JOSH GREEN, M.D.
GOVERNOR
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LT GOVERNOR



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 COMMERCE AND CONSUMER PROTECTION AND SENATE COMMITTEE ON HOUSING

March 18, 2025 at 9:35 a.m. State Capitol, Room 229

In consideration of H.B. 1325 HD3 RELATING TO HOUSING.

Chairs Keohokalole and Chang, Vice Chairs Fukunaga and Hashimoto, and members of the Committees.

HHFDC <u>supports</u> HB 1325 HD3, which requires developers developing an affordable housing project under HHFDC to assist certain tenants who are subject to displacement or eviction by the proposed project by: granting those tenants the right of first refusal of a comparable unit in the housing project at an affordable rate; establishing a fund to provide relocation benefits and offer assistance; providing information, either directly or through a contracted service, on how to obtain assistance and exercise the right of first refusal; establishing procedures to track and maintain communication with those tenants, and establish consequences for a developer's noncompliance.

The majority of HHFDC projects do not displace residents. If a project does cause displacement, we typically require developers to provide relocation assistance.

HHFDC supports this bill as it establishes a standard that all projects must meet. We would further support an **amendment** requiring projects to provide relocation assistance and the right of first refusal in the new project as long as there is no requirement that the unit be offered at the same rate as the prior unit.

Thank you for the opportunity to testify on this bill.

Submitted on: 3/14/2025 12:27:08 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Nadine Ortega	Testifying for Tagnawa for Maui	Support	Remotely Via Zoom

Comments:

Dear Chair Keohokalole and Chair Chang, and Honorable Members,

Tagnawa offers testimony **IN SUPPORT** of H.B. 1325 H.D. 3.

Tagnawa was the first organization to provide Ilokano and Tagalog translations andresource navigation to survivors in the immediate aftermath of the 2023 Lahaina fire,and went on to conduct the largest needs assessment post-disaster of the Lahaina Filipinocommunity to date. For your consideration, our study revealed that the top priorityidentified by Filipino survivors in the rebuilding was Lahaina lands in Lahaina hands—tied with job creation. Additionally, housing instability remains a pervasive issue, withmany Filipino tenants uncertain about long-term housing (38%), waiting for lottery resultsfor affordable housing (33%), facing imminent expiration of housing contracts inFebruary 2025, and dependent on temporary support from FEMA and other agencies. H.B. 1325 H.D. 3 would help address these community concerns and protect Filipino survivorsfrom permanent displacement. Accordingly, we ask that the Committee pass this crucialmeasure.

Mahalo,

Nadine Ortega, J.D., Executive Director



Support for HB1325

Aloha e Senators, Chair, Vice Chair:

We are testifying on behalf of Locals In My Backyard (LIMBY) Hawai'i. LIMBY Hawai'i is a hui of concerned kama'āina and kānaka working to help develop solutions to our state's housing crisis.

We are concerned that NIMBYism has driven up costs and driven our friends and families out by opposing all development. We are equally concerned that the apparent answer to this, YIMBYism, insists that anything resembling true affordability is impossible so instead they promote building housing that gets bought by overseas investors. We know we won't solve our housing woes without building more, but we won't solve them by simply building more.

The true solution is to create a housing market for locals: one that houses locals first, is tied to local wages, and is managed in trust. We detail real solutions to our housing woes on our website and through our newsletter.

The future for kama'āina and kānaka will be LIMBY or Las Vegas.

HB1325 is an important part of that process. It should not be the case that in producing housing for those making 140% of AMI we displace those making 80% of AMI. This however, is increasingly the case with 201-H projects.

Kuilei Place should serve as an educational example as hundreds of tenants were displaced to build a tower where the *cheapest* rent in the to be constructed building far exceeded the most *expensive rent in the building to be demolished*.

Relocation assistance should be the norm and we urge members to require it.

Makana Hicks-Goo, Organizer on behalf of LIMBY Hawaii



TESTIMONY IN SUPPORT OF HB1325 HD3, RELATING TO HOUSING

SENATE COMMITTEE ON COMMERCE & CONSUMER PROTECTION SENATE COMMITTEE ON HOUSING March 18, 2025

Aloha Chair(s) Keohokalole & Chang, Vice Chair(s) Fukunaga & Hashimoto, Members of the Commerce & Consumer Protection and Housing Committees,

The Democratic Party of Hawai'i **SUPPORTS** HB1325 HD3, RELATING TO HOUSING. Pursuant to the Platform of the Democratic Party of Hawai'i, the Party supports policies that preserve housing for residents, including the expansion of rental assistance programs and tenant protections.

In the process of developing or redeveloping affordable housing projects under the Hawaii Housing Finance & Development Corporation, existing tenants can be evicted or displaced. When that happens, tenants must have rights and protections in place to ensure that they remain housed or can relocate to new housing with as little disruption as possible in the lives of tenants and their families. The stability and community that housing brings must not be taken lightly. The Democratic Party of Hawaii supports public resources going towards meaningfully addressing the uncertainty that displaced/evicted tenants might have to face.

Mahalo nui loa for the opportunity to testify in Support of HB1325 HD3, RELATING TO HOUSING. Should you have any questions or require further information, please contact the Democratic Party of Hawai'i at legislation@hawaiidemocrats.org.



Adult Friends for Youth

"Redirecting lives to stop Violence"

PRESIDENT AND CEO Deborah L.K. Spencer-Chun, M.S.W.

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*Past Chair of the Board

Testimony on HB1325 HD3

Submitted to: Committee on Commerce and Consumer Protection

Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

AND

Committee on Housing Senator Stanley Chang, Chair

Senator Troy N. Hashimoto, Vice Chair

From: Debbie Spencer-Chun, President and CEO of Adult Friends for Youth (AFY).

In support of HB1325 HD3. I appreciate the edits to this bill.

Mahalo nui loa for allowing me to testify. My testimony is based on my conversations with residents and my meetings with other community organizations, government staff and leaders, and concerned citizens.

When I met with residents back in December regarding the new redevelopment of Kuhio Park Terrace, there were many concerns, such as:

- There was a lack of communication and/or miscommunication between them and the developer, Hawaii Housing Public Authority, and Seneca, the contracted company to help them relocate. They were getting different information from different sources. This lack of communication and/or miscommunication caused confusion, apprehension, a lack of trust, and, in some cases, anxiety.
 - We need to have a better mechanism to help these residents relocate.
- 2. The lack of communication or reassurance that they will have the right or opportunity to return.
 - We need a better mechanism to help these residents understand their legal and moral rights to return to the new redevelopment upon completion. They need reassurance, especially our kupuna. (Note: Maintaining contact via a website is not the answer. I don't know about you, but at AFY, we sometimes have a hard time keeping our website updated to provide the most accurate information daily. How or who will keep this website updated accurately daily for these residents to get information? It's possible that it will not happen.)
- 3. The disruption of their children's education, especially if they must move out of the district.

• We need a point of contact from the DOE to work directly with these impacted families. (Note: I know this is a housing issue, but it impacts various facets of the residents' lives.)

4. Safety concerns.

 We need to have a mechanism in place that is knowledgeable of various aspects of the residents' concerns. It is not a one-size-fits-all solution.

(Note: I know it is easy to just say to place them in different public housing in the same or other communities, but it is not that simple. There is a history between public housing complexes that could potentially be dangerous. Again, I know this is a housing issue, but we need to consider these things.)

Other comments: Other public housing projects will be redeveloped very soon, and we hope to prevent these situations from reoccurring. We have a large homeless problem in Hawaii, and if we don't get this right, I worry that others will fall into this category. I also agree with some of the other testimonies already submitted.

Mahalo for your time. I appreciate you allowing me to share my mana'o.

Respectfully submitted,

Deborah Spencer-Chun



Testimony to the Senate Committee on Housing Senator Stanley Chang, Chair Senator Troy N. Hashimoto, Vice Chair

Testimony to the Senate Committee on Commerce and Consumer Protection Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

> Tuesday, March 18, 2025, at 9:35AM Conference Room 229 & Videoconference

RE: HB1325 HD3 Relating to Housing

Aloha e Chairs Chang, Keohokalole, and Members of the Committees:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports House Bill 1325 House Draft 3 (HB1325 HD3), which requires developers developing an affordable housing project under Hawai'i Housing Finance and Development Corporation to assist certain tenants who are subject to displacement or eviction by the proposed project by: granting those tenants the right of first refusal of a comparable unit in the housing project at an affordable rate or establishing a fund to provide relocation benefits and offer assistance; providing information, either directly or through a contracted service, on how to obtain assistance and exercise the right of first refusal; and establishing procedures to track and maintain communication with those tenants. Establishes consequences for a developer's noncompliance.

HB1325 HD3 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Business Services. This bill promotes policies that drive economic growth, enhance workforce opportunities, and improve the quality of life for Hawaii's residents.

Hawaii is facing a significant affordable housing crisis that, if unaddressed, could undermine the State's economic growth by forcing long-time residents out of established communities and depleting the local labor force. In response, this measure mandates that developers of state- or federally-funded affordable housing projects provide displaced tenants with either a right of first refusal for comparable affordable units or relocation benefits. By keeping tenants connected to their jobs, social networks, and support systems, this legislation not only prevents unnecessary upheaval for families but also helps sustain the economic vitality of neighborhoods.

Under the bill, developers who fail to comply can have funding withheld or face ineligibility for future programs, ensuring strong accountability measures to protect displaced tenants. By promoting both affordable housing development and stability for Hawaii's workforce, the law strengthens community resilience and bolsters economic prosperity for the long term. The Chamber supports this measure because it promotes a healthy economy through stable housing opportunities, retains a robust local workforce, and encourages responsible development that benefits residents and businesses alike.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and



opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.

We respectfully ask to pass House Bill 1325 House Draft 3. Thank you for the opportunity to testify.



HB1325 HD3 RELATING TO HOUSING

Senate Committee on Consumer Protection & Commerce

Senate Committee on Housing

March 18,2025, 9:35am, Room 229

Aloha mai e Chair Keohokaloe, Chair Chang, and members of the Committees:

The Medical-Legal Partnership for Children in Hawai'i provides free, direct legal services to patients in community health settings. Many of our clients are low-income tenants and tenants in public housing projects. We testify in **STRONG SUPPORT** for **HB1325 HD1**, and offer an important amendments to clarify the right to return or preference to protect local families from permanent displacement.

Currently, there are almost no clear and enforceable state level displacement protections for tenants in projects that are being re-developed under state funded government schemes. Most importantly, while Federal law does provide some long term relocation assistance to those displaced by the demolition of public housing, there are no clear requirements for displaced tenants to get the first preference or right to return. Learning from the lessons of redevelopment projects currently displacing tenants, our state law must move to protect and prioritize our community first, by enacting state requirements that include all three prongs of good anti-displacement programs: (1) offer tenants relocation assistance, (2) provide robust relocation counseling, and (3) offer the right to return or first preference for families in the new development.

The most important part of this bill is to require this right to return. Without an express preference or right to return required by alw. tenants are left to cite <u>promises made in funding documents</u> and hope that they can return to their community. This has been made abundantly clear in the redevelopment of Kūhiō Park Terrace low-rise, where a private developer is implementing a \$200M+ project that will displace hundreds of current tenants -- tenants who are a month away from being forced to move, and many of whom have no clear options for housing despite assurances that they would receive relocation assistance and the right to return.¹

Other jurisdictions, such as the State of Georgia's Department of Community Affairs, equivalent to our HHFDC, provides clear relocation plans, engagement, and assistance to ensure their most needy state residents are not left beyond by new 'affordable housing' developments². Most importantly, they have clear enforceable penalties for developers who do not provide the assistance.

¹ Dillon Ancheta, "'Help us': Public housing redevelopment forces 60 Kalihi tenants to relocate," available at https://www.hawaiinewsnow.com/2025/01/24/public-housing-redevelopment-forces-60-kalihi-tenants-relocate/

² See Georgia Department of Community Affairs available at: https://dca.georgia.gov/affordable-housing/housing-development/housing-tax-credit-program/qualified-allocation-plans-and-12

As our state moves to implement and build affordable housing – increasingly through public-private partnerships similar to the privatization and redevelopment of Kūhiō Park Terrace low-rise – new laws must be enacted to protect displacement of local tenant families. Without HB1325 HD3, our displaced local families are forced to compete just to return to a community they lived in for generations. HB1325 HD1 is needed to make clear that developers receiving state government subsidies must take the time to ensure that displaced families receive services, and a clear and operationalized right to return to the project in their community first.

To further strengthen and clarify the need for robust and complete anti-displacement provisions similar to other states, amendments are needed to clarify that developers must offer all parts of relocation assistance **and** the right to return.

Amendment:

Clarify that developers must guard against displacement by providing all three prongs of a robust displacement program: the right to return, relocation assistance, **and** relocation counseling.³

- "(E) If the proposed housing project will result in the displacement or eviction of tenant households living in units whose value is affordable to families earning one hundred forty per cent or below of the applicable area median income, the developer of the proposed housing project shall:
 - (i) Offer the displaced or evicted tenants the right to return or first preference for a comparable unit available in the proposed housing project at a rate no greater than the amount the tenant was paying in the existing development, subject to inflation, AND
 - Establish a fund and create a relocation program to provide relocation benefits and offer assistance to the displaced or evicted tenants; provided that if the developer opts to provide relocation benefits, the displaced or evicted tenant may choose to receive either three separate payments with each payment equal to no less than one month's rent in a comparable unit or a lump sum equal to no less than three month's rent; provided further that relocation benefits may be provided either

³ See Georgia Department of Community Affairs Relocation Manual, available at: https://dca.georgia.gov/document/qualified-allocation-plans-gaps/2024relocationmanualpdf/download



as a rent waiver or as a direct cash payment;

Accordingly I respectfully ask that you <u>PASS HB1325 HD3</u> and consider the proposed amendments modeled from other jurisdictions.

Mahalo for the opportunity to provide testimony in support.

Deja Ostrowski, Esq. Medical-Legal Partnership for Children in Hawai'i 808-728-0004; dejao@hawaii.edu



Hawai'i YIMBY

Honolulu, HI 96814 hawaiiyimby.org info@hawaiiyimby.org

March 18, 2025

Senate Committee on Commerce and Consumer Protections
Senate Committee on Housing
Hawai'i State Capitol
Honolulu, HI 96813

RE: SUPPORT for HB 1325 HD3 - RELATING TO HOUSING

Aloha Chairs Keohokalole and Chang, Vice Chairs Fukunaga and Hashimoto, and Members of the Committee,

On behalf of Hawai'i YIMBY, we are writing in **support of HB 1325 HD3** which would require assistance to tenants who are displaced by an affordable housing project. Our housing shortage is severe and will require us to redevelop many existing residential areas into more dense residential uses. However, in the process of redeveloping existing homes, we must ensure that those who currently live there are treated fairly, equitably and are allowed the opportunity to return to their community.

We would like to offer a comment on the current version of this bill:

We would ask that the bill be returned to its original form where displaced tenants are both offered the right of first refusal to a comparable unit at an affordable rate **and** monetary temporary/permanent relocation assistance. We share the opinion that we should be focusing on bringing down the input costs of our housing, and that a bill like this could, instead, increase costs. However, we need to recognize that there is a human cost to redeveloping existing residential units and that cost should be factored in. We would implore the legislature to continue to bring down input costs to housing through repealing/reforming burdensome fees, overly restrictive zoning laws and streamlining and expediting permitting processes.



Hawai'i YIMBY

Honolulu, HI 96814 hawaiiyimby.org info@hawaiiyimby.org

We believe in increasing housing stability. This involves protecting existing tenants from displacement and minimizing the effects when their home is redeveloped into more housing. We support the main points of this bill: (1) To give displaced tenants the right of first refusal and to return to a comparable unit at an affordable rate or provide relocation assistance to those displaced; (2) Ensure adequate education and communication about the existing tenant's rights during this process and the progress of the redevelopment.

To emphasize, existing tenants should be offered the right of first refusal to a comparable unit in the new development. Every effort should be made to ensure the existing resident is offered the opportunity to return and can afford to do so.

Whatever the mechanism that ensures the existing tenant is able to afford to return, it is especially important that an existing tenant is never put in the position where they return to a comparable unit and will pay more than 30% of their income.

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.

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

Sincerely,

Damien Waikoloa

Chapter Lead, Hawaiʻi YIMBY

Edgardo Díaz Vega Chapter Lead, Hawai'i YIMBY



Testimony of Lahaina Strong Before the Senate Committees on Housing & Commerce and Consumer Protection

In Consideration of House Bill No. 1325 HD3 RELATING TO HOUSING

To Chair Chang, Chair Keohokalole, Vice Chair Hashimoto, Vice Chair Fukunaga and the honorable members of the committee,

We are writing on behalf of Lahaina Strong, an organization deeply rooted in our community's resilience and advocacy. Originally formed in 2018 following the Hurricane Lane fire in Lahaina and revitalized after the devastating fires of August 8, 2023, Lahaina Strong has become the largest grassroots, Lahaina-based community organization, with over 35,000 supporters. Our mission is to amplify local voices and champion community-driven solutions, which are more critical than ever as we continue rebuilding and recovering.

Lahaina Strong, stands in **full support of House Bill 1325 HD3**, which requires developers developing an affordable housing project under HHFDC to assist certain tenants who are subject to displacement or eviction by the proposed project. This bill is a critical measure to prevent displacement and protect our community. Too often, redevelopment pushes longtime residents out, replacing affordable homes with projects that no longer serve the people who need them most. This bill helps ensure that new housing benefits the community, not just developers.

By requiring developers to offer displaced tenants a right of first refusal at comparable rents or provide meaningful relocation assistance, this bill creates essential safeguards for renters. It also holds developers accountable by ensuring they maintain communication with tenants throughout the process. These protections are especially crucial now, as many of our families are still struggling to find stable housing.

We respectfully urge the **support of House Bill 1325 HD3** to strengthen protections for tenants so that rebuilding truly serves the people who call Hawai'i home.

Mahalo for your attention to this critical matter.

Sincerely,

Lahaina Strong



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice Support for HB 1325 HD3 – Relating to Housing

Senate Committee on Commerce & Consumer Protection and Housing Tuesday, March 18, 2025 at 9:35 AM Conf. Rm. 229 and via Videoconference

Dear Chair Keohokalole, Chair Chang, Vice Chair Fukunaga, Vice Chair Hashimoto, and Committee Members:

Mahalo for the opportunity to testify in **strong support of HB1325 HD3**, which establishes a method of stabilizing residents who may be displaced by new 201H projects which may cause the displacement of residents. This thoughtful legislation creates a framework that addresses both our urgent need for new affordable housing, addresses community concern of new developments, while protecting our existing communities and their residents.

One of the primary concerns raised by community members about new housing development is the displacement of current residents and the disruption of established neighborhood bonds. This bill directly addresses these valid concerns by creating a clear process for displaced residents to return to their communities once development is complete. By guaranteeing residents the right of first refusal for comparable units at affordable rates, the bill ensures that new development serves both current and future residents of our communities.

The bill's provisions for relocation assistance and ongoing communication demonstrate a commitment to treating displaced residents with dignity and respect throughout the development process. The requirement to establish a fund providing at least three months' worth of relocation benefits will help ease the financial burden of temporary displacement, while the mandated communication procedures will help residents stay informed and connected to their community during the transition.

These protective measures transform what could be a traumatic displacement into a structured, supported transition with a clear path back to the community. **This approach helps build trust between developers and residents, potentially reducing opposition to much-needed housing development projects.**

Moreover, research from UCLA Lewis Center conducted a study on common rhetoric in opposition to new development and found that often the argument is distilled down to opposition to the developers themselves, not necessarily the development¹. Despite evidence to the contrary that new development actually slows the increase of housing cost in the area at scale and lowers displacement through providing more housing options², the feeling of change and

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https://www-tandfonline-com.eres.library.manoa.hawaii.edu/doi/full/10.1080/07352166.2019.1623684#d1e127

² https://escholarship.org/content/qt7bx938fx/qt7bx938fx.pdf



Testimony of the Hawai'i Appleseed Center for Law and Economic Justice

Support for HB 1325 HD3 – Relating to Housing

Senate Committee on Commerce & Consumer Protection and Housing Tuesday, March 18, 2025 at 9:35 AM Conf. Rm. 229 and via Videoconference

actual displacement can lead to larger neighborhood opposition to new developments. This legislation builds on a model for redevelopment that acknowledges the human impact of housing construction while still moving forward with crucial affordable housing projects. By ensuring that current residents have the option to return to these new developments, we can build more housing while preserving the social fabric that makes our neighborhoods strong and resilient.

HB1325 HD2 addresses both our critical need for more affordable housing and our obligation to protect vulnerable residents who might otherwise be displaced without support or recourse. It represents a thoughtful solution that allows us to grow our housing supply while maintaining the stability and cohesion of our existing communities.

We urge you to support this important legislation that will help us build a more inclusive and equitable housing future for Hawaii.

Mahalo for the opportunity to testify.





KŌKUA KALIHI VALLEY COMPREHENSIVE FAMILY SERVICES

2239 N. SCHOOL STREET ♦ HONOLULU, HAWAI'I 96819 ♦ TEL: 808-791-9400 ♦ FAX: 808-848-0979

Aloha Chair Keohokaloe, Chair Chang and Committee members,

Kokua Kalihi Valley, CFS, provides medical, health and a variety of social services to the Kalihi community with a high percentage of patients and participants residing in Kalihi public housing projects. The past three years of Kuhio Homes redevelopment planning between the Hawai'i Public Housing Authority and Michaels Development Corporation has created housing uncertainty and very real displacement risks for our patients, neighbors and even some of our staff who are Kuhio Park Terrace (KPT) tenants. We testify in **Strong Support** of **HB1325 HD1** to provide state protection for long term Kalihi residents facing permanent displacement from their homes and community.

Our state law must move to protect and prioritize our community first, by enacting state requirements that include all three prongs of good anti-displacement programs: (1) offer tenants relocation assistance, (2) provide robust relocation counseling, and (3) offer the right to return or first preference for families in the new development.

While we recognize the need for new affordable housing development, these public-private partnerships which use our public monies should prioritize the housing needs of those with roots in the community, not move them out to provide new improved housing for others. The Kuhio Homes-Kuhio Park Terrace redevelopment is the first of several planned large public-private redevelopments. As the first community exposed to this development process we have witnessed the need for much better protections for displaced residents and significantly greater inclusion of community residents and stakeholders in the development process. We ask you to support this bill and contribute to an affordable housing approach that includes our low income and public housing tenant neighbors in the process. The experiences of the community have revealed the necessity to provide broad relocation assistance and counseling necessary to manage the needs of displaced and impacted families with children in nearby schools, medical homes in the community, and support networks of family and friends in the immediate neighborhood.

Please pass HB1325 in its strongest form to ensure no vulnerable community is displaced to make way for others.

Mahalo for the opportunity to provide testimony,

Jesse Lipman Roots Program Director, Kokua Kalihi Valley, CFS jlipman@kkv.net



Testimony in support of HB1325 Relating to Housing By Kokua Kalihi Valley Comprehensive Family Services ro the Senate Committees on Housing and on Commerce and Consumer

Before the Senate Committees on Housing and on Commerce and Consumer Protection 03/18/2025

Kokua Kalihi Valley Comprehensive Family Services strongly supports HB1325 Relating to Housing. This bill will help ensure that local families who have lived in an area for generations are not displaced to make way for 'new affordable housing' development.

HB1325 will ensure that all tenants get comprehensive relocation assistance and the choice to move back to the communities, where many have lived, worked and established ties for generations. KPT low-rise residents have asked for the following to be explicitly required by law:

- The right to return to the project, as promised by the developer when the developer was approved for LIHTC and RHRF subsidies from HHFDC (see link)
- Individualized relocation counseling, which provides tenants assistance with locating and leasing comparable housing and which follows tenants for the life of the redevelopment project, to maximize their likelihood of returning.

KPT low-rise tenants want to make sure no one in Mayor Wright or other redevelopment projects face the same struggles they are having (see link). Requiring developers to offer displaced community members the right to return ensures that affordable housing projects actually serve those most in need, especially our **local** families struggling in one of the most challenging economic and housing environments in the country.

We thank the Committees in advance for their strong support of this urgent and essential measure!

David Derauf, MD, MPH

Executive Director

On behalf of Kōkua Kalihi Valley Comprehensive Family Services





Parents And Children Together.org

TESTIMONY IN SUPPORT OF HB 1325 HD3 RELATING TO HOUSING

TO: Chair Keohokalole, Vice Chair Fukunaga, & Members,

Senate Committee on Commerce & Consumer Protection

Chair Chang, Vice Chair Hashimoto, & Members,

Senate Committee on Housing

FROM: Trisha Kajimura, Vice President of Strategy and External Affairs

DATE: March 18, 2025 at 9:35 AM

Parents and Children Together (PACT) supports HB 1325 HD 3, which assists certain tenants who are subject to displacement or eviction due to the development of affordable housing projects.

PACT's origins are in public housing. We were founded by residents of Kuhio Park Terrace in 1968 and have had a home-base there ever since. Currently we have programs based at KPT, including our Family and Economic Opportunities Centers, Head Start and Early Head Start classrooms and offices, and our Tenacious, Rooted Youth Center (formerly known as the Teen Center). We also have a Youth Center at Pu'uwai Momi Public Housing in Halawa. These roots in public housing and our relationship with families over the years are key to PACT's values and identity as an organization.

Through these programs we provide direct services and partner with families to connect them with support for their health, safety, and economic stability. Displacement and relocation without intensive support disconnects people from critical services such as healthcare, childcare, and the school environments they are familiar with. It's important to us that the community we have been nurtured in is similarly treated with respect and dignity as their legal rights are protected. Residents forced to relocate during development or redevelopment must retain their access to services and schools, so their healthcare, social services and education are not interrupted.

Over the years, PACT has developed into a statewide community-based organization providing a wide array of innovative and educational social services to families in need. Assisting more than 15,000 people across the state annually, we help identify, address, and successfully resolve challenges through our 20 programs. Among our services are early education programs, domestic violence prevention and intervention programs, child abuse prevention and intervention programs, childhood sexual abuse supportive group services, child and adolescent behavioral health programs, sex trafficking intervention, poverty prevention and community building programs.

Thank you for the opportunity to testify. Please contact me at (808) 847-3285 or tkajimura@pacthawaii.org if you have any questions.





(503) WORKERS 7

(503) 967- 5377 🖀

hawaiiworkerscenter@gmail.com ≥

Mail: 2252 Puna St., Honolulu, HI 96817

hawaiiworkerscenter.org

March 17, 2025

COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

Executive Board Committee

Rev. Sam Domingo Board Chair

> Mary Ochs Vice Chair

COMMITTEE ON HOUSING

Senator Stanley Chang, Chair

Senator Troy N. Hashimoto, Vice Chair

Dr. Arcelita Imasa Secretary

RE: STRONG SUPPORT for H.B. 1325 HD3 Relating to Housing

Kami Yamamoto Treasurer

Dear Chairs Sen. Keohokalole and Sen. Chang, Vice Chairs Sen. Fukunaga and Sen. Hashimoto, and Members of the Committee on Consumer Protection and Commerce and Committee on Housing:

Board Members

Yoko Liriano

Nanea Lo

Innocenta Sound-Kikku

Ray Catania

Justin Jansen

Leyton Torda

Kami Yamamoto

CJ Johnson

The Hawaii Workers Center (HWC) envisions a Hawaii in which all workers are empowered to exercise their right to organize for their social, economic and political well-being. It is a resource of information, education, training and organizing for Hawaii's workers.

The HWC stands in strong support of H.B. 1325 HD3 which requires developers developing an affordable housing project under HHFDC to assist certain tenants who are subject to displacement or eviction by the proposed project by: 1. granting those tenants the right of first refusal of a comparable unit in the housing project at an affordable rate or establishing a fund to provide relocation benefits and offer assistance; 2. providing information, either directly or through a contracted service, on how to obtain assistance and exercise the right of first refusal; and 3. establishing procedures to track and maintain communication with those tenants.

Executive Director

Sergio Alcubilla III, Esq. Our primary office is currently located in the Towers of Kuhio Park, a large public housing complex here on Oahu. While the buildings are greatly in need of repair, the people that call them home are at the heart of the working class community of Kalihi. Many come from immigrant and migrant backgrounds and most have called this place home for years. Currently, there is a strong sense of uncertainty and fear as many are now forced to find alternative housing while the redevelopment is underway.

> We believe H.B. 1325 HD3 will help avoid the consequences of such a scenario and will provide much needed relief to tenants now and in the future. Thank you for your willingness to support this important measure.

Sincerely,

Sergio Alcubilla **Executive Director**



Submitted on: 3/17/2025 2:16:29 PM

Testimony for HOU on 3/18/2025 9:35:00 AM



Submitted By	Organization	Testifier Position	Testify
Alana Kay	Testifying for Maui Tenants and Workers Assn.	Support	Written Testimony Only

Comments:

We are in support of this bill.



Hawai'i Children's Action Network Speaks! is a nonpartisan 501c4 nonprofit committed to advocating for children and their families. Our core issues are safety, health, and education.

To: Senator Stanley Chang, Chair

Senator Troy N. Hashimoto, Vice Chair

Senate Committee on Housing

Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

Senate Committee on Commerce and Consumer Protection

From: Chevelle Davis, MPH - Director of Early Childhood & Health Policy

Hawai'i Children's Action Network Speaks!

Subject: Measure H.B. No. 1325 H.D. 3 – Relating to Housing

Hearing: Tuesday, March 18, 2025, at 9:35 AM, Conference Room 229

POSITION: STRONG SUPPORT

Aloha e Chairs Chang and Keohokalole, Vice Chairs Hashimoto and Fukunaga, and Members of the committees:

On behalf of Hawai'i Children's Action Network (HCAN) Speaks!, On behalf we strongly support H.B. No. 1325 H.D. 3, which requires developers of affordable housing projects to assist tenants who are subject to displacement or eviction. This bill is a critical step in ensuring that the most vulnerable members of our communities—families with children—are not left behind as we work to expand affordable housing options in Hawai'i.

Far too often, the promise of new affordable housing projects does not account for the people and families who are already living in these areas. Existing tenants, many of whom already struggle with housing instability, are at risk of being displaced and uprooted from their homes without sufficient support. These disruptions can have profound negative consequences on children, families, and communities, further exacerbating the very challenges affordable housing projects aim to solve.

This measure offers several crucial provisions to mitigate these risks:

Right of First Refusal: The bill ensures that tenants in affordable housing projects will
have the right to remain in their neighborhoods by giving them the first opportunity to
occupy comparable units at affordable rates. This protection helps prevent displacement
by providing an avenue for tenants to stay in the housing development they were
originally part of, preserving community stability.

- Relocation Benefits: By establishing a fund to provide relocation assistance, this measure
 acknowledges the financial burden displacement causes for tenants. Many low-income
 families struggle to afford moving costs, let alone find new housing that is affordable and
 accessible. This fund would alleviate that burden and ensure that no family is forced into
 further instability.
- 3. Access to Information: Providing tenants with clear, accessible information about their rights and available services is key to ensuring that they can make informed decisions. Accessibility includes translations or interpreters for those who are English-language learners, as well as assistance in reading and understanding legalese. Too often, tenants are unaware of their rights or lack the resources to assert them. This bill would empower tenants by ensuring they have the necessary information to protect themselves from unfair eviction and displacement.

Affordable housing projects must not be allowed to disrupt the lives of those they are meant to help. Instead, they must work in tandem with the communities already living in the area, providing them with the opportunity to remain in their homes while also expanding access to safe, affordable housing for others. This measure provides a framework for achieving this balance and ensuring that new development projects truly benefit all residents, including those already living in the community.

For all these reasons, we strongly urge you to pass H.B. No. 1325 H.D. 3. This bill is a vital step in promoting housing equity and ensuring that the growth of affordable housing in Hawai'i benefits everyone, especially the families and children who need it most.

Mahalo for the opportunity to testify on this critical measure.





March 13, 2025

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

Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair Committee on Commerce and Consumer Protection

RE: HB 1325 HD3 - Relating to Housing

Hearing date: Tuesday March 18, 2025 at 9:35AM

Aloha Chair Chang, Chair Keohokalole, and members of the committees,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in opposition to HB 1325 HD3 Relating to Housing. NAIOP Hawaii represents over 200 industry professionals, including developers, owners, investors, asset managers, lenders, and other stakeholders committed to responsible real estate development in Hawai'i.

HB 1325 requires developers developing an affordable housing project under Hawaii Housing Finance and Development Corporation (HHFDC) to assist certain tenants who are subject to displacement or eviction by the proposed project by: 1) granting those tenants the right of first refusal of a comparable unit in the housing project at an affordable rate; or 2) establishing a fund to provide relocation benefits and offer assistance on how to obtain assistance and exercise the right of first refusal. Further the measure establishes procedures to track and maintain communication with those tenants and establishes consequences for a developer's noncompliance.

While NAIOP Hawaii strongly support tenant protections, this bill creates unintended financial consequences that will stall affordable housing development, increase project costs, and ultimately reduce the number of affordable units built in Hawai'i.

The most problematic provision is the potential requirement that all redeveloped units remain 100% affordable for life. This restriction makes it nearly impossible to secure financing for these projects, as it removes financial flexibility, limits lender confidence, and eliminates the ability to leverage mixed-income models that make affordable housing feasible. Without a balanced financial structure, fewer projects will move forward, worsening Hawai'i's housing crisis.

Additionally, the financial compensation provisions for displaced tenants go beyond reasonable assistance and instead create a windfall. Developers would be required to provide three months of comparable rent upfront, which significantly increases project costs. These added expenses must come from somewhere—meaning fewer affordable units will be built.

If this bill passes as written, affordable housing projects will face greater delays, higher costs, and increased financing challenges, leading to fewer developments breaking ground. Instead of ensuring affordability, this bill discourages investment and slows down production—the opposite of what Hawai'i needs.

We urge the committee to reconsider HB1325 HD3 and find a solution that protects tenants while ensuring affordable housing projects remain financially viable. We stand ready to collaborate on policies that will truly accelerate affordable housing production and create a sustainable path forward for Hawai'i's residents.

Mahalo for your consideration,

Reyn Tanaka, President

NAIOP Hawaii

Submitted on: 3/13/2025 10:58:33 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Wayne Tanaka	Individual	Support	Written Testimony Only

Comments:

Mahalo nui for hearing this critical measure that will help to protect some of our most housing insecure residents from being subjected to even further housing instability or even placed at risk of houselessness, by clarifying the relocation responsibilities of developers who may displace them while taking advantage of generous affordable housing incentives. Please PASS this important bill. Mahalo nui!

Testimony: HB 1325

My name is Rona Mangayayam, Youth Services Director of Kokua Kalihi Valley.

We provide safe spaces for children and youth in Kalihi. And in those spaces, we connect, share stories about who we are, what is going on in our lives and build their capacity not only to strive but thrive as young healers and leaders in this island – a place they and all of us call home.

Back in 2022, when the plan for the KPT low rise redevelopment was presented – we brought some youth in one of our programs. On our way to one of our youths who lives at Low rise ask, "auntie Rona, if we move out from Kalihi, will you still accept us in the youth program?" A question that still keeps ringing to me until this day.

And today, let me share with you the voices of several of our youth in some of our programs who live at low rise KPT and who are directly affected by the ongoing KPT low rise Redevelopment.

One said, "One thing I know it'll affect is our accessibility to school, work and other resources. We mostly rely on the bus for transportation and here we live close range to bus stops. Our current location is within walking distance of my school, my dad's work and the pact resource center which has been very helpful to my mom.

Another said, I haven't moved out yet. I have no clue what's going on because my parents don't talk about it. Mom said they would likely move to KamIV, Halawa but I don't know. And he further said: "My friend already moves out and is not able to participate in activities that he used to do, like play basketball at Dole now, unless someone can drive him there and back.

I hope we don't move too far from Kalihi, because I still want to go to the same school with all my friends and if I cannot go to KVIBE. I would be stuck in the house.

My cousin have to move out soon and I think they found a place to live too. In Ewa I think, and now they have to move schools.

And the third one who already move out from KPT Low rise said: "I already move to Halawa. I have to take the bus now to get to school around 5 in the morning to be on time for school. And take the bus back home. I have to say I'm from Halawa when boys there ask where I'm from. I lost a sense of my identity.

And all of them expressed their worries about what is going on in this process of redevelopment.

I am worried about my parents struggling to find a place for us.

I worried about my little brother making friends with the wrong people.

I am worrying about some friends having to move somewhere where they won't be welcome or in danger and concerned about gang affiliation and all.

My parents are worried about having to start over, not having transportation to my dad's job and my mom not knowing where to go for help/resources in a new place. We also don't like the idea of moving away from our neighbors. We have come to love them and we're afraid we may not have that same bond with neighbors if or when we move.

When we asked about their thoughts of the low-rise redevelopment: These are their responses.

- 1. "I think it's bad for the community. Get some people that can't find a house.
- 2. Bad for the people. They will lose the house that they have a lot of memories in. I heard too many different things about what is going to happen.
- 3. I don't really like how they're doing this knowing some people have been here most of their lives, creating memories for generations. To us this is home.

For our youth: the low rise KPT is not just a place or a roof to live- it is home – where they felt love, where they celebrated birthdays, graduations and other milestone in their lives as families and communities. Where they spend time with their kupunas and share stories and laughter.

Lastly, we ask the question, if you have an opportunity to send a message or ask questions to those who have a hand on redevelopment, what would you say or ask.

- 1. Are we coming back?
- 2. When will you guys be done?
- 3. Why are you guys kicking us out?
- 4. Are they going to help us find a house, or do we have to find it ourselves? Can you help us with a Uhaul?
- 5. How will you help people that you are kicking out?

I believe passing this bill to guarantee these families the right to return is one huge step in helping these families and other families / youth who would be affected in the many future redevelopments.

Please listen to these youth and answer their questions by passing this bill. Mahalo.

Submitted on: 3/14/2025 11:05:48 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Lauralee Dice	Individual	Support	Written Testimony Only

Comments:

I support HB 1325. I work in the KPT community and have seen the effects that redevelopment has had on residents who have been forced to leave their homes. Many have been confused about the process. Many have not had help in relocation and/or finding a suitable place for themselves and their families. Many feel like they were rushed in the process and that more could have been done to prepare them for the relocation. HB 1325 will help and protect families going forward.

Submitted on: 3/14/2025 2:55:58 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
John Witeck	Individual	Support	Written Testimony Only

Comments:

I urge your favorarable action on HB1325 which would provide protections and recourse for renters facing displacement by their landlords. This would aid many tenants who face forced relocations due to development or planned rehab of their rented apartments or rooms. Please legislate this vital relief and kokua for renters.

Submitted on: 3/14/2025 3:39:30 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Nelson	Individual	Support	Written Testimony Only

Comments:

Please support this bill. It would ensure affordable housing projects do not disrupt the lives of those they are meant to support.

Thank you. Elizabeth Nelson

Submitted on: 3/14/2025 3:35:10 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Tamra Hayden	Individual	Support	Written Testimony Only

Comments:

I wholeheartedly support this bill. I was a renter on Oahu and the Big Island for years. Although I never faced displacement, it was a constant worry. I think this bill will help renters. It is getting so expensive and we continue to lose more people to the mainland and now under Trump I know people are even considering places like New Zealand. With our aging community we need to keep workers and people who support our businesses and this bill would help retention. Please support this bill.

Submitted on: 3/14/2025 3:58:18 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Julianna Davis	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and members of the Committee,

I urge you to pass HB 1325 because affordable housing projects so often disregard the tenants and communities already living there. This bill would importantly ensure that these affordable housing projects don't disrupt the lives of those they are meant to support.

Mahalo for your time and consideration. Julianna Davis

Submitted on: 3/14/2025 6:28:12 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
brandi corpuz	Individual	Support	Written Testimony Only

Comments:

Aloha my name is Brandi Corpuz and I am a resident of Kula Kai, Maui. We need this bill HB 1325 to help our ohana community to be able to afford to stay here. Everyone needs help with housing!

Please vote yes on this bill HB 1325 and any others that help our ohana with housing.

sincerely, Brandi Corpuz

Submitted on: 3/15/2025 2:33:26 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Support	Written Testimony Only

Comments:

<u>HB 1325</u> requires developers developing on affordable housing projects to assist tenants who are subject to displacement or eviction.

It grants tenants right of first refusal of a comparable unit in the housing project at an affordable rate, establishes a fund to provide relocation benefits, and provides information on accessing these services.

Why? "Affordable housing" projects so often disregard the tenants and communities already living there. This bill would ensure affordable housing projects do not disrupt the lives of those they are meant to support.

Please support this bill.

Mahalo for your time and consideration.

<u>HB-1325-HD-3</u> Submitted on: 3/15/2025 9:00:51 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Gina Jones	Individual	Support	Written Testimony Only

Comments:

I support HB 1325 to prevent more homelessness on Maui.

<u>HB-1325-HD-3</u> Submitted on: 3/15/2025 12:28:29 PM Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

support

Submitted on: 3/15/2025 1:51:16 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Momi Ventura	Individual	Support	Written Testimony Only

Comments:

Aloha to the best **supporting members**, "Affordable housing" projects, always disregard the residents who are tenants and communities already living in the area. Mau'I is literally a small community or village. Many of us writing this testimony are indeed homeless, we are mainly of mixed ethnic backgrounds and working or not we need housing! This bill would ensure affordable housing projects do not disrupt the lives of those they are meant to support.

<u>HB-1325-HD-3</u> Submitted on: 3/15/2025 7:46:08 PM Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
pahnelopi mckenzie	Individual	Support	Written Testimony Only

Comments:

Support

<u>HB-1325-HD-3</u> Submitted on: 3/16/2025 5:29:58 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Maya Maxym	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill.

<u>HB-1325-HD-3</u> Submitted on: 3/16/2025 6:05:40 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Steve LaFleur	Individual	Support	Written Testimony Only

Comments:

I support this bill as it's wrong to penalize people for evictions. Steve LaFleur

Submitted on: 3/16/2025 11:55:38 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Faccenda	Individual	Support	Written Testimony Only

Comments:

I support this measure, additional affordable housing cannot come at the cost of displacing people already living in affordable housing.

<u>HB-1325-HD-3</u> Submitted on: 3/16/2025 2:20:28 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Carmela Resuma	Individual	Support	Written Testimony Only

Comments:

I support this measure.

Submitted on: 3/16/2025 9:20:22 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Lorna Holmes	Individual	Support	Written Testimony Only

Comments:

Please pass this bill, which gives at least some measure of fairness to people living in actual affordable housing when they are displaced by so-called 'affordable' housing, which they cannot afford. Mahalo.

Submitted on: 3/16/2025 9:50:52 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Kiana Otsuka	Individual	Support	Written Testimony Only

Comments:

Dear Chairs, Vice Chairs, and Committees Members,

My name is Kiana Otsuka, and I am an Oʻahu resident writing in **strong support of HB1325 HD3**, which would require developers developing an affordable housing project under Hawaiʻi Housing Finance and Development Corporation to assist certain tenants who are subject to displacement or eviction by the proposed project by: granting those tenants the right of first refusal of a comparable unit in the housing project at an affordable rate or establishing a fund to provide relocation benefits and offer assistance; providing information, either directly or through a contracted service, on how to obtain assistance and exercise the right of first refusal; and establishing procedures to track and maintain communication with those tenants and establish consequences for a developer's noncompliance.

I support this bill because affordable housing projects so often disregard the tenants and communities already living there, and this bill ensure affordable housing projects do not disrupt the lives of those they are meant to support. Local tenants deserve the right to return to the communities they belong to. Requiring a right of return and relocation assistance for tenants makes sure affordable housing projects serve those that need it most. If tenants are displaced, their needs must be met and their rights requested.

Hawai'i's rental market has reached a critical tipping point, with costs spiraling beyond what working families can afford, ranking 4th most expensive state for renters in the nation. The combination of limited affordable housing supply, stagnant wages, and minimal tenant protections has created a perfect storm that threatens the stability of our communities.

Those most vulnerable in our current system include the 56% of renters who spend more than 30% of their income on rent, single mothers with children (the demographic most often evicted), kūpuna on fixed social security income, and households with high healthcare, childcare, and foodcare costs.

Please pass this bill to ensure affordable housing projects do not disrupt the lives of local tenants by requiring a right of return and relocation assistance for tenants.

Thank you for the opportunity to testify.

Mahalo,

Kiana Otsuka

Submitted on: 3/17/2025 6:32:12 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Laura Pokipala	Individual	Support	Written Testimony Only

Comments:

The need for true affordable housing is dire. I learned recently that low-income and affordable are not the same thing. It appears that development trying to find ways to eliminate the low-income resident under the disguise of calling it affordable housing is occurring in the upcoming public housing redevelopment. Kuhio Park housing is just the first public housing undergoing this transformation from a simple community into a large mixed use development. Please don't disregard the needs of the simple people who called Kuhio Park Home their home for decades. Be mindful that promises should be kept, the right to return should be in writing, not just words, and please remember these individuals are human who need to be heard and their ideas honored.

There is a way for solutions to come from the minds of all concerned if we truly want it.

Submitted on: 3/16/2025 10:58:25 PM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Cheryl Ho	Individual	Support	Written Testimony Only

Comments:

Dear Chair, Vice Chair, and Members of the HOU and CPN Committees:

I wish to state my support for strong protection of tenants' rights. Too often, tenants have no recourse when they are threatened by developers who displace or evict them. HB 1325 would give them the option of first refusal to another unit in the same housing project at an affordable rate; establishes a fund to provide relocation benefits; and provides information on how to access these rights.

I urge you to pass HB1325!!

Mahalo,

Cheryl Ho, Nu'uanu

Dina Shek Honolulu, HI 96822

COMMITTEE ON COMMERCE & CONSUMER PROTECTION Senator Jarrett Keohokalole, Chair

COMMITTEE ON HOUSING Senator Stanley Chang, Chair

Hearing Date: March 18, 2025 at 9:35 AM (Room 229)

Re: SUPPORT for HB 1325 HD 3, Relating to Housing

Dear Committee Members,

I offer this testimony in strong support of HB 1325 HD 3 which prevents further displacement of low-income residents impacted by affordable housing redevelopment. In my professional work as the Legal Director of the Medical-Legal Partnership for Children in Hawai'i, I have seen the redevelopment of low-income and public housing result in the permanent uprooting of tight-knit local communities, with longtime resident families left to face further housing instability. This frequently occurs despite developers promising the "right to return" and relocation services.

As recent stories by <u>Hawaii News Now</u>, ¹ <u>Honolulu Star-Advertiser</u>, ² and <u>Civil Beat</u> ³, sixty-four Kūhiō Park Terrace (KPT) Low-Rise units are set to be demolished to build 304 affordable housing units, yet most residents there have not been provided adequate relocation services, and there is no process to facilitate their legal right to return. I have personally accompanied KPT residents to "comparable units" that are boarded up and uninhabitable. Households with disabled elders are offered walk-ups and inaccessible units. And families with school-aged children are sent to units far outside their school districts.

Despite a clear contractual obligation to provide a right to return, the developer of this project is using a google form to fulfill this obligation, and no contractor has been hired to monitor and communicate with the displaced residents following their displacement. This is wholly unacceptable and does not bode well for upcoming redevelopment projects at Mayor Wright, Ka'ahumanu Homes, and the numerous other public housing complexes slated for development. The process of relocation and the right to return must be stronger – and must be enforceable – as we face the massive redevelopment of public housing in Hawai'i.

¹ Dillon Ancheta, *'Help us': Public Housing Redevelopment Forces 60 Kalihi Tenants to Relocate*, HAWAI'I NEWS Now, January 23, 2025, https://www.hawaiinewsnow.com/2025/01/24/public-housing-redevelopment-forces-60-kalihi-tenants-relocate/.

² Talia Sibilla, *Kuhio Park Terrace Tenants Say Lives Upended by Relocation*, HONOLULU STAR-ADVERTISER, February 9, 2025 at B1, https://www.staradvertiser.com/2025/02/09/hawaii-news/kuhio-park-terrace-tenants-say-lives-upended-by-relocations/.

³ Jeremy Hay, *Oʻahu Public Housing Tenants Promised Relocation Help Hit Dead-Ends, Honolulu Civil Beat*, February 27, 2025, https://www.civilbeat.org/2025/02/o%ca%bbahu-public-housing-tenants-promised-relocation-help-hit-dead-ends/.

To ensure that robust relocation services <u>and</u> the right to return remain available to displaced tenants throughout the redevelopment process, I urge you to include the following amendment to HB 1325 HD 3 under the proposed language for §201H-38 (a)(1)(E):

- (i) Offer the displaced or evicted tenants the <u>right to return or</u>

 <u>first preference</u> right of first refusal—for a comparable unit available in the proposed housing project at a rate no greater than the amount the tenant was paying in the existing development, subject to inflation, <u>or AND</u>
- (ii) establish a fund and create a relocation program to provide relocation benefits and offer assistance to the displaced or evicted tenants; provided that if the developer opts to provide relocation benefits, the displaced or evicted tenant may choose to receive either three separate payments with each payment equal to no less than one month's rent in a comparable unit or a lump sum equal to no less than three month's rent; provided further that relocation benefits may be provided either as a rent waiver or as a direct cash payment...

The current problems faced by KPT Low-Rise residents exemplify what occurs in the absence of meaningful enforcement – residents are left to self-advocate without clear requirements or accountability. HB 1325 HD 3 is a critical step to prevent further displacement of local families, and to begin building accountability into future redevelopment projects in Hawai'i.

Thank you for this opportunity to submit testimony in support of HB 1325 HD 3.

/s/ Dina Shek

Submitted on: 3/17/2025 9:30:11 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Carol Ann Carl	Individual	Support	Written Testimony Only

Comments:

I STRONGLY SUPPORT HB1325 to protect our local families. Being uprooted and displaced from their homes as a result of "redevelopment" that did not include their say in the first place, is an experience many of these families are familiar with as im/migrants. I think we can all agree that the US federal government time and time again has inflicted hardship and harm that has directly or indirectly impacted individuals, families (of every class), local and municipal government, territories, treaty states, and state governments. The State of Hawaii is also not new to issues of redevelopment and re-displacement. Therefore, I believe, there is not state better equipped with the moral and legal integrity to ensure all of its local resident receive all three pieces of good anti-displacement regulations: Relocation assistance, robust counseling AND the right or preference for return. It is the responsibility of our government officials to spend taxpayer dollars in ways that will benefit every taxpayer regardless of race, color, or creed. The best way to do that for housing redevelopment is to ask more of developers who receive government benefits -- including tax breaks, loans, subsidies, relaxed zoning, and breaks from permitting and fees. If states in the rest of the US can do this, Hawaii can too. Requiring developers to offer the right to return to local communities displaced by development projects to ensure proposed affordable housing projects serve local families who have often lived in the area for generations. If we want a better tomorrow for the Hawaii of today we must build generational wealth by creating the circumstances under which entire families can be safe, secure, and steadfast in one location so that they can be healthy, respectful, contributing citizens to this great state. Do not displace rather honor dis' place, where waves of migration and navigatoin have come since time immemorial and diversity was leveraged as a tool for societal greatness.



Submitted on: 3/17/2025 5:15:21 PM

Testimony for HOU on 3/18/2025 9:35:00 AM



Submitted By	Organization	Testifier Position	Testify
Jocelyn Whei-Tsi Grandinetti	Individual	Support	Written Testimony Only

Comments:

Aloha kākou,

My name is Jocelyn Whei-Tsi Grandinetti, and am an environmental educator born and raised here on Oʻahu. I testify in support of HB1325 HD3. The housing crisis that is occuring throughout our islands has deep historic and systemic roots that are exacerbated by unfair property regimes and a development-centric mentality. When trying to help provide affordable housing for residents, it is vital that this housing is trully affordable and that it is being offered in a way that is equitable and not in turn hurting existent residents. Requiring developers developing on affordable housing projects to assist tenants who are subject to displacement or eviction is crucial to avoid undermining the very mission of creating affordable housing units in the first place. I do not want "affordable housing" projects to disrupt the lives of those they are meant to support.

Mahalo,

Jocelyn Grandinetti

Submitted on: 3/13/2025 11:13:03 AM

Testimony for HOU on 3/18/2025 9:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Seth Kamemoto	Individual	Comments	Written Testimony Only

Comments:

The overall intent of this bill is very good; helping those displaced by new developments. My concern is that landowners/developers can game this to the detriment of the tenants. Prior to the "official" proposal of a new project, they can raise rents to 141% AMI levels so these rules won't trigger. This will probably force tenants out (as they can't afford to stay) while not providing any of the assistance outlined in these clauses. Adding some type of "lookback", either average of last N months or possibly incorporating the security deposit amount, would reduce this risk.

It's also worth noting that market rents are very often less than 140% AMI levels (in 2024 for Honolulu, it's \$4,385 for a 2-bedroom), so this clause would trigger on most new redevelopment proposals that currently have renters, even at market-rate properties. Honest developers and landowners would be required to support such renters with relocation, even if they are market-rate renters that, by definition, should have decent mobility in the existing rental market. Maybe setting the AMI limit lower, to 100% or 80%, would focus this bill on only supporting those who would be less competitive in the open rental market.

There's also cases where current renters wouldn't qualify for the new development (e.g. the new development is capped at 60% AMI but the current renter makes more). The developer could (in theory) "offer" the new development to them, but they wouldn't qualify. And there's nothing saying the developer then has to help them with relocation or rental assistance. Maybe adding a clause like: "If tenants can't qualify due to income caps, relocation and rental assistance shall be provided if current rent is <80% AMI levels".

I also have concerns about the rent waiver clause: "provided further that relocation benefits may be provided either as a rent waiver or as a direct cash payment". My understanding of the Kuilei Place "deal" was that they were given ample notice (over one year) and "last three months" waived. The concern I have for deals like this is that tenants are disincentivized from moving earlier (or even making plans to move earlier), since the "benefit" is back-loaded, and possibly won't be realized if they move early. So the advanced notice doesn't really help as much as it could, since tenants are still incentivised to hold out till the end (to get the free rent benefit), but then it creates a "cliff" where if they can't find new housing at the very end, it puts them in a much worse position. Maybe rephrasing to guarantee that tenants get some type of financial benefit: "provided further that full relocation benefit value shall be provided as a combination of rent waiver and direct cash payment".