



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
KA 'OIHANA O KA LOIO KUHINA  
THIRTY-SECOND LEGISLATURE, 2024**

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**ON THE FOLLOWING MEASURE:**  
S.B. NO. 2034, RELATING TO HOUSING.

**BEFORE THE:**  
SENATE COMMITTEE ON HOUSING

**DATE:** Thursday, January 25, 2024      **TIME:** 1:00 p.m.

**LOCATION:** State Capitol, Room 225 and Videoconference

**TESTIFIER(S):** Anne E. Lopez, Attorney General, or  
Randall S. Nishiyama, Deputy Attorney General

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Chair Chang and Members of the Committee:

The Department of the Attorney General provides the following comments.

This bill authorizes and appropriates general obligation bonds for the Hawaii Housing Finance and Development Corporation (HHFDC) and the Hawaii Public Housing Authority (HPHA) for programs to develop housing exclusively for State residents who are owner- or renter- occupants and own no other real property. The bill provides that the lapse date for such money shall be June 30, 2027. Further, the bill contains a section that addresses exceeding the general fund expenditure ceiling for fiscal year 2024-2025.

Section 1 of the bill authorizes the issuance of general obligation bonds and appropriates \$500,000,000 in general obligation bond funds for the HHFDC's "programs" to develop housing and section 2 of the bill authorizes the issuance of general obligation bonds and appropriates \$1,000,000,000 in general obligation bond funds for the HPHA's "programs" to develop housing. The use of the term "programs" indicates that the money is for operating purposes, and not for capital improvement projects. However, section 3 of the bill clearly states that the money is for capital improvement projects. We recommend that sections 1 and 2 be amended to change the references from "programs" to "projects" as follows:

"SECTION 1. The director of finance is authorized to issue general obligation bonds in the sum of \$500,000,000 or so much thereof as may

be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2024-2025 for the purpose of financing projects for the Hawaii housing finance and development [corporation's programs to develop] corporation for housing that is exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this Act.

SECTION 2. The director of finance is authorized to issue general obligation bonds in the sum of \$1,000,000,000 or so much thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2024-2025 for the purpose of financing projects for the Hawaii public housing [authority's programs to develop] authority for housing that is exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

The sum appropriated shall be expended by the Hawaii public housing authority for the purposes of this Act."

Section 3 of the bill extends the lapse date for the capital improvement projects to June 30, 2027. This action violates article VII, section 11, of the Hawaii Constitution, which provides that general obligation bond funds shall not be made for a period exceeding three years. We have interpreted this provision to mean that the lapse date of appropriations shall be no more than one year beyond the close of the biennial period. See Attorney General Opinion No. 81-2. Consequently, the lapse date for the general obligation bond fund appropriations made in this bill must lapse by June 30, 2026, and we recommend that section 3 be amended as follows:

"SECTION 3. The appropriations made for the capital improvement projects authorized by this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all moneys from the appropriation unencumbered as of June 30, [2027,] 2026, shall lapse as of that date."

Section 4 of the bill addresses exceeding the general fund expenditure ceiling for fiscal year 2024-2025. Since the provisions of article VII, section 9, of the Hawaii Constitution and sections 37-91 and 37-93, Hawaii Revised Statutes, deal with the appropriation of general funds, and this bill appropriates general obligation bond funds, this section is not applicable and should be deleted. Section 5 should be redesignated as section 4 of this bill.

We respectfully ask the Committee to consider our comments.



JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT

TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON HOUSING  
ON  
SENATE BILL NO. 2034

**January 25, 2024**  
**1:00 p.m.**  
**Room 225 and Videoconference**

RELATING TO HOUSING

The Department of Budget and Finance (B&F) offers comments on this bill.

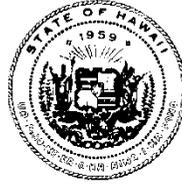
Senate Bill (S.B.) No. 2034: 1) authorizes the Director of B&F to issue \$500,000,000 in general obligation (G.O.) bonds for FY 25 for the Hawai'i Housing Finance and Development Corporation's (HHFDC) programs to develop housing for sale or rent to Hawai'i residents with no ownership of other real property; 2) authorizes the Director of B&F to issue \$1,000,000,000 in G.O. bonds for FY 25 for the Hawai'i Public Housing Authority's (HPHA) programs to develop housing for sale or rent to Hawai'i residents with no ownership of other real property; 3) sets a lapse date of June 30, 2027, for the G.O. bonds authorized by the bill; and 4) declares that the FY 25 general fund expenditure ceiling will be exceeded by an undetermined amount.

While B&F supports the intent to develop housing units to address the lack of affordable housing in the State, B&F has the following technical comments with the bill as written: 1) the authorization of an additional \$1.5 billion in G.O. bonds for FY 25 would more than double the current capital improvement program budget of \$1.23 billion in the Governor's FY 25 Executive Supplemental Budget (House Bill No. 1800/S.B. No. 2234);

2) assuming the cash would be needed immediately, a 6.00% interest rate, and a 20-year maturity term, the increased cost to annual debt service could be an additional \$131 million each year; 3) using an estimated average cost of \$575,000 per housing unit constructed, the funding may only fund the construction of about 2,600 units without support from an external partner and other funding sources; 4) while the extended lapse date proviso references capital improvement projects authorized by the bill, there are no projects provided in the bill; 5) the extended lapse date of June 30, 2027, exceeds the limit on general fund and G.O. bond appropriations set by Section 11 of Article VII of the Constitution of the State of Hawai'i; and 6) while there will be a need to increase general fund appropriations to pay for the debt service related to the additional G.O. bond authorization, there is currently no general fund appropriation in the bill to necessitate a declaration of exceeding the general fund expenditure ceiling.

Thank you for your consideration of our comments.

JOSH GREEN, M.D.  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

**STATE OF HAWAII**  
HAWAII PUBLIC HOUSING AUTHORITY  
1002 NORTH SCHOOL STREET  
POST OFFICE BOX 17907  
HONOLULU, HAWAII 96817

IN REPLY, PLEASE REFER TO:

Statement of  
**Hakim Ouansafi, Executive Director**  
**Hawaii Public Housing Authority**

Before the  
**SENATE COMMITTEE ON HOUSING**

**Thursday, January 25, 2024**  
**1:00 PM – Room 225, Hawaii State Capitol**

In consideration of  
**SB 2034**  
**RELATING TO HOUSING**

Honorable Chair Chang and members of the Senate Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 2034, relating to housing.

The Hawaii Public Housing Authority (HPHA) **strongly supports** the enactment of SB 2034, which authorizes the issuance of general obligation bonds for the Hawai'i Housing Finance and Development Corporation's and Hawai'i Public Housing Authority's programs to develop housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

The HPHA's mission is to provide Hawaii's residents with adequate and affordable housing, economic opportunity, and suitable living environments that are free from discrimination through both its public housing and rental assistance programs. The HPHA serves our state's most disadvantaged populations, including families earning less than thirty percent of the Area Median Income, the disabled, and the elderly.

In July 2023, the HPHA selected Highridge Costa Development Company (HCDC) as the Master Developer for its upcoming Ka Lei Momi Project. Ka Lei Momi stands for "The Pearl Garland". For the past six months, a tremendous amount of progress has been achieved in this ambitious

public-private partnership (PPP) that aims to construct over 10,000 new additional affordable units over the next decade in addition to replacing decades old public housing units statewide. With access to federal tools and programs like Rental Assistance Demonstration (RAD), Choice Neighborhood Initiative (CNI), Section 18 Demolition/Disposition, and Moving to Work (MTW), the HPHA is well-positioned to utilize mixed-finance strategies through our PPP with HCDC where these new affordable units are so desperately needed thereby increasing the housing stock in Hawaii, assuring affordability for life, deconcentrating poverty and creating vibrant mixed-income mixed-use communities for generations to come.

The HPHA's upcoming redevelopment activities planned for the next couple of years include the second phase of the Kuhio Park Terrace Low-Rises and Kuhio Homes redevelopment project that includes 304 units anticipated to break ground at the end of this year, the first phase of the School Street Senior Affordable Rental project that consists of 250 units which broke ground earlier this month, the first phase of the Mayor Wright Homes redevelopment project that includes 916 units of mixed-income rentals and a 99-year lease for-sale tower that is anticipated to break ground in late 2025, and the Kapaa affordable housing project that includes 124 units. The Kuhio Park Terrace Low-Rises and Kuhio Homes redevelopment project will look to replace 174 public housing units with a total of 650 total units, School Street Senior Affordable Rental project will build a total of 800 units, Kapaa affordable housing project will look to replace 36 public housing units with a total of 124 units, and the Mayor Wright Homes redevelopment project will look to replace 364 public housing units with a total of 2,448 units. This essential support will expedite the delivery of much-needed affordable housing, addressing the pressing needs of Hawaii.

The HPHA appreciates the opportunity to provide the Committee with its testimony. We thank you very much for your dedicated and continued support.

**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  
677 QUEEN STREET, SUITE 300  
HONOLULU, HAWAII 96813  
FAX: (808) 587-0600

Statement of  
**DEAN MINAKAMI**  
Hawaii Housing Finance and Development Corporation  
Before the

### **SENATE COMMITTEE ON HOUSING**

January 25, 2024 at 1:00 p.m.  
State Capitol, Room 225

In consideration of  
**S.B. 2034**  
**RELATING TO HOUSING.**

HHFDC **supports** SB 2034, which authorizes the issuance of \$500 million of general obligation bonds and appropriates that sum to HHFDC to develop housing exclusively for residents of the state who are owner- or renter-occupants and own no other real property. The bill does the same for HPHA, but in the amount of \$1 billion.

The state has a severe shortage of housing, and HHFDC appreciates the Legislature's ongoing support for our development programs. However, HHFDC does not support restricting certain housing projects to be exclusively for Hawaii residents who own no other real property. We suggest that the bill be amended to use the below definition of "qualified resident" found in Section 201H-38, Hawaii Revised Statutes.

"Qualified resident" means a person who:

- (1) Is a citizen of the United States or a resident alien;
- (2) Is at least eighteen years of age;
- (3) Is domiciled in the State and physically resides in the dwelling unit purchased or rented under this chapter;
- (4) In the case of the purchase of real property in fee simple or leasehold, has a gross income sufficient to qualify for the loan to finance the purchase; or in the case of a rental, demonstrates an ability to pay rent as determined by the corporation and meets any additional criteria established by

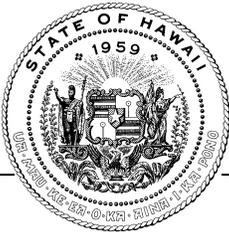
the corporation for the respective rental housing development for which the applicant is applying; and

(5) Meets the following qualifications:

- (A) Is a person who either by the person's self, or together with spouse or household member, does not own a majority interest in fee simple or leasehold lands suitable for dwelling purposes or a majority interest in lands under any trust agreement or other fiduciary arrangement in which another person holds the legal title to the land; and
- (B) Is a person whose spouse or household member does not own a majority interest in fee simple or leasehold lands suitable for dwelling purposes or more than a majority interest in lands under any trust agreement or other fiduciary arrangement in which another person holds the legal title to the land, except when husband and wife are living apart under a decree of separation from bed and board issued by the family court pursuant to section 580-71;

provided that for purchasers of market-priced units in an economically integrated housing project, the term "qualified resident" means a person who is a citizen of the United States or a resident alien; is domiciled in the State and shall physically reside in the dwelling unit purchased; is at least eighteen years of age; and meets other qualifications as determined by the developer.

Thank you for the opportunity to testify on this bill.



**STATE OF HAWAII  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT**

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

**MARY ALICE EVANS**  
INTERIM DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawaii'i 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii'i 96804

Telephone: (808) 587-2846  
Fax: (808) 587-2824  
Web: <https://planning.hawaii.gov/>

Statement of  
**MARY ALICE EVANS, Interim Director**

before the  
**SENATE COMMITTEE ON HOUSING**

Thursday, January 25, 2024

1:00 PM

State Capitol, Conference Room 225

in consideration of  
**BILL NO SB 2034**  
**RELATING TO HOUSING.**

**LATE**

Chair Chang, Vice Chair Hashimoto, and Members of the Senate Committee on Housing:

The Office of Planning and Sustainable Development (OPSD) **supports** Senate Bill 2034, which authorizes the issuance of \$500 million of general obligation bonds for the Hawai'i Housing Finance and Development Corporation programs and \$1 billion of general obligation bonds for the Hawai'i Public Housing Authority programs to develop housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

Per the Legislature's direction and funding in Act 88, SLH 2021, Sec. 39, OPSD recently completed the *TOD Infrastructure Finance and Delivery Strategy*, which underscored growing housing needs statewide, and outlined a strategy to target existing and new revenue sources to fund housing production and supportive infrastructure, especially to leverage development on public lands (see [https://files.hawaii.gov/dbedt/op/lud/Reports/TOD\\_InfraFin\\_Strategy\\_20231221.pdf](https://files.hawaii.gov/dbedt/op/lud/Reports/TOD_InfraFin_Strategy_20231221.pdf)). The study identified the need for regular, predictable revenue sources to help finance regional public infrastructure to facilitate transit-oriented development and affordable housing production.

While there have been concerns about the feasibility of developing housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property, we suggest amending the bill to use the existing statutory definition of "qualified resident" in Section 201H-38, Hawaii Revised Statutes, for the purpose of determining who is eligible to rent or buy a unit that is constructed with the use of general obligation bond funds.

Thank you for the opportunity to testify on this measure.

# PARTNERS IN CARE

*Oahu's Continuum of Care*

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*Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.*

## TESTIMONY IN SUPPORT OF SB 2034: RELATING TO HOUSING

TO: Senate Committee on Housing  
FROM: Partners In Care  
Hearing: **Thursday, January 25<sup>th</sup>; 1:00 PM; CR 225 & via videoconference**

Chair Chang, Vice Chair Hashimoto and Members of the Senate Committee on Housing:

Thank you for the opportunity to provide testimony **in strong support** of SB 2034, which authorizes GO bonds for the Hawai'i Housing Finance and Development Corporation (HHFDC) and the Hawai'i Public Housing Authority (HPHA) to develop affordable rental and for sale housing in the State. Partners In Care (PIC), is a coalition of more than 60 non-profit homelessness providers and concerned organizations. We urge your continued prioritization of GO bond funding for affordable rental production to prevent homelessness and give hope to the people of Hawai'i.

Hawai'i is approaching a new height in its housing crisis. It needs to develop thousands of units of affordable rental housing. 60% of Hawaii's families pay more than one-third of their income on rent. Hit hard by the pandemic, many remain in financial jeopardy. Population loss and homelessness are real concerns. Building affordable rentals builds resiliency for the future, as well as bringing hope to Hawaii's families. HHFDC's Rental Housing Revolving Fund (RHRF) is the major pathway for the State to promote the development of affordable rental units. RHRF has build thousands of units, yet 20,000 rentals are still needed by 2025 for Hawaii's lower income families.

The Hawai'i Public Housing Authority has old rental buldings located on state land usually in excellent locations for work, play and community services. Their plan to redevelop many of these buildings would result in thousands of new additional units, as well as replacing the current subsidized units on a 1-1 basis. General Obligation (GO) bonds are essential to move forward on this state priority for new affordable rental units.

Housing is healthcare—and can prevent much more expensive options to combat homelessness as well as prevent premature institutionalization of Hawai'i kupuna. Partners In Care urges your strong support for GO bond funding for affordable rentals. Besides the important economic impact, this funding will provide hope to our struggling families, elders and disabled persons.

**Partners In Care urges your support for a strong allocation to both HHFDC and HPHA to increase the State's capacity to develop thousands of units of additional housing.**

Mahalo.



January 24, 2024

Senator Stanley Chang, Chair  
Senator Troy Hashimoto, Vice Chair  
Members of the Senate Housing Committee

RE: **SB 2034 – RELATING TO HOUSING**  
**Hearing date – January 25, 2024 at 1:00 PM**

Aloha Chair Chang, Vice Chair Hashimoto and members of the committee,

Thank you for allowing NAIOP Hawaii to submit testimony in **STRONG SUPPORT FOR SB 2034 – RELATING TO HOUSING**. NAIOP Hawaii is the Hawaii chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals.

SB 2034 authorizes the issuance of general obligation bonds for the Hawaii Housing Finance and Development Corporation's (HHFDC) and Hawaii Public Housing Authority's (HPHA) programs to develop housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

NAIOP strongly supports SB 2034 which will provide much needed funding for HHFDC and HPHA to produce affordable housing for-sale and rental projects made available to Hawaii residents. The issuance of bonds will provide another funding mechanism which that directly benefits: 1) all 201H projects which need more affordable financing; and 2) state public housing projects intended to support Hawaii residents.

Accordingly, NAIOP Hawaii strongly supports SB 2034 which will ensure the continued production of homes for our residents. Thank you for the opportunity to testify on this measure.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read "Reyn Tanaka". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Reyn Tanaka, President  
NAIOP Hawaii



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF SB 2034: RELATING TO HOUSING

TO: Senate Committee on Housing

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawaii

Hearing: **Thursday, 1/25/24; 1:00 pm; Room 225 & Videoconference**

Chair Chang, Vice Chair Hashimoto, and Members, Committee on Housing:

Thank you for the opportunity to provide testimony **in Support of SB 2034, which** authorizes issuance of GO bonds for the Hawaii Housing Finance and Development Corporation's (HHFDC) and Hawaii Public Housing Authority's (HPHA) programs to develop housing for State residents who are owner- or renter-occupants and own no other real property. I am Rob Van Tassell with Catholic Charities Hawaii. This bill would be a giant leap forward to address the great burden that Hawaii's extremely high housing costs places on our local residents and workforce.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 75 years. CCH has programs serving elders, children, families, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawaii. Creating affordable housing and ending homelessness are our top priorities.

We thank you for focusing on this most critical issue for our state. We need more affordable housing not only to help our residents remain in Hawaii: not only to help our ALICE and other families who are struggling so much, not only to give our students a chance to return to Hawaii after college, not only to ensure our kupuna have safe and decent housing, and not only to end homelessness. **We need to focus on affordable housing to give hope.**

We thank the legislature for looking overall at ways to improve the lives of our local residence. From taxes to the cost of living to housing, etc. are being considered. Creating safe, decent and affordable places to live is key. This bill has a big ask for the creation of housing, by both HHFDC overall and to enable HPHA to redevelop its state lands. Both would create thousands of units of new affordable housing.

Let's make this a historic year. Let this be a year that is dedicated to creating more affordable housing. A year that gives hope for the future to our local families, seniors and all Hawaii's struggling citizens.

If you have any questions, please contact our Legislative Liaison, Betty Lou Larson at (808) 527-4813.





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[facebook.com/AARPHawaii](https://facebook.com/AARPHawaii)

**The State Legislature  
Senate Committee on Housing  
Thursday , January 25, 2024  
Conference Room 225, 1:00 p.m.**

TO: The Honorable Stanley Chang, Chair  
RE: Support for S.B. 2034 -Relating to Housing

Aloha Chair Chang, and Members of the Committee:

My name is Keali'i Lopez, and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii.

**AARP supports S.B 2034 which authorizes the issuance of general obligation funds for the Hawaii Housing Finance and Development Corporation and Hawaii Public Housing Authority's programs to develop or rehabilitate housing for owners or renters with no other real property.**

Issuing general bonds to raise money for constructing housing and increasing housing supply has been successfully in other jurisdictions in the county. AARP supports these efforts especially projects that will help owners manage and rehabilitate their existing residence, or help a renter buy or rent an affordable home. Hawaii's housing supply is already at an all-time low which has been further exacerbated by the recent Maui wildfire disaster. It is important Hawaii remains focused on increasing the housing supply especially the affordable market and prioritize by helping first-time homeowners create more financial security and stability for all.

Thank you very much for the opportunity to testify in support **S.B. 2034**.

Sincerely,

A handwritten signature in black ink that reads "Keali'i S. Lopez".

Keali'i S. López, State Director



Committee on Housing  
Senator Stanley Chang, Chair  
Senator Troy N. Hashimoto, Vice Chair

BILL: SB2034  
POSITION: SUPPORT

Hearing Date: Jan 25, 2024, 1pm, Rm. 225

Aloha Chair Chang Vice Chair Hashimoto, and Committee Members:

Aloha United Way and the ALICE Initiative support SB 2034, which authorizes general obligation bonds for programs to develop housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

Hawaii is losing its local ALICE families and workforce, and the high cost and lack of access to housing is the main cause for this crisis. The huge rise in housing costs as residents increasingly compete with investors and corporations who profit from Hawaii's housing stock means ALICE families are being forced out and losing to short-term rentals and building projects targeted to investment instead of long-term occupancy.

ALICE stands for Asset Limited, Income Constrained, Employed, and refers to households who are employed but whose incomes are not sufficient to meet their basic costs. According to our 2022 report, **44% of Hawaii's households are ALICE households.**

Acts like SB2034 are essential to the work needed to provide more housing designated for those who live and work here. Aloha United Way and ALICE Initiative partners strongly support SB2034 and the funding of projects that create housing for owners and renters who occupy the housing long-term and who will live, work, and contribute to our economy.

Thank you for the opportunity to testify and for supporting housing for our ALICE families. Your strong action is needed now and we urge you to pass SB2034.

Sincerely,

A handwritten signature in blue ink that reads "Suzanne Skjold".

Suzanne Skjold  
Chief Operating Officer  
Aloha United Way



Committee on Housing  
Senator Stanley Chang, Chair  
Senator Troy N. Hashimoto, Vice Chair

BILL: SB2034  
POSITION: SUPPORT

Hearing Date: Jan 25, 2024, 1pm, Rm. 225

Aloha Chair Chang Vice Chair Hashimoto, and Committee Members:

Aloha United Way and the ALICE Initiative support SB 2034, which authorizes general obligation bonds for programs to develop housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

Hawaii is losing its local ALICE families and workforce, and the high cost and lack of access to housing is the main cause for this crisis. The huge rise in housing costs as residents increasingly compete with investors and corporations who profit from Hawaii's housing stock means ALICE families are being forced out and losing to short-term rentals and building projects targeted to investment instead of long-term occupancy.

ALICE stands for Asset Limited, Income Constrained, Employed, and refers to households who are employed but whose incomes are not sufficient to meet their basic costs. According to our 2022 report, **44% of Hawaii's households are ALICE households.**

Acts like SB2034 are essential to the work needed to provide more housing designated for those who live and work here. Aloha United Way and ALICE Initiative partners strongly support SB2034 and the funding of projects that create housing for owners and renters who occupy the housing long-term and who will live, work, and contribute to our economy.

Thank you for the opportunity to testify and for supporting housing for our ALICE families. Your strong action is needed now and we urge you to pass SB2034.

Sincerely,

A handwritten signature in blue ink that reads "Suzanne Skjold".

Suzanne Skjold  
Chief Operating Officer  
Aloha United Way

**LATE**

To: Senate Committee on Housing  
Re: **SB 2034 – Relating to Housing**  
Hawai'i State Capitol & Via Videoconference  
January 25, 2024, 1:00 PM

Dear Chair Chang, Vice Chair Hashimoto, and Committee Members,

On behalf of Hawai'i Children's Action Network Speaks!, I am writing in **SUPPORT of SB 2034**. This bill authorizes the issuance of general obligation bonds for the Hawai'i Housing Finance and Development Corporation's and Hawai'i Public Housing Authority's programs to develop housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property.

Hawai'i Children's Action Network is a member of the current ALICE Initiative Cohort, which supports the upward mobility of ALICE (Asset Limited, Income Constrained, Employed) households by focusing on improving systemic economic inequities in Hawai'i.<sup>1</sup>

According to United for ALICE research, nearly half of children in Hawai'i live in households experiencing financial hardship. While almost 1 in 8 are in poverty, an additional one-third of families in Hawaii aren't officially poor but still don't earn enough to afford the basic life essentials.<sup>2</sup>

A concerning 39% of all children in our state live in families that spend more than 30% of their income on housing, which is considered a high housing cost burden. That ranks Hawai'i at a dismal 49<sup>th</sup> place among the states for housing affordability, according to KIDS COUNT.<sup>3</sup>

It is also well established that housing instability has harmful effects on children's health and educational outcomes<sup>4</sup> and that the stresses of childhood poverty have both immediate and long-term effects on keiki's physical and mental health, behavioral self-control, academic achievement, and earnings as adults.<sup>5</sup>

Mahalo for the opportunity to provide this testimony. Please pass this bill.

Thank you,

Nicole Woo  
Director of Research and Economic Policy

<sup>1</sup> <https://www.hawaiicommunityfoundation.org/strengthening/alice-initiative>

<sup>2</sup> <https://www.auw.org/sites/default/files/pictures/ALICE-in-Focus-Children-Hawaii%20%283%29.pdf>

<sup>3</sup> [https://www.hawaii-can.org/kids\\_count\\_2023\\_hawaii\\_profile](https://www.hawaii-can.org/kids_count_2023_hawaii_profile)

<sup>4</sup> <https://housingmatters.urban.org/articles/how-housing-affects-childrens-outcomes>

<sup>5</sup> <https://www.apa.org/pi/ses/resources/indicator/2014/06/childhood-poverty>

**SB-2034**

Submitted on: 1/23/2024 8:21:27 PM

Testimony for HOU on 1/25/2024 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Keith Webster	Individual	Support	Written Testimony Only

Comments:

Senator Stanley Chang, Chair

Senator Troy N. Hashimoto, Vice Chair

Committee on Housing

TESTIMONY of  
Keith Webster

Thursday, January 25, 2024; 1:00 PM

SUPPORT for SB 2034, relating to housing financing

I encourage you to support this bill which provides badly needed funds for the construction of housing for local residents who own not other real property. Housing for mid-income working people and below is especially difficult and important for the health of our communities and economy. This bill provides some of the funding needed to provide housing for our local communities.

Our families are being separated due to the lack of housing priced within reach of most working people. Our young people are affected the most and for social justice and economic sustainability we need to ensure our working people and their families have access to housing that is affordable across the pay range our service economy provides.

Thank you for your consideration of this legislation.

Respectfully,

Keith Webster

Kaneohe, HI

January 23, 2024

Senator Stanley Chang, Chair, Senate Housing Committee

Troy Hashimoto, Vice-chair, Senate Housing Committee

**Re: SB 2034 Relating to housing: HHFDC; HPHA; Affordable Housing; General  
Obligation Bonds; Issuance; Expenditure Ceiling; Appropriations**

Dear Senators Chang and Hashimoto:

I am Gail Breakey, resident of Waipio Gentry and an advocate for vulnerable young children and their families. I am testifying in support of SB 2034, Relating to housing.

Authorizes the issuance of general obligation bonds for the Hawaii Housing Finance and Development Corporation's and Hawaii Public Housing Authority's programs to develop housing exclusively for residents of the State who are owner- or renter-occupants and own no other real property. Makes appropriations.

**This important legislation makes more funding available for housing for Hawaii residents.**

Thank you very much for the opportunity to testify in support of this legislation.

Sincerely,

A handwritten signature in black ink that reads "Gail Breakey". The signature is written in a cursive, flowing style.

Gail Breakey, RN, MPH

**SB-2034**

Submitted on: 1/24/2024 10:03:44 AM

Testimony for HOU on 1/25/2024 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Loren	Individual	Support	Written Testimony Only

Comments:

I support housing that's for residents, not long-term renters.