

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Statement of
DEAN MINAKAMI
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON WAYS AND MEANS

March 28, 2025 at 10:02 a.m.
State Capitol, Room 211

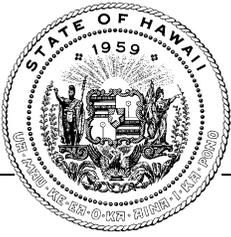
In consideration of
H.B. 1409 HD1 SD1
RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee.

HHFDC **supports** HB 1409 HD1 SD1, which amends the funding priorities of the Rental Housing Revolving Fund (RHRF) to incentivize development in areas that satisfy transit-supportive density requirements; allocates a minimum percentage of RHRF moneys for certain mixed-income rental housings projects; requires the Transit-Oriented Development (TOD) Infrastructure Improvement District Board to consider the infrastructure needs of transit-supportive density requirements; and requires the strategic plan developed by the Hawai'i Interagency Council for TOD to delineate county-designated TOD areas for each county.

HHFDC supports the development of high-density communities near transit stations, particularly stations near a locally preferred alternative for a mass transit project. TOD has the potential to lower transportation costs for residents, reduce traffic congestion, improve accessibility to businesses and services, efficiently use infrastructure, and create healthier, walkable communities. The bill promotes high-density TOD neighborhoods by incentivizing the counties to adopt high-density standards to receive prioritization of RHRF funding.

Thank you for the opportunity to testify on this bill.



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

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
DIRECTOR

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Statement of
MARY ALICE EVANS
Director

before the
SENATE COMMITTEE ON WAYS AND MEANS
Friday, March 28, 2025
10:02 AM
State Capitol, Conference Room 211

in consideration of
HB 1409, HD1, SD1
RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee.

The Office of Planning and Sustainable Development (OPSD) **supports** HB 1409, HD1, SD1, which establishes what constitutes transit-oriented development (TOD) and incentivizes housing development in county-designated transit-oriented development areas or zones.

OPSD believes that directing housing to TOD areas enables the creation of more walkable, vibrant communities in areas with transit service and where infrastructure exists, or can be improved, to accommodate additional growth. Higher densities around transit stations and hubs are critical to TOD success, transit ridership, and reducing vehicle miles traveled. Incentivizing investments in and directing public funds to support higher-density housing in TOD areas are essential tools for accomplishing these objectives.

In particular, OPSD **strongly supports** the amendments to Hawai'i Revised Statutes § 226--63, which would define TOD and provide clarity for statewide TOD implementation as to what constitutes county-designated TOD areas. This bill also directs the TOD Council to ensure the [*State Strategic Plan for Transit-Oriented Development*](#) incorporates the county-designated TOD areas of the Counties to facilitate coordination and collaboration in the implementation of shared TOD initiatives.

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

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REGINA MALEPEAI
2ND DEPUTY DIRECTOR
HOPE PO'O KUALUA

March 28, 2025

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Ways and Means
Hawai'i State Senate
Hawai'i State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Subject: House Bill No. 1409, HD 1, SD 1
Relating to Transit-Oriented Development

Dear Chair Dela Cruz and Committee Members:

The Department of Planning and Permitting (DPP) offers **comments** on House Bill No. 1409, HD 1, SD 1. The Bill amends the funding priorities of the rental housing revolving fund (RHRF), allocates a minimum percentage of the RHRF for certain mixed-income rental housing projects, requires the TOD infrastructure improvement district board to consider the infrastructure needs of transit-supportive density requirements, and requires the strategic plan to delineate TOD areas for each county.

As we understand, development in TOD areas could receive priority for RHRF financing based on meeting certain criteria, including ministerial processing of applicable permits and a minimum floor area ratio (FAR). Therefore, we note the following:

- The Bill's definition of "ministerial" is different than the DPP's use of the term, which entails no discretionary review of permits, and only partially aligns with the City's TOD permitting procedures. For example, catalytic projects seeking a Planned Development-Transit permit for maximum flexibility, such as to modify density, height, and height setbacks, are currently reviewed and approved by the Honolulu City Council due to their potential to impact the surroundings. The remaining TOD permits are only reviewed and approved by the DPP Director.
- The Bill prescribes the maximum FAR allowed by the adopted TOD Special District or applicable TOD plan, but no less than 7.0 FAR, within ¼-mile of a rail station; and no less than 6.0 FAR for areas between ¼-mile and ½-mile of

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Ways and Means
Hawai'i State Senate
House Bill No. 1409, HD 1, SD1
March 28, 2025
Page 2

a rail station. These thresholds align with the allowable FAR through the City's TOD regulations.

As background, these components were developed through significant input from the TOD neighborhood planning process that included community outreach, consultant and staff analyses, and City Council deliberations.

Thank you for the opportunity to testify.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Dawn Takeuchi Apuna', with a stylized, cursive flourish extending to the right.

Dawn Takeuchi Apuna
Director



Hawai'i YIMBY
Honolulu, HI 96814
hawaiiyimby.org
info@hawaiiyimby.org

March 28, 2025

Senate Committee on Ways and Means
Hawai'i State Capitol
Honolulu, HI 96813

RE: SUPPORT for HB 1409 HD1 SD1 - RELATING TO TRANSIT-ORIENTED DEVELOPMENT

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

On behalf of Hawai'i YIMBY, we are writing in **support of HB 1409 HD1 SD1** which would better define what constitutes Transit-Oriented Development (TOD) and allocate Rental Housing Revolving Fund funds to incentivize more dense housing development within county-designated TOD areas.

We believe in fixing incentives. This includes adding new incentives to target housing development towards places that we have said for so long that we want the housing to go. We can and should prioritize our more abundant and dense housing efforts towards those areas that will be best suited for the increase in density, our TOD districts.

In the ongoing conversation around the housing crisis, both supporters and opponents of housing development say that housing should go along the rail, it is time to increase the stock of dense housing in areas served by transit.

Hawai'i YIMBY (*Yes In My Backyard*) is a volunteer-led grassroots advocacy organization dedicated to supporting bold and effective solutions for Hawai'i's devastating housing crisis. Our members are deeply concerned about Hawai'i's chronic and worsening housing shortage, which has caused home prices to rise much faster than incomes and pushes thousands of kama'āina out to the mainland or into homelessness every single year.



Hawai'i YIMBY
Honolulu, HI 96814
hawaiiyimby.org
info@hawaiiyimby.org

We ask your support for this bill. Thank you for the opportunity to testify.

Sincerely,
Damien Waikoloa
Chapter Lead, Hawai'i YIMBY

Edgardo Díaz Vega
Chapter Lead, Hawai'i YIMBY





Testimony of the Oahu Metropolitan Planning Organization

Committee on Ways and Means

March 28, 2025 at 10:02AM
Conference Room 211 & Videoconference

HB 1409 HD 1 SD 1
Relating to Transit-Oriented Development

Dear Chair Dela Cruz, Vice Chair Moriwaki, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports HB 1409 HD 1 SD 1**, which amends the funding priorities of the Rental Housing Revolving Fund to incentivize development in areas that satisfy transit-supportive density requirements, allocates a minimum percentage of Rental Housing Revolving Fund moneys for certain mixed-income rental housings projects, requires the Transit-Oriented Development Infrastructure Improvement District Board to consider the infrastructure needs of transit-supportive density requirements, and requires the strategic plan developed by the Hawai'i Interagency Council for Transit-Oriented Development to delineate county-designated transit-oriented development areas for each county.

Incentivizing building at a higher-density in designated areas close to public transit areas will encourage more walkable, connected communities where residents drive far less each day than their counterparts in more sprawling locations.¹ In addition, when more mixed-use and transit-oriented housing is provided, it makes it easier for people to get around without their car which can reduce emissions in the near term, reduce transportation costs, provide more opportunities for physical activity, and improve access to necessities for both people who don't have a car and those with cars.²

According to the State Climate Commission Report, "Drivers of VMT and priority reduction strategies in Hawaii", households in suburban areas drive around 37 percent more than those in urban centers and households on the suburban fringe drive 68 percent more.³ Limiting outward growth and concentrating more growth in urban infill areas and those near high quality transit, will be critical for Hawaii to meet its climate and energy goals. This is because mixed use development results in shorter trips, fewer trips, and more trips taken by lower-carbon modes.⁴ With more compact development, people drive 20 to 40 percent less, at minimal or reduced cost, while reaping other fiscal and

¹ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

health benefits.⁵ Whether people care about reducing their own emissions or not, by providing more opportunities for them to live where emissions are naturally lower per person, we can work within the market to help address climate change.

The bill is also consistent with the State Climate Commission's *Investing in Transportation Choices Toolkit*⁶ and *Drivers of VMT and Priority Reduction Strategies for Hawaii*, which identified infill and mixed-use development, and parking management, as key strategies to reduce greenhouse gas emissions, vehicle miles traveled and improve transportation choices for Hawaii residents.

This bill is consistent with several goals of the Oahu Regional Transportation Plan including support for active and public transportation, promoting an equitable transportation system, and improving air quality and protecting environmental and cultural assets. Providing more housing in and around high-quality public transportation and where people can meet their daily needs without a car, can help residents save on their transportation costs, improve their quality of life, and reduce transportation emissions and traffic congestion.

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), which encourages and promotes a safe, efficient, and resilient transportation system that serves the mobility needs of all people and freight (including walkways, bicycles, and transit), fosters economic growth and development, while minimizing fuel consumption and air pollution (23 CFR 450.300).

OahuMPO notes the amendments and comments by the Office of Planning and Sustainable Development (OPSD) and Department of Planning and Permitting (DPP) and respectfully requests the Committees to consider them.

Thank you for the opportunity to provide testimony on this measure.

March 28, 2025, 10:02 a.m.

Hawaii State Capitol

Conference Room 211 and Videoconference

To: Senate Committee on Ways and Means

Sen. Donovan Dela Cruz, Chair

Sen. Sharon Moriwaki, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: HB1409 HD1 SD1 — RELATING TO TRANSIT-ORIENTED DEVELOPMENT

Aloha Chair Dela Cruz, Vice-Chair Moriwaki and other members of the Committee,

The Grassroot Institute of Hawaii **supports** [HB1409 HD1 SD1](#), which would encourage the construction of higher-density buildings in county-established transit-oriented development zones or districts.

Specifically, the bill would prioritize funding from the Hawaii Housing Finance and Development Corp. to projects in TOD areas, as long as the county where the project is proposed allows permits for such projects to be processed ministerially, and as long as the county allows certain levels of density in its TOD areas.

These density levels would range from a floor-area ratio of 4.0 to 7.0 or the maximum FAR allowed by the county's TOD district or plan, depending on where the project would be located in the TOD zone.

The upshot is that this bill could have positive implications for Hawaii's housing market.

By encouraging dense, walkable neighborhoods in areas well-served by transit — such as near the Skyline — this bill would make Hawaii more vibrant and connected.

As Grassroot pointed out in a 2023 policy brief, “studies show that walkable neighborhoods also yield positive health outcomes. People lose weight, cardiovascular disease declines, and people report being happier.”¹

¹ Jonathan Helton, “[How to facilitate more homebuilding in Hawaii](#),” Grassroot Institute of Hawaii, December 2023, p. 16.

Economically speaking, it makes sense to build more housing in urban areas because water and wastewater infrastructure is usually already present, which could help lower capital expenditures for state and local governments.

Furthermore, individuals who have good access to transit can realize lower transportation costs. Research has found that households living in TOD areas in California save \$429 a year on transportation — equal to about 6% of the households' annual transportation spending.² For Hawaii families struggling with the high cost of living, any reduction in transportation spending would be a benefit.

The ministerial approval process proposed by the bill — otherwise known as by-right approval — would make these types of developments more feasible.

According to The Economic Research Organization at the University of Hawai'i, Hawaii's housing regulations are the strictest in the country, and "approval delays" for housing developments are three times longer than the national average among communities surveyed.³ Likewise, UHERO researchers estimated that regulations comprise 58% of the cost of new condominium construction.⁴

UHERO has also pointed out that "by-right development ordinances have the potential to speed project approval and substantially reduce project costs by reducing opportunities for neighborhood opponents of specific or all affordable housing projects to stop their development."⁵

Likewise, increasing legal densities in TOD zones would help housing projects pencil out, adding much-needed new homes.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

² Hongwei Dong, "[Evaluating the impacts of transit-oriented developments \(TODs\) on household transportation expenditures in California](#)," Journal of Transport Geography, Vol. 90, January 2021.

³ Rachel Inafuku, Justin Tyndall and Carl Bonham, "[Measuring the Burden of Housing Regulation in Hawaii](#)," The Economic Research Organization at the University of Hawai'i, April 14, 2022, p. 6.

⁴ Justin Tyndall and Emi Kim, "[Why are Condominiums so Expensive in Hawai'i?](#)" The Economic Research Organization at the University of Hawai'i, May 2024, p. 11.

⁵ Carl Bonham and Sumner La Croix, "[The Maui County Comprehensive Affordable Housing Plan: Understanding its Pros and Cons and Ideas for How to Improve it](#)," The Economic Research Organization at the University of Hawai'i, Oct. 21, 2021, p. 5.



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**The State Legislature
Senate Committee on Ways and Means
Friday, March 28, 2025
Conference Room 211
10:02 a.m.**

TO: The Honorable Donovan Dela Cruz

FROM: Keali'i S. López, State Director

RE: Support for H.B. 1409, HD1, SD1 Relating to Transit Oriented Development

Aloha Chair Dela Cruz and Members of the Committee:

I am Keali'i Lopez, State Director of AARP Hawai'i. AARP is a nonprofit, nonpartisan, social impact organization dedicated to empowering people 50 and older to choose how they live as they age. We advocate at the state and federal level for the issues that matter most to older adults and their families. On behalf of our nearly 135,000 members statewide, thank you for the opportunity to share our testimony.

AARP is in support of H.B. 1409, HD1, SD1 which amends the funding priorities of the Rental Housing Revolving Fund to incentivize development in areas that satisfy transit-supportive density requirements, and aims to enhance transit-oriented development (TOD) in Hawaii.

AARP believes this bill is a critical step towards creating more livable, sustainable, and inclusive neighborhoods. AARP's policy on transit-oriented development emphasizes the importance of creating communities that are accessible, affordable, and designed to meet the needs of people of all ages. HB 1409, HD1, SD1 aligns with these principles by:

Incentivizing Development in Transit-Supportive Areas: The bill amends the funding priorities of the Rental Housing Revolving Fund to prioritize projects in areas that meet transit-supportive density requirements. This approach encourages the development of mixed-income housing near transit hubs, making it easier for residents to access public transportation and reducing reliance on personal vehicles.

Addressing Infrastructure Needs: HB 1409, HD1, SD1 requires the Transit-Oriented Development Infrastructure Improvement District Board to consider the infrastructure needs of transit-

supportive areas. This ensures that the necessary infrastructure, such as sidewalks, bike lanes, and public spaces, is in place to support vibrant, walkable communities.

Strategic Planning for TOD Areas: The bill mandates the Hawaii Interagency Council for Transit-Oriented Development to delineate county-designated TOD areas. This strategic planning is essential for coordinating efforts across different levels of government and ensuring that TOD initiatives are effectively implemented.

By supporting HB 1409, HD1, SD1 we can promote the development of communities that are not only more connected and convenient but also more equitable and environmentally sustainable. This bill represents a significant opportunity to improve the quality of life for all residents, particularly older adults who benefit from having accessible transportation options and affordable housing.

AARP urges the committee to pass HB 1409, HD1, SD1 and take a decisive step towards a more sustainable and inclusive future for Hawaii.

Thank you for the opportunity to support this measure.



holomua

COLLABORATIVE

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
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Sunshine Topping

ADVISORY COMMITTEE

Josh Feldman
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Page 1 of 2

Committee: Senate Committee on Ways and Means
Bill Number: HB 1409 SD1, Relating to Transit-Oriented Development
Hearing Date and Time: March 28, 2025, 10:02am (Room 211)
Re: Testimony of Holomua Collaborative – Support

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committees:

Mahalo for the opportunity to submit testimony **in support** of HB1409 SD1, Relating to Transit-Oriented Development.

Hawai'i's housing crisis continues to drive local families to move to the continent. In October 2024, a survey¹ gathering information about the day-to-day financial experience of local workers was released and it suggests this growing crisis has the potential to reach staggering levels. When nearly 1,500 local workers were asked if they may need to move to a less expensive state, only thirty-one percent answered a definitive “no,” while sixty-nine percent said “yes” or “unsure.” And nearly two-thirds of the respondents said the cost of housing was the primary impact on their cost of living in Hawai'i. Each local worker and family we lose to the continent contributes to a loss of our economy, our culture, and our family.

A prime opportunity for further housing development that would afford local working families the opportunity to stay in Hawai'i is in transit-oriented development (TOD) areas. TOD is a proven model for creating sustainable, walkable communities. By focusing development near transit hubs, we are investing in the future of our state in a way that maximizes the use of public transit infrastructure. TOD encourages mixed-use development that includes housing, office space, retail, and community services—all within walking distance of transit stations. This not only makes it easier for people to access jobs, education, healthcare, and other essential services but also reduces the reliance on cars, ultimately lowering traffic congestion, reducing carbon emissions, and promoting a healthier environment.

There is room for improvement in housing development in transit-oriented development areas. We can do better both in: (a) making the most of the space for housing in these areas; and (b) helping to make the housing pencil out for the people who are going to build these new units. Specifically, this bill addresses the challenge that current maximum floor area ratios limit the volume of housing units that can be built in TOD housing areas.

¹ <https://holomuacollective.org/survey/>

Because of these limitations, development is often spread out, causing issues like higher costs for building roads and providing services. Allowing for Rental Housing Revolving Funds to be used for mixed-income housing projects in TOD districts with increased floor area ratios that support transit-oriented development is an efficient and impactful use of taxpayer moneys. It will result in more units being built at prices that are attainable for local families.

Additionally, this bill would expedite transit-oriented development by streamlining the permitting process. By ensuring that developments in TOD areas are processed as ministerial permits, this measure removes unnecessary bureaucratic obstacles that slow down critical housing projects. This will allow homebuilders to move forward more quickly, reducing costs and enabling more housing units to be brought online in a timely manner.

House Bill 1409 SD1 is a comprehensive and forward-thinking approach to addressing Hawai'i's housing needs, economic growth, and environmental sustainability. By prioritizing transit-oriented development in key areas, encouraging affordable housing, and streamlining the development process, we are laying the groundwork for a future that benefits everyone—families, communities, and our state as a whole.

Sincerely,



Joshua Wisch
President & Executive Director

March 28, 2025

TO: Chair Dela Cruz and members of the Senate Committee on Ways and Means
RE: HB 1409 HD1 SD1 RELATING TO HOUSING.

Dear Chair Dela Cruz and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support HB 1409 HD1 SD1, a measure to incentivize greater density—and more affordable housing—in county-designated transit-oriented development (TOD) districts.

Pursuant to Act 130, SLH 2016, the State of Hawai'i Transit Oriented Development (TOD) Plan was drafted to provide Hawai'i with a roadmap for guiding future development in TOD communities. The State TOD Plan makes the case for maximizing housing density in county-designated TOD zones:

“The dire need and the lack of truly affordable housing statewide makes it imperative that the provision of affordable and rental housing be a priority consideration in the use and development of TOD properties. Mixed-use, higher density development is an excellent vehicle for the delivery of affordable and rental housing development, especially in areas close to public transit. Incorporating affordable housing in TOD enables residents to reside in opportunity- and amenity- based neighborhoods.”¹

HB 1409 HD1's incentivization of a 'maximized' approach to housing construction in TOD areas is an environmentally sound and fiscally prudent approach to our housing crisis.

More housing in TOD zones means fewer cars on the road and less urban sprawl. Limited, finite sources for financing infrastructure improvements in TOD zones means the State of Hawai'i, through investments in county-designated TOD zones, must strategically maximize the density of our TOD housing supply. Utilizing the Rental Housing Revolving Fund to promote this type of construction is an innovative mechanism for this task.

We are grateful for your careful consideration of HB 1409 HD1 SD1.

Thank you,



Lee Wang
Executive Director
Housing Hawai'i's Future
lee@hawaiisfuture.org



Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiisfuture.org

¹ Hawai'i Office of Planning and Hawai'i Housing Finance and Development Corporation. *State Transit-Oriented Development (TOD) Strategic Plan*. Honolulu: DBEDT, Updated October 2024. https://files.hawaii.gov/dbedt/op/lud/TODStratPlan_Aug2018_Current.pdf.



**Church
of the
Crossroads**
United Church of Christ



TESTIMONY IN SUPPORT OF HB 1409 SD1

Senate Committee on Ways and Means
March 28, 2025 at 10:02 am.

The Church of the Crossroads, founded a century ago as Hawaii's first intentionally multiracial church, is with humility committed to do justice and love mercy.

Chair Dela Cruz, Vice Chair Moriwaki, Members:

In **support** of HB1409 SD1. Housing and transportation are directly linked. Planning housing and transportation as part of integrated communities with stores, public and private services, all within walking distance, increases the benefits and lowers the cost of both. Well-planned, walkable communities work elsewhere, and should be in Hawaii's future.

The Rental Housing Revolving Fund has \$1,038,249,619 that could be used for housing, but it tends to sit there. In FY 23, the RHRF built only 2,156 units. HB1409 SD1 will help RHRF money go further by prioritizing its use in transit-supportive areas, by encouraging projects that use less money per unit, by favoring projects with a perpetual affordability commitment, and by calling for development of needed infrastructure support.

Mahalo for your attention to the Church's support for HB 1409 SD1.

Aloha,

Galen Fox for
Church of the Crossroads

To: Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair
Senate Committee on Ways and Means

From: Chevelle Davis, MPH - Director of Early Childhood & Health Policy
Hawai'i Children's Action Network Speaks!

Subject: Measure H.B. No. 1409, H.D. 1, S.D. 1 – Relating to Transit-Oriented Development

Hearing: Friday, March 28, 2025, at 10:02 AM, Conference Room 211

POSITION: STRONG SUPPORT

Aloha e Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

Mahalo for the opportunity to submit testimony in **STRONG SUPPORT of H.B. No. 1409, H.D. 1, S.D. 1**, which establishes a framework for transit-oriented development (TOD) within the Hawai'i Revised Statutes and prioritizes the creation of mixed-income housing in county-designated TOD zones. This measure is critical for ensuring that Hawai'i's families—especially those with children—have access to safe, stable, and affordable housing in communities that support their well-being.

Hawai'i faces one of the most severe housing shortages in the nation, leaving countless families struggling to secure an affordable place to live. At the same time, rising transportation costs place an overwhelming burden on low- and moderate-income households. Families are forced to make impossible choices between paying rent, putting food on the table, and covering childcare and healthcare expenses. By increasing affordable housing in transit-rich areas, H.B. No. 1409, H.D. 1, S.D. 1 provides a real solution, allowing parents to live closer to jobs, schools, and essential services while reducing their reliance on expensive private transportation.

Stable housing is essential for children's health, education, and overall well-being. Research shows that frequent moves and housing instability disrupt children's education, lead to poorer health outcomes, and increase stress levels in families. By ensuring that more families can access affordable housing in TOD districts, this bill promotes stability, enabling children to remain in the same schools and communities where they can thrive. Additionally, families who save on housing and transportation costs have more income for necessities such as nutritious food, medical care, and enrichment opportunities that contribute to a child's long-term success.

Beyond the household level, transit-oriented development fosters inclusive, diverse, and connected communities where families of different income levels can live, work, and grow together. This bill helps counteract historical patterns of segregation and displacement caused

by exclusionary zoning and gentrification, ensuring that low- and moderate-income families are not pushed out of high-opportunity areas. Mixed-income developments offer children access to better-resourced schools, safer neighborhoods, and stronger community networks that support their success.

H.B. No. 1409, H.D. 1, S.D. 1 also brings long-term economic benefits that strengthen families. Higher residential density increases ridership on public transit systems, making them more financially and environmentally sustainable. It also reduces public infrastructure costs by making more efficient use of land, utilities, and roads—savings that can be reinvested into education, healthcare, and social services that directly benefit children and families. Furthermore, more walkable, transit-friendly communities enhance public health by reducing air pollution and promoting active lifestyles, ultimately leading to improved health outcomes for children.

HCAN Speaks strongly supports prioritizing the Rental Housing Revolving Fund (RHRF) to incentivize counties to adopt TOD standards. This fund is critical for financing price-restricted rental housing that serves low- and moderate-income families. Directing RHRF resources toward TOD locations ensures that affordable housing is built near transit hubs, where families benefit the most. Low-income renters—many of whom are parents—are also the most likely to rely on public transit. Families can reduce their transportation costs by living in TOD areas, leaving them with more financial security to support their children’s development.

H.B. No. 1409, H.D. 1, S.D. 1 is a forward-thinking, family-centered solution to Hawai‘i’s housing crisis. It promotes stability, economic opportunity, and healthier communities, all of which contribute to the well-being of Hawai‘i’s keiki. By increasing density in TOD zones and prioritizing affordable housing development in these areas, we can create a future where all families—regardless of income—have the opportunity to build a stable and prosperous life in Hawai‘i.

We strongly urge the committee to pass **H.B. No. 1409, H.D. 1, S.D. 1** for these reasons.

Mahalo for the opportunity to testify on this critical measure.



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
Support for HB 1409 SD1– RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

Senate Committee on Ways and Means

Friday, March 28th, 2025 at 10:02AM Conf. Rm. 211 and via Videoconference

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee,

Mahalo for the opportunity to testify in strong support of **HB1409 SD1**, which establishes a framework for transit-oriented development (TOD) within the HRS and prioritizes the development of mixed-income housing in county-designated TOD zones.

Hawaii faces one of the most severe housing shortages in the nation, with thousands of families struggling to secure safe and affordable housing¹. At the same time, rising transportation costs disproportionately burden low- and moderate-income households. Increasing density in TOD areas provides a comprehensive solution to these challenges by creating affordable housing near transit hubs, which reduces reliance on private vehicles and promotes equitable access to jobs, schools, and essential services.

Increased density in TOD areas directly benefits vulnerable communities by expanding affordable housing options in transit-rich locations. By defining TOD density, this bill would incentivize counties to adopt a density standard which would benefit residents with limited financial means and reduce their housing and transportation costs, two of the largest household expenses². For families living paycheck to paycheck, this represents a lifeline, offering more disposable income for necessities like food, healthcare, and education.

Moreover, TOD promotes inclusivity and diversity by integrating affordable housing into high-opportunity areas, counteracting the historical patterns of segregation and displacement caused by exclusionary zoning and gentrification. Mixed-income developments, as incentivized by this bill, foster vibrant, integrated communities where people of different economic backgrounds can live, work, and thrive together³.

Increased density in TOD zones also brings significant economic benefits by creating opportunities for local businesses and reducing public infrastructure costs⁴. Compact, transit-supportive developments make more efficient use of land and infrastructure, lowering the per-capita cost of services like roads, utilities, and public transit. Furthermore, higher residential density increases ridership on public transit systems, making them more sustainable and

¹ <https://uhero.hawaii.edu/wp-content/uploads/2024/05/HawaiiHousingFactbook2024.pdf>

² <https://iri.hks.harvard.edu/files/iri/files/fostering-equitable-and-sustainable-transit-oriented-development.pdf>

³ <https://housingmatters.urban.org/research-summary/how-transit-oriented-development-can-promote-equitable-healthy-communities>

⁴ <https://tod.itdp.org/why-tod-matters.html>



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
Support for HB 1409 SD1– RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

Senate Committee on Ways and Means

Friday, March 28th, 2025 at 10:02AM Conf. Rm. 211 and via Videoconference

reducing Hawaii's reliance on imported fossil fuels, aligning with the State's climate goals to reduce VMT by 2050⁵.

Additionally Hawaii Appleseed supports incentivizing adoption of TOD standards through prioritizing the Rental Housing Revolving Fund (RHRF). The RHRF is a critical resource for financing price-restricted rental housing that serves low- and moderate-income families. Prioritizing the allocation of RHRF funds to counties that adopt state TOD standards within their TOD districts is an effective incentive.

Directing RHRF resources toward TOD locations ensures that affordable housing is built near transit hubs, where it can have the greatest impact. Low-income renters, who are the primary beneficiaries of price-restricted rentals, are also the most likely to rely on public transit. By living in TOD areas, these renters can reduce their transportation costs while gaining improved access to jobs, education, and essential services.

This approach not only promotes equity but also maximizes the social and economic value of public investments in transit infrastructure. **It incentivizes counties to adopt state TOD standards, encouraging compact, walkable, and transit-supportive communities.** By fostering development in TOD districts, we can reduce urban sprawl, lower greenhouse gas emissions, and build vibrant neighborhoods that are socially, economically, and environmentally sustainable.

HB1409 SD1 promotes a sensible and equitable vision for Hawaii's TOD future. By increasing density in TOD zones and prioritizing the development of affordable housing in these areas, this bill addresses the housing crisis, reduces social inequities, and supports sustainable, connected communities. I strongly urge the committee to pass this measure.

Mahalo for the opportunity to testify.

⁵https://climate.hawaii.gov/hi-mitigation/hi-clean-cars-faq/transportation-choices/?utm_source=chatgpt.com

HB-1409-SD-1

Submitted on: 3/27/2025 7:42:22 AM

Testimony for WAM on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

Reasonable idea for long term development. Mahalo.