 3202/HB1630 to protect our communities until (if) there is meaningful improvement in wastewater treatement, roadways, social safety nets including walkable communities with substantial public green space accessible to all, especially keiki. and the only place this type of density is appropriate is in the deepest urban core -- not on the outskirts or boundaries of a UA.

Mahalo for supporting our communities over the philosphies of people like our Hawai`i Island Planning Director and groups like Grassroots Institute whose support for smart growth as written into the KCDP as well as other initiatives to protect environmental, cultural and social balance have been less apparent than their financial goals associated with their desire to build, build, build.

sincerely,

ianice palma-glennie

kailua-kona

Regarding HB 1630 and SB 3202

I am in agreement with the concerns raised in preamble to these bills regarding high housing cost and the exodus of family and friends from the Islands. There are issues I hope can be clarified and addressed so that these bills do not result in unintended consequences which may lead to more kamaainas leaving islands.

They include:

- 1. If all the urban properties in Hawaii were globally allowed 3 dwelling units, has the adequacy of the existing infra-structure been reviewed to confirm that the increase in dwelling units can be accommodated without additional improvement costs in these neighborhoods? This would affect not only utilities, but traffic, first responder services, health care, schools, waste disposal, etc.
- 2. Why does the Bill prohibit the county to require an owner-occupant requirement. The current bills allows minimum 3 dwelling units per lot and does not require the owner to live on property, effectively creating a 3 unit commercial apartment or condominium. Without the owner-occupant provision, it appears to be bill for developers to convert a residential neighborhood into an apartment zone. Is this the intent of the bill?
- 3. Are there provisions in the bill to prohibit the sale of the individual units? Concern would be that an outside investor would purchase properties at higher price than the current market value, with the intent to "condominize" and sell 3 units. This would inflate the value of existing adjoining properties making them more unaffordable.
- 4. Will the attendant stresses caused by the increased population density (noise, disputes with neighbors, traffic, parking issues, reduction in natural trade wind ventilation, health concerns, etc.) force the current residents in the affected communities to leave?

The ideas in these bills are worth exploring. There should be nothing off the table to address this problem and all issues should be carefully and clearly presented and discussed with the residents of the State.

Ken Kajiwara Kaneohe, HI

Submitted on: 3/31/2024 3:49:47 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Beaton	Individual	Oppose	Remotely Via Zoom

Comments:

My name is William Beaton and I am submitting testimony in **STRONG OPPOSITION** to SB3202 SD2. I have lived in Hawaii since 1979 and practiced architecture until 1988, and then worked with developers and participated in large scale real estate development until my retirement in 2021. I have lived in Kailua since 1990, where my wife and I raised our 2 children. As a developer and architect for 32 years, I can say with all candor that this is a terrible idea and will destroy the very fabric of our communities and neighborhoods. Allowing larger lots to be subdivided into 2,000 sf lots, with up to 3 houses on each lot, will destroy the quality and character of our residental communities and open up a free-for-all for greedy developers who want to take advantage of such "down zoning". We have zoning laws for a reason, which is to protect the quality, character and stability of our residential neighborhoods and this bill will dramatically change the existing zoning laws and take the power away from each County to regulate such laws. I totally understand the desire and need to provide more affordable housing **but this IS NOT THE SOLUTION and I hope you will kill this bill.**

In summary, I STRONGLY OPPOSE SB3202 FOR THE FOLLOWING REASONS:

- •
- o If affordable housing is the intent of this bill, why is there no language to ensure affordability and to disincentivize investors and out-of-state buyers.
- O'ahu is already dense with 70% of the state's population. We have existing tools in place to increase density, and the county is working on more measures to do so sustainably. If the neighbor islands want this density, then please exclude O'ahu.
- Eliminating single-family zoning is a one-size-fits-all approach that does not take into consideration already dense neighborhoods and the differences between each neighborhood and county. Allowing for more density in our residential neighborhoods statewide will further attract developers and out-of-state buyers, drive property values up, and price local families out. We need to disincentivize investors and out-of-state buyers.

Sincerely, William Beaton

Submitted on: 3/31/2024 4:26:31 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jane McCallister	Individual	Oppose	Written Testimony Only

Comments:

As a full-time resident of Honolulu, please consider my respectful opposition to SB3202.

I understand the need for housing across the state. Here in Honolulu, the cost of purchasing a home is beyond the means of many. Even our rents are among the highest in the nation. The housing crisis is real, but why should existing neighborhoods bear the cost of the state's inability to properly plan ahead for needed infrastructure?

If lots are subdivided to allow three units per lot, the parking and traffic will be worse than they already are. Without the proper infrastructure (mainly parking and road improvements, but one cannot overlook water, sewer, and electric), this bill is no good. It seems to me that the state is putting the burden of the housing crisis in neighborhoods instead of building new neighborhoods on its own land.

Rather than allowing up to 200% more households on single-family lots, the state ought to crack down on vacation rentals and out-of-state homeownership. These houses sit empty or house visitors rather than housing residents. I know because I live next door to one that may or may not be legal. All I know is that every month, a different set of rental vehicles show up in the driveway. I would much rather have a local family next door. If I were to predict, I would guess that a lot of folks who want to build ADU's intend to use them, not as long-term housing, but for housing "family and friends," which is the undercover way of saying it's a vacation rental.

I have a sincere question: if Hawaii is losing residents each year, then shouldn't homes be opening up? Who is moving into the homes people are leaving behind?

Thank you for considering my point of view on SB3202.

Regards,

Jane McCallister

Submitted on: 3/31/2024 4:35:16 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bruce T. Blythe	Individual	Oppose	In Person

Comments:

Imagine your next-door neighbor's house is sold to a developer. Senate Bill 3202 (which passed the State Senate and is now with the House for approval) will allow 3 low-income structures to be built next door to you.

- 1. Street parking will eventually become full as additional 3-house developments emerge.
- 2. *Neighbors who see the trend will begin to sell to developers for higher prices (initially)*
- 3. As the spiral continues, neighbors will exit for lower prices as the neighborhood as we know it continues to degrade.
- 4. Traffic will likely more than double on Kalanianaole as people drive to and from town.
- 5. Moving to another neighborhood will do no good as SB 3202 will allow 3 homes on ANY residential lot throughout the islands.

Submitted on: 3/31/2024 4:40:02 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Miles Baidack	Individual	Oppose	Written Testimony Only

Comments:

Please note my concern and opposition to the "Monster Housing Bill" currently under consideration in the Legislature.

While I appreciate the need for more housing of all types in Honolulu, destroying existing neighborhoods, communities and lifestyles we have worked so hard to achieve and protect is not the solution to the housing shortage.

Existing single family house lots and communities have been zoned, developed, purchased and used to provide the healthy family environment desired and needed by our citizens. Introducing multiple dwellings, increased population, more traffic and general higher density removes suburban life as we know it.

Additionally, the infrastructure in these single house lot communities was not designed nor developed for the higher use these areas would require if multiple dwellings and residents are allowed. Too many services - water, electricity, sanitation, schools, police and fire - are already at or near their limits. More dwellings and people will further stress already stretched resources and lead to real health and safety issues.

The legislation now being considered is only a bandaid and not a solution. Surely our Legislators can do better for our citizens.

Thank you for your attention and consideration.

Aloha,

Miles Baidack

Hawaii Kai

Submitted on: 3/31/2024 4:44:15 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James Bickerton	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this Bill for the reasons stated by my thoughtful and eloquent friend, Barry Sullivan, in his detailed written testimony. I have lived in Honolulu, Hawaii since my childhood days more than 50 years ago. I am a trial lawyer who never attended a private school or private university, and have fought for the rights of Hawaii's working people against the interests of large corporations for four decades.

Years ago I was told that the vision of certain "powers that be" is to turn this State into Macau. I didn't believe it then, but now I do. Please also be wary of those demanding 10 times the current density who will "compromise" at double or triple the current density. This is a classic ploy, but in this case such a "compromise" would not address Mr. Sullivan's cogent points. Please do not pass SB3202. Thank you

I oppose this bill, as it is too broad and inappropriate, particularly with respect to older, established neighborhoods. I support smaller lot sizes in future planned subdivisions, where the infrastructure, sewage, electric, parking, etc. is designed to support new levels of density. Change in our neighborhoods is inevitable, but let's do it wisely. Our island's older neighborhoods cannot withstand higher levels of housing density without a severe degradation in the quality of life for long-term residents and, more importantly, a tremendous burden on the agencies that maintain these important neighborhood infrastructures.

Submitted on: 3/31/2024 7:23:36 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tiana Elisara	Individual	Support	Written Testimony Only

Comments:

Aloha, I am writing to express my heartfelt support for SB 3202 and HB 1630. I am yet another young local born kama'aina raised here in the islands who is tired of seeing all my loved ones forced out of our homes for the mainland. I support these bills because I believe they take crucial steps toward addressing the housing crisis in Hawai'i. I am deeply invested in the future of my home state and hope to return one day after my medical school studies in the mainland to give back to the only place I call home.

The current zoning regulations in Hawai'i pose significant challenges for families seeking affordable housing. SB 3202 and HB 1630 offer a solution by legalizing smaller, more affordable homes on smaller lots and multigenerational housing, making homeownership more attainable for local residents like myself who dream of returning to Hawai'i.

These bills not only provide more affordable housing options but also help preserve the unique character of our local communities. Currently, I watch as not only my immediate family be affected by the status quo but my aunts, uncles, cousins, and friends choose between living in a cramped single-family home together with multiple generations or packing up and leaving for good. By allowing families to stay together and reducing the need for large, expensive homes, we can create a more sustainable future for Hawai'i.

I am happy to learn of the broad support these bills have received from organizations and individuals, and I believe that supporting SB 3202 and HB 1630 is a crucial step toward ensuring a vibrant and sustainable future for Hawai'i.

Thank you for your time and consideration. I urge you to support SB 3202 and HB 1630 and help make it possible for families like mine to return home to Hawai'i.

Submitted on: 3/31/2024 7:40:55 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Claudine Tomasa	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Claudine Tomasa testifying against SB3202 SD2.Urban Oahu is already densely populated with existing problems - aging/broken infrastrues, traffic congestion, limited to no onstreet parking, and many more. SB3202 SD2 will add and create more pilikia.

Please do not pass this bill.

Thank you for allowing me to testify in opposition to SB3202 SD2.

Submitted on: 3/31/2024 8:09:22 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynn Murakami Akatsuka	Individual	Oppose	Written Testimony Only

Comments:

I oppose the passage of SB 3202, SD 2 this legislative session. Before we change any zoning to allow for at least two additional dwelling units on residentially zoned lots, please defer this bill. On Oahu, let's start with building the 80,000 housing units that been permitted but not built and to bring down the prices of the existing condomium units so that individuals and families can afford to purchase an existing unit. Consider giving tax credits to bring down the cost of a house/unit to the seller before it goes out on the market.

Thank you for the opportunity to submit written testimony in opposition of SB 3202, SD 2.

Submitted on: 3/31/2024 8:23:53 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kenneth Karnath	Individual	Oppose	Written Testimony Only

Comments:

I uppose this bill because the island and side of Kona needs to have a better infrastructure to build infill developments, this would overwhelm the groundwater and soil runoff into the ocean, this should wait until more sewer systems are put in, or more land is opened for development. Although this should only be considered if roads are to be improved.

Submitted on: 3/31/2024 9:19:49 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

 Submitted By	Organization	Testifier Position	Testify
Bobbi K Steer	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202. If passed this bill will eliminate single family zoning, increase density in residential neighborhoods and attract more development and congestion in our already overcrowded neighborhoods.

Aloha!

I find the proposal set forth by SB 3202 and HB 1630 appalling. This will put an end to single family neighborhoods as we know them.

Those of us who live in Kukunono in Kailua near Castle Hospital have had to put up with a "monster" house hastily erected right before legislation passed to ban these huge homes. A single family dwelling at 1356 Manu Mele Street became two large structures on a 7,500sq ft lot. There is a total of 14 bedrooms, 12 bathrooms and 4 kitchens on this property. IHS and Tutu Bert's rented this monstrosity for the recovery of the homeless in need of medical care. All of us in the near vicinity were subjected to an increase in traffic and noise-handivans, vehicles of the care workers, taxis, first responders etc. This is a quiet family street where kids play and ride bikes, residents walk their dogs etc. After some three years, IHS and Tutu Bert's pulled out and now there are 3 or 4 families renting there.

Next door to this monster house, a single family dwelling was sold in 2022. The new owners converted this home into a structure that can house 3 separate groups: the main area composed of 3 bedrooms, 2 baths and a kitchen; a 2-bedroom, 2 bath, kitchenette unit and upstairs, there is a one-bedroom/one bath/kitchenette unit. The new owners then put this house back on the market a year after purchasing it. There is a 2-car garage. Where will all these prospective tenants park? I have lived on this street for over 30 years. I am saddened to see how the lifestyle in single-family neighborhoods is being threatened.

Are we able to supply water to all those who will live on properties that have 3 dwellings and/or 3 unrelated rental groups? The increase in noise and traffic is a given. We have too many streets in our neighborhoods already where cars are parked on both sides of the street.

We have apartments, condos and townhouses to accommodate those who wish to share walls and pay less than they would for a single-family dwelling. And does your proposal set parameters so that outside (non local) interests/developers are unable to sell these multiple dwellings at prices that locals can't afford? If not, I fail to see how this proposal will benefit the housing issue for local families. Mahalo for your consideration.

Submitted on: 3/31/2024 9:32:18 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Momi Nobriga	Individual	Oppose	Written Testimony Only

Comments:

Mahalo for hearing my mana'o.

I oppose any additional dwellings per lot. This community is not ready for it's current population density. The core infrasturcture is outdated and undersized. There are yet raw sewage lavatubes, and sea level cesspools draining into our class A waters that are touted as pristine. Waters which are aggressivly advertised for tourism. Our waste stream is unsustainable; with overfull landfills, a bare minimum recycling program, and no reasonable longterm solution for toxic and hazardous waste.

The issues we face as a community need deep reflection. The houseing shortage will not be solved by allowing additional units to be built per lot. It is already hard to keep illegal vacation rentals in check.

Submitted on: 3/31/2024 10:02:13 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ursua Retherford	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

My name is Ursula Retherford. I strongly oppose Senate Bill 3202, which would, in effect, nullify our current county-level residential zoning and drastically change our neighborhoods. Although the intent to provide more affordable housing is laudable, Senate Bill 3202 is a draconian measure that would have many complex and negative consequences for our island communities. In attempting to solve one problem, the bill, if passed, would great an even greater set of problems. The bill represents a neighborhood's worst nightmare while providing a sweet dream for developers.

Many people are too busy and too tired to follow in detail, if at all, what is happening at the legislature, and as a result they often fail to cry out when their interests are being sold out. And when their voice in matters that so profoundly affect their neighborhoods is eliminated (which in this bill they are), you betray our communities' concerns, rights and interests. When I mention this bill to people in my community, they are, to put it mildly, horrified.

While we are all aware of the need for affordable housing, waving the flag of "Affordable Housing" does not justify undermining the counties' zoning powers, subverting our county-level General Development and Sustainable Communities Plans, eliminating communities' input in a process that severely affects their neighborhoods, infringing on the rights of people who bought into residential zoning, and exposing our residential lands to further exploitation by in-state and out-of state financial interests.

There are other far less destructive and more equitable ways to increase our housing inventory than SB 3202. I would like to ask that you muster the political will to study and pursue those options before considering SB 3202.

Thank you very much.

Ursula Retherford 42 N. Kainalu Drive Kailua, HI 96734

TESTIMONY OF LARRY S VERAY

TO THE COMMITTEE'S ON HOUSING; WATER & LAND; JUDICIARY & HAWAIIAN AFFAIRS

IN STRONG OPPOSTION OF SB3202 SD2

RELATED TO URBAN DEVELOPMENT

March 31, 2024

Aloha, Chair's Evslin, Ichiyama and Tarnas; Vice Chair's Aiu, Poepoe and Takayama; and Committee members. I am Larry Veray, Chairman for the Pearl City Neighborhood Board No. 21. I am submitting this testimony as an individual. I am in STRONG OPPOSITION to SB3202 SD2. Although this bill is a quick fix to the shortage of affordable housing, it is a major negative impact on planned neighborhoods and the quality of life of those who did not plan on living in fully developed congested neighborhood forever and a day.

We already knew that monster homes made a negative impact on neighborhoods and now with this proposed zoning change for additional homes on a lot will have the following negative impacts:

- Encasing residential lots with concrete that exponentially heats neighborhoods and surrounding communities and increases destructive flooding and water runoff
- Compounding and amplifying noise disturbance factors
- Exacerbating parking problems and traffic congestion within established neighborhoods and communities, particularly where the streets are commonly narrowed to a single traffic lane with off-site parking on both sides, and where some urban roadways remain without sidewalks
- Eliminating the green space that is essential to the fabric of Hawaii's established neighborhoods
- Destroying and prohibiting necessary tree canopies that mitigate the increasing effects of climate change

I most strongly urge you not to pass SB3202 SD2. I personally believe because this issue has the potential to be a tremendous negative impact on communities that this issue should be placed on the voting ballot for this year and let the people decide on what the way ahead should be for their neighborhood development. Mahalo!

Larry S. Veray

Submitted on: 3/31/2024 10:41:29 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kimeona Kane	Individual	Oppose	Written Testimony Only

Comments: Aloha nui kākou,

As a lifelong resident of Waimānalo, a community that has been increasingly disrupted by loopholes in zoning definition, I am concerned deeply about the potential for the Senate Bill 3202 as its counterpart House Bill1630, to permanently change the rural nature and spirit we have come to love. The bills are a poor example of an attempt to address the housing crisis that many are worried about and which we should be, however, the fine line that these bills have been built on, does not and will not serve my community. In other areas around the County and State, it may be tolerable, but I have to question if the intention truly is for the people of Hawai'i. For these reasons, I STRONGLY OPPOSE SENATE BILL 3202, S.D. 2, RELATING TO URBAN DEVELOPMENT, and encourage the members to take an even stronger position of opposition.

Mahalo nui for your service and support.

Kimeona Kane

Submitted on: 3/31/2024 11:32:17 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Abe	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. The terms are very vague. There are no specific standards set in this bill to guarantee what the creators of this bill are promising. This bill does not state how it will guarantee that any homes resulting from this bill will be affordable. This bill contains no definition of what is affordable.

This bill does not take into account of current population densities of the existing areas it will affect.

Creators of this bill have NEVER sought input from the constituents they represent. There are an overwhelming number of constituents island wide that oppose this bill. There are many more that have never been informed of this bill. Why did the supporters of this bill fail to publically notify their constituents?

Creators of this bills should explain in detail the research and statistics used to justify terms stated in this bill.

As this bill calls for drastic changes to the interactions and dynamics of our communities, a meta analysis research and its findings should be required prior to finalizing the terms of this bill. Parking, trash, noise, pollution, crime, domestic violence should be at very least included in these studies. It has already been proven that all of these negative apects increase correlatively with increased population density. Subsequently, the finalized results of these studies should be verified by independent evaluators and then presented to constituents of all areas affected by this bill, and voted on by the constituents in these areas for it to pass.

No current single family property owner wants to live next to a property that this bill proposes. If creators of this bill think differently and are confident that this bill is the answer to any housing need without negatively impacting the community, they and all legislative supporters should sign an agreement that requires all of the directly adjacent properties of this bill's creators and their immediate family members be the first and only properties used as pilot studies. Lead by example.

From those properties, a minimum 10 year study should be done to see if the intended goals by the bill's creators were achieved before other properties are allowed to proceed. Waivers should be created to mandate reconversion of all affected properties, back to original property size and requirements should goals not be met.

Creators of this bill should provide a certified list of individuals who are not affiliated with real estate or property development, and currently own a single family property, and will testify to owner occupy that property for a minimum of 10 years, that actually support this bill.

This bill is not the solution. Why don't we wait to see how much housing is available once all building plans that are currently waiting at DPP for approval are finally approved and built. We should see what our housing situation is after the multitude of plans that are awaiting approval are finally completed and ready to house our population. Why are we not focusing and utilizing resources and process that we already have to fast track builds that meet current building codes and zone specifications. We should fix that problem first before creating another problem.

Why aren't we mandating that all units of condos be affordable with mandated maximum price points, and be prioritized to long standing local people before allowing out of state/country people to purchase them. Concert tickets have that requirement, why are we not doing that for something more important, which is housing our kamaaina.

There are so many other ways to address our housing needs within the current framework and regulations. I oppose this bill for the many previously stated reasons. I reiterate, properties adjacent to this bill's supporters should be mandated to be used as the first and only properties to be converted, then studied over a minimum of 10 years to see if goals are met without negatively impacting the community and other nearby neighbors, before allowing other properties to be converted. Unwillingness of this bill's supporters to sign such an agreement should be publically announced.

Elected officials are making decisions that are not representitive of the ideals and values of the people from their communities. Lead by example and be the first to live next to these properties you are proposing. Have your children, parents and grandparents be the first to experience the "positive" benefits you feel will accompany in the passing of this bill. If you would not wish any of the negativities on them, why would you promote it to the people who elected you, and had faith in you to build them a better community.

Submitted on: 3/31/2024 11:35:20 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tina Grandinetti	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Evslin, Chair Tarnas, and Chair Ichiyama,

I am a Kapahulu resident and a housing policy analyst at PolicyLink, a national research and action institute dedicated to advancing economic equity. I am writing in OPPOSITION to SB3202. While I support the bill's intent to add density to urban areas and alleviate housing pressures on local families, research shows that upzoning is not a silver bullet, and when done incorrectly, can increase housing costs in the short term. For instance, in Chicago, studies have shown that upzoning increased property prices in the short term. In the Twin Cities, upzoning measures were passed alongside robust tenant protections that ensured that local families would not be displaced by the increased development potential of their newly upzoned neighborhoods. Without affordability and residency measures, this bill will intensify speculation in our local housing market. We cannot continue to ask local people to watch their neighborhoods change for housing that does not meet local need.

While I think this bill has started an important and worthwhile conversation, I strongly believe that it requires further conversation in order to ensure that local families have pathways to access the benefits of "gentle density". I urge you to defer this bill to allow for more community input on a decision that will have sweeping impacts for our state, and O'ahu's urban neighborhoods in particular.

Mahalo,

Tina Grandinetti

Submitted on: 3/31/2024 11:42:52 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Support	Written Testimony Only

Comments:

Support!

Dear Sir or Madam,

My wife and I are residents of Hawaii Kai and write in strong opposition to SB3202. I had the privilege to practice real estate law in Honolulu for several years and as a practicing lawyer for over 35 years have come to believe that the sanctity of contract that is one of the legal elements that binds our diverse culture and society together. We bought our property subject to a Declaration of Protective Provisions issued by Bishop Estate that purportedly covers all properties contained in the Manaulua Triangle Subdivision. This Declaration contains an enforceable agreement – a contract - among all individual lot owners in this Subdivision that states, among many other restrictions, that each residential lot shall be occupied and used only for residential purposes and that only ONE SINGLE-FAMILY DWELLING shall be erected on a Residential Lot.

From what I seen and learned over the years is that our neighborhood was a carefully designed community built not over years ... but decades, with long-term community planning including careful zoning restrictions, building architecture restrictions, landscaping and population density limitations designed around a single residential dwelling per individual lot limitation. As proposed, SB3202, in a single stroke, would completely vitiate the spirit of well over 60 years of community planning and implementation and contractual commitments made and honored by the residents of our community over this decades long period. The residents of our community, including my wife and myself, have invested our time and effort, our dreams and hard-earned capital in this community based on these underlying contractual commitments and understanding of how our community would be organized and function. SB3202 runs completely counter to those expectations and would dramatically change the nature and character of our neighborhood.

The infrastructure of our neighborhood, as currently existing, including items such as - street parking capacity, road and sidewalk capacity, provision of residential public park spaces, police protection, utility service provision, etc. - is already stretched to the breaking point. The fabric of our neighborhood cannot support the additional density that SB3202 will inevitably create.

For the above reasons I strongly oppose SB3202.

Submitted on: 3/31/2024 11:56:43 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Teresa Vast	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chairs Evslin, Ichiyama, and Tarnas and Members of the Committees,

I want to register my opposition to this bill, It seems poorly thought out and not suited to our island communities. I particularly object to the intent for the State to dictate planning and zoning to the counties, as though a "one size fits all" approach is appropriate for our diverse islands. I don't believe imposing these requirements on counties will achieve anything worthwhile.

Please just say NO to this bill. Instead, involve the local community of professional planners and others with relevant expertise and vision. to develop affordable housing initiatives within the context of established county and community plans that have the benefit of public input.

Mahalo for considering my views on this matter,

Teresa Vast

Submitted on: 3/31/2024 11:58:54 PM Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maki Morinoue	Individual	Oppose	Written Testimony Only

Comments:

Aloha

I OPPOSE SB3202!

I say "NO" to increasing building density until existing infrastructure for emergency evacuation routes, better roads, proper wastewater treatment, dedicated green space, and social services are developed to meet long-standing current needs. Add strict rules to create concurrent infrastructural development.

Our coral needs our support, and what we do on land impacts our ocean ecology, where we benefit from oxygen from every other breath we take. Without those rules, residents will be sitting in traffic, we will continue to pour wastewater into our ocean, and we will continue watching our coastlines degrade. At the same time, society struggles without the support of government agencies that are creating these land use non-planning laws, luxury development continues, and our local residents are left unhoused.

Enough is enough.

Mahalo

Maki Morinoue Hawai'i Island, Holualoa 96725

Submitted on: 4/1/2024 1:32:13 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Oppose	Written Testimony Only

Comments:

No increase in building density until existing infrastructure (roads, wastewater treatment, green space, social services, etc.) meets current needs.

Add strict rules to create concurrent infrastructural development. Without those rules, residents will be sitting in traffic, swimming in poop, and watching their coastlines degrade while society struggles without the support of government agencies who are creating these land use *non*-planning laws.

Submitted on: 4/1/2024 6:59:41 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jon Wayan	Individual	Support	Written Testimony Only

Comments:

I would like to see this bill passed. I live in 96740 and there is room on my propert for 1 ohana which I could use for Maui ohana. This bill is a great idea. I am 25 yr resident. Theres room, infrastructure is already in or gloing in for MANY commercial and private projects. Lets not stop building, relax permits. If we expand in ALL ways, infrastructure will follow. Please PASS this bill. Mahalo JW

Submitted on: 4/1/2024 7:51:11 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tim Houghton	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill for the following reasons:

- 1. It is an inappropriate infringement on County respnsibilities.
- 2. It does not take into consideration that most urban lots on Oahu do not have infrastructure (water, sewers, roads, power, etc.) to support such additional levels. ADU use on Oahu has been allowed for a long time with limited use.
- 3. While not a single dwelling, this proposal comes with all the same problems created by todays universally objected to "Monster Homes". It puts too much into residential areas not designed for that level.
- 4. Individuals have bought their residence in a SINGLE FAMILY RESIDENTIAL and not a a multi-family residential area for a reason and it; is wrong for the government to unilaterally change that characteristic and the value of the property.

PLEASE DO NOT PASS SB3203 sd2

Submitted on: 4/1/2024 7:56:07 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Catherine Courtney	Individual	Oppose	Written Testimony Only

Comments:

Shame on you for even considering this bill. No one but developers wants this to pass. Parking will be moved to the street, Greater density of structures on a parcel will create flood hazards not only for the parcel but adjacent parcels. Repetitive flood loss properties will increase insurance rates and make it more difficult for counties to attain Community Rating System credits. Please, vote no on this.

Submitted on: 4/1/2024 8:04:23 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynnette Leger	Individual	Oppose	Written Testimony Only

Comments:

Senators,

I would like to say I am opposed to SB3202 for the following reasons:

- 1. It will allow individuals to abuse codes already established by the C&C of Honolulu
- 2. It will cause overcrowding in small (older neighborhoods) like the one I live in
- 3. Overcrowding of parked vehicles on streets (older neighborhoods are currently experiencing these problems)
- 4. Homeowners who have ADU's should be required to live on property because they will have a vested interest in their property and the neighborhood
- 5. Infrastructure such as our sewer system will be taxed by the increase units in aging neighborhoods and causing issues with the Waste Water Treatments plants across the island(s) that are ill equipped to handle the influx if waste
- 6. It will cause an undue increase in property taxes on the older population
- 7. allowing too many homes/people in one area will over "densify" the area causing undue traffic in an area.

Legislators "assume" that the shortage of housing is why people are leaving Hawaii. I can actually say that like many of those whom I've talked to it's more than just owing a home It has many different facets such as but not including:

- A. Cost of buying a home (3 4 times more expensive)
- B. Cost of goods & Services (food, gas, insurance, medical)

- C. Pay levels not being competitive
- D. Being able to afford more (size) of a home outside of Hawaii.
- E. Open spaces between homes
- F. Education for children
- G. Ability to travel without high airfares
- H. Ability to travel by vehicles to other states
- I. Overcrowding in Hawaii
- J. Money going farther without worrying about finances
- K. Their other half is from the mainland
- L. The **Jones Act** an outdated policy from 1920

I will quote John Helton a Grassroots Institute of Hawaii Policy Researcher Article titled: Jones Act closed loophole that Could Help Hawaii 1/31/2021: "Jones Act measures add to the cost of shipping for virtually all Americans, while for Hawaii residents in particular, its strict regulations cost about \$1.2 billion a year, or about \$1800 per average family according to a 2020 study by the Grassroots Institute of Hawaii"

If you can't address these issues, how do you expect us to afford buying a home? Who are you trying to put into these homes? Locals (born and raised); returning locals, foreigners, mainlanders, homeless individuals? The surrounding neighborhoods closest to Downtown Honolulu has had to endure the increase of high-rises, illegal parking situations and increased traffic to name a few.

Regards,

Lynnette Leger

Submitted on: 4/1/2024 9:47:45 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andria Tupola	Individual	Comments	Remotely Via Zoom

Comments:

Please incorporate DPP Director Dawn Apuna's requested amendments.

Mahalo,

Councilwoman Andria Tupola

Submitted on: 4/1/2024 9:54:11 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicole Pedersen	Individual	Oppose	Written Testimony Only

Comments:

I believe a broad bill like this will lead to infrastructure, overcrowding, and other problems. And likely won't solve the issues it may be intended to help. I would think a lot more research on projections should be conducted. Has legistlation like this proven to be successful elsewhere?

Submitted on: 4/1/2024 10:09:45 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Beth Trapani	Individual	Oppose	Written Testimony Only

Comments:

Stop allowing builders free reign here!!! They don't care about our aina or the fact that we don't have the infrastructure for this. They don't live here and are ONLY money-driven. They WILL ruin our Island if allowed!!

Submitted on: 4/1/2024 10:37:17 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
William Hicks	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB3202 SD2.

I oppose this bill due to the impact it will have on our already crowded streets and neighborhoods. Many neighborhoods currently have significant issues with poorly maintained roadways and lack of parking. Our congested traffic/parking already causes two-way streets to become single lane pathways for cars to try to maneuver both ways down the road. Allowing 4 housing units to be built on already small lots will drastically compound these problems. In addition to the lack of infrastructure, I am concerned about resident safety caused by densifying our neighborhoods. I'm concerned that small lots being covered by dense building may lead to lack of safe passageways or space for emergency response personnel responding to medical, police, or fire emergencies. I am all for finding practical and safe ways to address the housing crisis; I just don't think this bill, the way it is written, is part of the solution.

Submitted on: 4/1/2024 10:41:52 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
catherine kosora	Individual	Oppose	Written Testimony Only

Comments:

Aloha! This will negatively impact neighborhoods- parking - infrastructure- utilities....currently there are 80,000 issued permits that have yet to be built. This should become priority first.

Mahalo

Submitted on: 4/1/2024 10:49:59 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alison Rowland-Ciszek	Individual	Oppose	Written Testimony Only

Comments:

TESTIMONY IN STRONG OPPOSITION TO SB3202 SD2

Good afternoon. I wish to state that I stand in opposition to this measure for the following reasons. It will result in:

- 1. Tree loss, resulting in increased heat (people will take out trees to build houses);
- 2. Hardening of the ground, increasing erosion and storm run-off;
- 3. Loss of on-street parking, already a significant problem in many neighborhoods;
- 4. Increased stress on the water and sewer infrastructure;
- 5. General loss of individual neighborhood character.

When short-term rentals were being debated last year, the fact that they diminish street parking and stress the existing infrastructure of water and sewers were considered compelling reasons to restrict them. This proposal presents the same problems, wrapped in a different package, but the results will be the same. If those were problems then, why are they not problems now? Why such a different tune from our legislators? Not only that, but this proposal adds more problems: tree loss and ground hardening. This proposal seems to have come out of nowhere and the public has not been given sufficient time to learn more about it and discuss its ramifications. This would likely result in a material change to the neighborhoods, homes, and lifestyles of hundreds of thousands of Hawaii residents, and it has received very little attention.

I urge you all to vote NO on SB3202 SD2. Thank you for this opportunioty to testify.

Submitted on: 4/1/2024 11:01:33 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
david hill	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3202/HB1630 as it is an irresponsible attempt to fix one problem with another. This bill will a complete disaster, destroying neighborhoods and causing environments problems,. This attitude of let's keep building and worry about infrastructure later, has resulted in signifiant problems that have been ignored by the legislature.

Submitted on: 4/1/2024 11:20:48 AM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Danny Richard	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chairperson Dela Cruz, Vice Chairperson Moriwaki, and Members of Ways and Means Committee:

In reviewing testimony regarding Senate Bill 3202, I am struck by the fact that supporters are almost all organizations and individuals who would benefit financially or politically from its passage, while those who would be most directly affected (residents) are in opposition. This alone should give one pause on whether this bill is truly in the interests of the constituents on which you depend for votes.

As it is currently drafted, SB3202 looks like a quick fix to a complex problem, and that is exactly what concerns me most. I see many parallels to California's infamous Prop 13, which may have started with the honorable intention of preventing older residents from being evicted or otherwise unable to afford their homes in California due to rising real estate taxes, but just look where that stands today. There were other options to address this problem in California at the time it was passed, but politicians unfortunately took what they thought would be a simple and straightforward solution to a much more nuanced situation. The result has been a disaster for the state, and one which is proving extremely difficult to correct, even today.

Here today in our state, I see a similar pattern emerging in attempts to support SB3202. The bill seems an easy fix, and that is exactly the problem. Tackling existing challenges such as the backlog of approved housing units, shoring up already inadequate infrastructure, streamlining the much-aligned permit process, addressing temporary vacation rental violations, etc., are all ways in which our housing crisis could be corrected, but these all require hard work and heavy lifting by our elected representative. Few seem willing to take these on, and instead are promoting SB3202 as happy-day scenario that fixes everything, but doesn't require as much effort. Think about it.

Practical concerns aside, I am also seeing repeated references to how SB3202 risks destroying the character and sense of community of many of our neighborhoods, which is what makes Hawai'i unique and such a special place to live. I think that's why so many opposing views are from individuals who live in, and love, their neighborhoods and communities. That's also why I am adding my voice to theirs.

We can do better than SB3202. Please get to work, and find the right solution.

Testimony for bill SB3202 - James Douglas Seelig - 4/1/24

As a longtime resident, born and raised in Hawaii, with family here going back many generations, I am adamantly opposed to this bill (SB3202). And I am dismayed and outraged that my elected officials could have the audacity to propose such a wrong minded act under the guise of helping our keike afford homes in Hawaii Nei. This is not Pono. Auwe.

If the real intent of this bill (SB3202) is to create an inventory of affordable housing for the longtime families and residents of Hawaii Nei, this bill will not accomplish that. In fact, as you very well know, it will have exactly the opposite effect.

Because the eyes of the international corporate real estate investing sector are focused on Hawaii, there literally is an unlimited supply of money seeking to purchase property in Hawaii, at any price. You already know this.

As soon as these proposed new dwellings on the 2,000 sq. ft. lots become available the market price will rise to meet them and the younger generation will still be priced out of owning a home and being able to find an affordable rental.

There are several other real solutions to this problem. Start with a high enough tax on vacant homes that disincentives speculative real estate ownership.

I join with the neighborhood boards of Kailua, Manoa, Kaimuki, and the City and County of Honolulu in opposing the bill!

And, do not merely exempt Oahu, and foist your ill-begotten scheme on Kauai, Maui and Hawaii.

Ua Mau ke Ea o ka 'Āina i ka Pono

Submitted on: 4/1/2024 12:40:54 PM

Testimony for HSG on 4/1/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cassandra Peterson	Individual	Oppose	Written Testimony Only

Comments:

Please protect the beautiful neighborhoods of Hawaii for the sake of the children. Crowding up lots will destroy the harmony.