

**UNIVERSITY OF HAWAI'I SYSTEM** 

Legislative Testimony

Testimony Presented Before the Senate Committees on Housing and Water and Land January 31, 2019 at 1:30 p.m. by Kalbert K. Young Vice President for Budget and Finance/CFO University of Hawai'i System

SB 400 Proposed SD1 – RELATING TO HOUSING

Chairs Chang and Kahele, Vice Chairs Kanuha and Keith-Agaran, and members of the Committees:

Thank you for the opportunity to submit testimony on SB 400 Proposed SD1.

This proposed bill target the development of low-cost homes for sale to Hawai'i residents on State-owned and County-owned land near rail stations of the Honolulu rail transit system.

While the University of Hawai'i (UH) does not comment on the viability of establishing a new housing agency within the State, the University does understands and appreciates the intent to address the need to supply more affordable housing options. Faculty, staff, and students of the University are severely impacted from the (lack of) availability of more affordable housing options. Increasing housing options near rail stations of the Honolulu rail transit system could be a viable means to address the shortage issue.

However, the UH has land inventory throughout the State, only some of which are potentially viable for housing. Some lands are also near the eventual Honolulu rail transit system, but the University is already in progress to develop or utilize these areas for uses that are to meet and address UH's higher education needs. Some of these land development objectives may include provisions for student and faculty rental housing as needed per campus.

The University is also exploring options to develop its properties to generate revenues for campus operations to help reduce the burden on tuition revenues or public appropriated funds. If this bill intends to take all public lands away from any development that is not affordable housing, then this bill will reduce our opportunity to maximize revenue generation on its properties. The University is not opposed, or even precluded, from seeking to develop a myriad of housing types on its properties, but is opposed to being precluded from generating viable mixtures of use on its lands.

Thank you for the opportunity to testify on SB 400 Proposed SD1.