



**STATE OF HAWAI'I
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

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Statement of
MARY ALICE EVANS
Director

before the
HOUSE COMMITTEE ON FINANCE
Monday, March 31, 2025
10 AM
State Capitol, Conference Room 308

in consideration of
HCR 60 / HR 56
**REQUESTING THE OFFICE OF PLANNING AND SUSTAINABLE
DEVELOPMENT, IN COORDINATION WITH APPROPRIATE STATE AND COUNTY
DEPARTMENTS OR AGENCIES, TO DEVELOP METHODS TO ESTIMATE COSTS
ASSOCIATED WITH DELAYS IN CERTAIN PUBLIC AND PRIVATE
DEVELOPMENT PROJECTS.**

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee.

The Office of Planning and Sustainable Development (OPSD) offers **comments** on HCR 60 and HR 56, which request OPSD to coordinate with appropriate State and county agencies to develop methods to estimate costs associated with delays in certain public and private development projects.

OPSD understands that project delays can increase the cost of projects due to higher interest rates, increased material and labor costs, and opportunity costs, and that these costs are then passed on to renters, buyers, and users to offset any increase in total development cost. OPSD acknowledges that quantifying the cost of delay would be of value to decision makers as well as project managers.

OPSD would be willing to lead a team of State and county agencies in developing a method of estimating the cost of project delays. However, given current workloads and uncertainty about the methods to be explored, OPSD will require additional time to complete this task.

Thank you for the opportunity to testify on this measure.