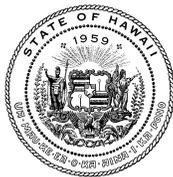


SB901



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

Testimony of
Linda L. Smith
Senior Policy Advisor to the Governor
Chairperson, Affordable Housing Regulatory Barriers Task Force

Before the
SENATE COMMITTEE ON EDUCATION AND HOUSING
Wednesday, February 4, 2009, 1:15 p.m.
Room 225, State Capitol

S.B. 901 RELATING TO COUNTIES

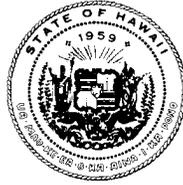
Chair Sakamoto, Vice Chair Kidani, and members of the Committee, thank you for the opportunity to provide testimony in **support** of S.B. 901, Relating to Housing.

Currently, mixed-use projects with an affordable housing component do not have an expedited review process. Senate Bill 901 will create this process by authorizing mixed-use projects to be eligible for the expedited review track that is currently offered to qualifying housing projects in section 201H-38, Hawaii Revised Statutes (HRS).

Similar to other bills that are before you today, Senate Bill 901 is proposed by the Affordable Housing Regulatory Barriers Task Force. The Task Force believes that this bill will expedite project reviews and stimulate a quicker delivery of affordable housing to residents across the State that need it.

The Administration appreciates the opportunity to testify in strong support of this important bill.

Linda Lingle
GOVERNOR



KAREN SEDDON
EXECUTIVE DIRECTOR

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

IN REPLY REFER TO

Statement of
Karen Seddon
Hawaii Housing Finance and Development Corporation
Before the
SENATE COMMITTEE ON EDUCATION AND HOUSING

February 4, 2009 1:15 p.m.
Room 225, State Capitol

In consideration of
S.B. 901
RELATING TO HOUSING.

HHFDC supports S.B. 901 which will allow mixed use housing projects and infrastructure projects that are associated with an affordable housing or mixed use housing project to utilize the Chapter 201H expedited review process.

Mixed-use development has many benefits. It can enhance the vitality of an area and help achieve better places to live. It can provide a more diverse and sizable population and commercial base for supporting public transportation. The scarcity of land for development often necessitates mixed-use development to accommodate future needs. This bill will help to facilitate the development of affordable housing in mixed-use housing.

Thank you for the opportunity to testify.



KAMEHAMEHA SCHOOLS

February 3, 2009

TESTIMONY TO THE SENATE COMMITTEE ON EDUCATION AND HOUSING

By Michael G. Dang, Director
Endowment/Planning & Development

Hearing Date: Wednesday, February 4, 2009
1:15 p.m., Conference Room 225

To: Senator Norman Sakamoto, Chair
Senator Michelle Kidani, Vice Chair
Members of the Committee

Re: SB 901 – Relating to Housing.

Kamehameha Schools supports the purpose and intent of this bill. Finding ways to expedite plan reviews for affordable housing development is a good step toward encouraging and supporting the actual building of more housing for Hawaii's people.

Thank you for the opportunity to testify on this legislation.



Sierra Club Hawai'i Chapter

PO Box 2577, Honolulu, HI 96803
808.537.9019 hawaii.chapter@sierraclub.org

SENATE COMMITTEE ON EDUCATION AND HOUSING

February 4, 2009, 1:15 P.M.
(*Testimony is 1 page long*)

TESTIMONY IN OPPOSITION TO SB 901

Chair Sakamoto and members of the Committee:

The Sierra Club, Hawai'i Chapter, with 5500 dues paying members statewide, opposes SB 901, exempting any mixed use housing and related infrastructure projects from *all* "statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land . . ."

While the Sierra Club supports the intent of this bill, we believe SB 901 opens Pandora's box. The extraordinary discretion given to the Hawaii housing finance and development corporation under this bill is simply too great. Consider the following potential scenarios that could be exempt from all standards:

- a nuclear plant with an associated set of (a few?) affordable houses;
- a large strip club with an associated set of (a few?) affordable "houses"; and
- an industrial chemical plant with an associated set of (a few?) affordable houses;

Presumably all of these possibilities could meet "minimum requirements of health and safety?"

These examples also demonstrate the extremely broad definition of "Mixed-Use Housing," which could include a commercial facility the size of Ala Moana Shopping Center, so long as "twenty per cent of the housing units . . . meet the affordable income threshold under section 201H-202(e)(2)." In other words, *any* project that includes at least one affordable house, regardless of size or impacts on the environment, could fit this definition. Plainly this is not the intent?

Thank you for the opportunity to testify.

Bernard P. Carvalho, Jr.
Mayor

Gary K. Heu
Administrative Assistant



KAUAI COUNTY HOUSING AGENCY
Pi'ikoi Building 4444 Rice Street Suite 330
Lihue, Hawai'i 96766

Eugene K. Jimenez
Housing Director

Kenneth N. Rainforth
Executive Assistant

February 3, 2009

Senator Norman Sakamoto, Chair
Senator Michelle Kidani, Vice Chair
and Committee Members
Committee on Education and Housing
The Senate
The Twenty-Fifth Legislature
Regular Session of 2009

**SUBJECT: Testimony Opposing Senate Bill 901, Relating to Housing
Committee: EDH
Hearing: February 4, 2009 1:15 PM Conference Room 225**

The proposed bill would amend HRS Section 201H-1 to include definitions for "Infrastructure" and "Mixed-Use Housing", and Section 201H-38 to include mixed use housing projects or infrastructure associated with a housing or mixed use housing infrastructure project. This would allow all exemptions and expedited processing available under HRS 201H for mixed use housing projects, or infrastructure projects associated with housing projects or mixed use housing projects, for mixed-use commercial, industrial and public facilities, and related infrastructure projects, that contain a residential component, of which a minimum of 20% would be required to be affordable to persons earning up to 140% of the Median Housing Income.

The Kaua'i County Housing Agency (KCHA) opposes Senate Bill 901 for the following reasons:

1. No minimum amount of housing is required within a mixed-use project for consideration under 201H. We recommend that a minimum of 50% of the square footage of the project be required to be for housing to qualify for 201H exemptions and process.
2. The proposed affordable housing requirements are substantially less stringent than Ordinance No. 860, the Housing Policy Ordinance for the County of Kaua'i, which requires a minimum of 51% workforce housing to meet affordable criteria of the County for processing of 201H projects. We recommend that a majority of housing units be required to meet affordable criteria to qualify for 201H exemptions and process.



Senator Norman Sakamoto, Chair
Senator Michelle Kidani, Vice Chair
And EDH Committee Members
February 3, 2009
Page 2

3. The proposed definition of "infrastructure" refers to installation or improvement "by the government". More frequently on Kaua'i, infrastructure for projects is installed by the developer. We recommend that the definition be clarified to include or exclude infrastructure constructed by non-profit or private developers, as intended by your Committee.
4. The Comprehensive Zoning Ordinance for the County of Kaua'i currently requires Use Permits for Housing units in General Commercial and Industrial Districts. We are concerned that health and safety considerations for residential uses in such districts not be waived or overlooked.

As proposed, Senate Bill 901 could be abused to require the County to expend funds and considerable time to process an application for a very small amount of affordable housing. We do not support the proposed bill in its current configuration. Thank you for the opportunity to provide testimony.

Sincerely,



EUGENE K. JIMENEZ
Housing Director