

RES25-105
Testimony

Good morning, Council Chair Tommy Waters and Councilmembers. Thank you for giving me the opportunity to present my testimony this morning in favor of Resolution 25-105. This proposal to amend the Land Use Ordinance by increasing the FAR densities for all apartment and apartment mixed use districts is the best way for Honolulu to develop new projects of condominiums on Oahu. This will reduce or keep housing prices from increasing too fast by increasing our housing stock. For example, let's say you have a 5,000 square foot A-2 zone lot, and let's say you wanted to build 600 square foot apartments. Right now, with the A-2 FAR of only .85, you could only build about 6 of these 600-square-foot apartments on your 5,000 square foot lot. However, if the City & County changes the FAR density on A-2 apartment zoned land to 4, which I am encouraging, you would be able to build about 28, 600-square-foot apartments on it! What a vast improvement in our effort to increase the housing stock here on Oahu and the property taxes due for this increased density would be 4.7 times greater than what the City would be collecting with the present FAR. There are hundreds if not thousands of A-2 zoned properties with very old improvements on them right now just in Moiliili, Kapahulu, Makiki, and Punchbowl alone. The good part is that these areas are already zoned for apartments, have adequate infrastructure already in for most of the areas, and there're already existing apartment buildings built there, so you're not increasing or creating new densities in our residential areas like Manoa and Kaimuki.

I think to encourage small developers to building more projects I would like to request the City Council to exempt most projects from Ordinance 18-10, which requires new residential projects to provide affordable housing. The exception could be the very large projects like the ones we see in Kakaako. At least until our housing crisis has been resolved. Or exempt small projects of say 150 units or so from Ordinance 18-10. The big project developers and the city have large number of units they are building, the financial resources, personnel size and cushion to provide these affordable housing which small projects and small developers don't have and so small developers have an extremely difficult time to produce these affordable units because of their small project size and so this requirement would create too much risk for them to do even a small project. I'm hearing that even the big developers are having a hard time or can't sell the affordable units in some of the large projects because of the high interest rate and the buyers not able to pass the qualifications, etc.

Finally, we should provide all our locals the opportunity to BUY AND OWN the unit they living in so they can build equity so that when their family start to grow and they need a bigger unit, they could sell their unit and upgrade to a bigger unit. If they were renting, they wouldn't have built any equity in their apartment to move up because they don't own the unit. Only their landlord, whether it's the State, an entity or an individual, would have built equity in the property on the backs of their renters.

So please pass Resolution 25-105 so we may increase the stock of condos on Oahu which will help to possibly keep prices down and keep our people from moving to the mainland. Thank you.

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