

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

HOUSE COMMITTEE ON HOUSING

February 07, 2025 at 9:00 a.m.
State Capitol, Room 430

In consideration of
H.B. 1492
RELATING TO AFFORDABLE HOUSING.

Chair Evslin, Vice Chair Miyake, and members of the Committee.

HHFDC **supports** HB 1492, which requires the Department of Business, Economic Development, and Tourism (DBEDT) to establish a comprehensive action plan to establish a local housing market in Hawai'i. It also appropriates moneys.

HHFDC concurs that there is a need to provide housing affordable to local residents supports efforts to create a local housing market. The Hawaii Housing Finance and Development Corporation (HHFDC) stands ready to assist DBEDT with the comprehensive action plan.

Thank you for the opportunity to testify on this bill.



1001 Bishop Street #625 | Honolulu, HI 96813
866-295-7282 | aarp.org/hi | hiaarp@aarp.org |
[Twitter.com/aarphawaii](https://twitter.com/aarphawaii) | facebook.com/aarphawaii

**The State Legislature
House Committee on Housing
Friday, February 7, 2025
Conference Room 430
9:00 a.m.**

TO: The Honorable Luke Evslin
FROM: Keali'i S. López, State Director
RE: Support for H.B. 1492 Relating to Affordable Housing

Aloha Chair Evslin and Members of the Committee:

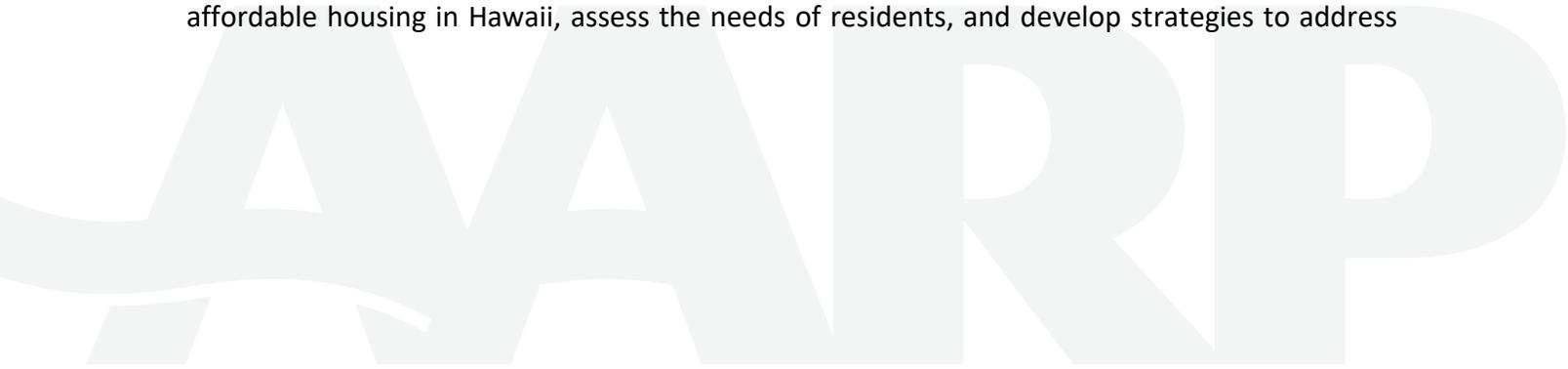
I am Keali'i Lopez, State Director of AARP Hawai'i. AARP is a nonprofit, nonpartisan, social impact organization dedicated to empowering people 50 and older to choose how they live as they age. We advocate at the state and federal level for the issues that matter most to older adults and their families. On behalf of our nearly 135,000 members statewide, thank you for the opportunity to share our testimony.

AARP is in support of H.B. 1492 which requires the Department of Business, Economic Development, and Tourism to create a comprehensive action plan for a local housing market in Hawaii. AARP also recommends that the study examine the legality and constitutionality of creating different housing laws for residents and non-residents.

Hawaii, like many other states, faces significant challenges in providing affordable housing for its residents. The high cost of living, limited land availability, and increasing demand for housing have created a situation where many families and individuals struggle to find safe and affordable places to live. This issue is particularly acute for older adults, who often live on fixed incomes and face additional barriers to securing affordable housing.

AARP's affordable housing policy emphasizes the importance of creating and preserving affordable housing options for people of all ages, with a particular focus on the needs of older adults.

House Bill 1492 aligns with AARP's policy by proposing a study to identify the current state of affordable housing in Hawaii, assess the needs of residents, and develop strategies to address



these needs. This study will provide valuable data and insights that can inform future policy decisions and ensure that our state is taking meaningful steps to address the housing crisis.

Thank you for the opportunity to testify in support.



Support for HB1492

Aloha e Representative, 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.

SB1632 decisively tips things in favor of a future in Hawaii.

Community land trusts as a model are the critical missing piece in long term affordable homes. They, and equivalent systems, are the fundamental tool behind affordable housing in markets across the globe.

We strongly urge the committee to pass this legislation studying how these tools could resolve our housing crisis.

Makana Hicks-Goo,
Organizer on behalf of LIMBY Hawaii



Hawaii's Thousand Friends

335 Hahani Street #342132 * Kailua, HI 96734 * Phone (808) 262-0682 E-Mail: htf3000@gmail.com

February 7, 2025

COMMITTEE ON HOUSING

Rep. Luke A Evslin, Chair

Rep. Tyson K. Miyake, Vice Chair

Aloha Chair Evslin, Vice Chair Miyake and Committee Members

HB 1492 RELATING TO AFFORDABLE HOUSING

Hawaii's Thousand Friends, a non-profit organization dedicated to ensuring that appropriate planning, management and land use decisions are made that protect the environment, human health and cultural resources and that decision are made in conformity with the law supports HB 1492 which appropriates moneys to the Department of Business, Economic Development and Tourism to fund a comprehensive action plan to establish a local housing market through the creation of land trusts.

Hawaii isn't alone in seeking answers to the affordable housing crisis. Several states have created housing land trusts as part of their affordable housing solution. As of January 2024, there are 300 community land trust in the US managing more than 40,000 affordable housing units.

Community land trusts are mechanisms for creating affordable homeownership units and maintaining the units as affordable over the long-term.

Traditionally, community land trusts achieve and maintain affordability by retaining ownership of the land and requiring the homebuyer to purchase only the home that is situated on the land.

Community land trusts are generally managed by a nonprofit or quasi-governmental organization and governed by community land trust home purchasers, members of the public and governmental and nonprofit stakeholders to ensure they remain grounded in the needs of the community.

Hawaii's current housing model of building more homes is not working. We can't out build the national and internation demand to own a home in Hawaii. This demand is so great that it drives up the cost of housing.

On Maui 31% of homes are owned by nonresidents. On Maui a new developer Ledcor intends to build 975 homes with only 75 homes being affordable because the homes will be sold as second homes to part-time residents.

To help stem the tide of nearly 60,000 Hawaii residents annually moving to more affordable states we urge the committee to pass HB 1492.

HB-1492

Submitted on: 2/5/2025 8:50:52 PM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brett Kurashige	Individual	Support	Written Testimony Only

Comments:

I am submitting testimony in strong support of HB1492.

In my view, this important bill is a first step to enable creation of a sorely needed State affordable housing land trust that aims to provide an enduring legal umbrella under which truly affordable housing and land (be it in the form of truly affordable master planned communities/developments, truly affordable condominiums, truly affordable agricultural lands, estates dedicated to truly affordable housing, existing residential homes, truly affordable rent-to-own projects, etc) can be preserved/protected and remain truly affordable in perpetuity, available only to local Hawai‘i residents/families in perpetuity. Trust-protected affordable housing and land would forever be preserved/protected from global “highest bidder” market forces such as real estate speculators/flippers, corporate investors, short term landlords, second home buyers.

Creation of a to-be-established Hawai‘i housing land trust would essentially create a “Hawai‘i locals only” affordable housing market that would not require a massive State expenditure and would co-exist with our current existing “open-to-all-bidders” Hawai‘i housing market.

Our current housing market is not serving the needs of the majority of local working individuals and families of all ages who are in search of truly affordable housing, and who are struggling to make ends meet to thrive and stay in Hawai‘i. Due to a global demand for Hawai‘i housing and land (and a global abundance of available capital), local first-time buyer working individuals and families often find they cannot compete in our current local housing market that is open to the highest bidder (be it a local, mainland or foreign investor/retiree/corporation/etc). Many long-time locals find they are being out-priced and can no longer afford to remain in Hawai‘i anymore due to mounting increases in housing costs/property taxes/insurance (even if they own their own existing homes free-and-clear). Many are pulling chocks and choosing to leave Hawai‘i.

Creation of a to-be-established Hawai‘i housing land trust would essentially create a “Hawai‘i locals only” affordable housing market that would not require massive State expenditure/tax bill and would co-exist with the existing open-to-all current housing market.

A “build, build, build” approach to affordable Hawai‘i housing that helter-skelter builds so-called affordable housing (that is not protected under the protective umbrella of a proposed Hawai‘i affordable housing land trust) is a short-term band-aid approach (because any additional so-called affordable housing supply will eventually be subject to global “highest bidder” pricing competition/pressure); ie, it is not a permanent affordable housing solution that serves local Hawai‘i residents/families in perpetuity. Rather, if truly affordable housing were built instead under a Hawai‘i housing land trust, in my opinion, this “preserve/protect” Hawai‘i housing land trust approach has the potential to grow an affordable housing supply in Hawai‘i that serves local Hawai‘i residents/families in perpetuity. A Hawai‘i housing land trust also has the potential to permanently lower housing-associated costs for families/individuals (eg, property taxes) that have an existing home they wish to place under the Hawai‘i housing and land trust (similar to how "leasehold" land affordably lowered the cost of a first-home for many local families back in the 50's, 60's, 70's).

From the prior Hawai‘i gubernatorial election, I recall one candidate's political catch phrase: "Hawai‘i is not for sale." The reality is Hawai‘i land and housing is indeed for sale to the highest bidder. We, the people, need to step up and set up preserve/protect guard rails so future Hawai‘i generations can forever afford to live here at home. SB1632 can help ensure this.

Mahalo for the opportunity to submit testimony in strong support of HB1492.

HB-1492

Submitted on: 2/5/2025 11:53:24 PM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Elton Fukumoto	Individual	Support	Written Testimony Only

Comments:

Chair Evslin, Vice Chair Miyake, and members of the House Committee on Housing:

I support HB 1492.

Behind this bill lies a bold and innovative solution to Hawaii's affordable housing crisis. Piecemeal solutions do not appear to have worked. The program that would be investigated by this bill would deal with the problem by creating two markets: an open market and an affordable local market.

This bill asks for DBEDT to fill out the details of such a program. Certain potential legal obstacles need to be looked into. But our crisis is real and getting worse. That's why investigating this solution is worth it.

Thank you.

Elton Fukumoto

HB-1492

Submitted on: 2/6/2025 8:38:10 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Daniel C. Smith	Individual	Support	Written Testimony Only

Comments:

I support the bill and the concept of creating housing limited to Hawaii residents. This bill will start the process of working out the details. Such housing would have helped me buy a house long ago.

Please pass the bill.

Daniel C. Smith

Pearl City

HB-1492

Submitted on: 2/6/2025 9:06:25 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christine Otto Zaa	Individual	Support	Written Testimony Only

Comments:

Aloha Representatives,

I wholeheartedly support SB1632 and hope you will too.

We have a severe housing crisis because we have failed to address demand from investors and outside demand. We cannot build our way out of this crisis unless we restrict the demand. A bifurcated market is necessary to create a local housing market that cannot be influenced by investors and outside demand.

We need to try a new approach since the status quo approach has not worked for years. We need to prioritize our local residents over profits.

Thank you,

Christine Otto Zaa

HB-1492

Submitted on: 2/6/2025 11:48:23 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Linda Legrande	Individual	Support	Written Testimony Only

Comments:

We should be open to all forms of getting local families into homes and allowing them to stay in the homes that they have. This idea is new and could work well. Please give it a try. Thank you, Linda Legrande

HB-1492

Submitted on: 2/6/2025 1:23:34 PM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Janyce Mitchell	Individual	Support	Written Testimony Only

Comments:

I urge the legislature to support this bill. This bill is an excellent example of thinking outside of the box to solve Hawaii's affordable housing issues. Given that this is an idea that has not previously been attempted in Hawaii, it also makes perfect sense to study the feasibility and efficacy before implementing such programs. Please, vote to move this bill forward.

Thank you for your time and attention.

HB-1492

Submitted on: 2/6/2025 7:44:08 PM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Comments	Written Testimony Only

Comments:

Comment: Can this project help lower DHHL waitlist? DHHL qualify? Beneficiaries WILL NOT leave HI if the waitlist can be expedited quicker.

Thank you,

Johnnie-Mae L. Perry

HB-1492

Submitted on: 2/6/2025 8:49:41 PM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello Chair, Vice Chair, and Members of the House Committee on Human Services,

My name is Nanea Lo, and **I am submitting this testimony in strong support of HB 1492**, which seeks to create a “Local Families Housing Market” through the use of Community Land Trusts (CLTs) to ensure that homes remain permanently affordable for local residents.

Young people I love—students, friends, family members—have been moving away from our islands for years. At first, I didn’t see the pattern, but over time, it became painfully clear. They didn’t leave because they wanted to. They left because they had no choice. They couldn’t afford to stay. The heartbreak of watching generation after generation of kama‘āina forced out of their homeland is one that many of us know too well.

Hawaii’s housing market is broken. It rewards out-of-state investors and speculators while making it nearly impossible for working-class people—our teachers, nurses, kūpuna, and small business owners—to live in the communities they grew up in. This is why we must support HB 1492, which lays the groundwork for a Local Families Housing Market that prioritizes kama‘āina over profit-driven development.

Community Land Trusts are a proven solution. They provide long-term stability, protect local buyers from speculative price surges, and ensure that housing remains in the hands of those who contribute to our communities. HB 1492 is an opportunity to take a crucial step toward keeping Hawai‘i, Hawai‘i—for the people who call it home.

I urge you to support this bill and continue fighting for housing solutions that put local families first. Mahalo for your time and consideration.

me ke aloha ‘āina,
Nanea Lo
Mō‘ili‘ili, HI 96826
Sierra Club of Hawai‘i Executive Commission Member
Board Member, Hawai‘i Workers Center
Kanaka Maoli/Lineal Descendant of the Hawaiian Kingdom
Honolulu Tenants Union Member

HB-1492

Submitted on: 2/6/2025 9:48:03 PM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kelly Nishimura	Individual	Support	Written Testimony Only

Comments:

Dear Chair Evslin, Vice Chair Miyake, and members of the House Committee on Housing:

I strongly support HB1492. This bill is the foundation for sensible housing legislation. We must prioritize affordable housing for local people, the folks who do the essential work to keep our state running. We have more than enough market-rate projects that most locals can't afford.

Please pass this legislation. Mahalo!

Sincerely,

Kelly Nishimura

Andrew Laurence
Honolulu, Hawaii 96815

Testimony for the House Committee on Housing

Friday, February 7, 2025, 9 a.m.

SUPPORTING HB1492 – with amendments

Aloha Chair Evslin, Vice Chair Miyake, and members of the House Committee on Housing:

I am testifying in strong support of House Bill 1492, *Relating to Affordable Housing*.

The solutions to our affordable housing problems that this bill intends to develop represent the kinds of innovative thinking and deep understanding of real estate markets, especially Hawai'i's market, that is urgently needed at this time.

More and more studies are emerging from other states and other countries which show that simply increasing the supply of new housing **does not** ultimately drive down costs and rents, nor create "trickle-down housing." Hawai'i is simply not the kind of market where this happens by itself because of the sustained demand from around the world for our island real estate.

What we have been doing for the past 40 years clearly has not worked. It is time to take bold action for our people and try something different that actually ensures housing that is truly affordable for those who need it most.

Those who need it most make 80% and below the 2023 Area Median Income (AMI) figures (i.e., **80% AMI is Low Income, earning \$73,400/year, \$35.29/hour; 50% AMI is Very Low Income earning \$45,850/year, \$22.04/hour**). If our society is to be one that is fair and just, we must provide housing for those who are critically in need **first**.

Suggested Revisions to HB1492:

Include language that would begin establishing the proposed housing land trust this year, even if only in a small-scale pilot project to test and prove the concept.

We need to act. Any delays in establishing the land trust perpetuate the current housing problems.

Mahalo nui loa for your consideration of this important innovation,



Andrew Laurence

HB-1492

Submitted on: 2/7/2025 2:06:29 AM

Testimony for HSG on 2/7/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Angela Young	CARES Community Advocacy Research Education Services	Comments	Remotely Via Zoom

Comments:

Cares comments. Pls watch live stream for record.

Land trusts are a simple and long used form of ownership. The trust we are asking for to hold all affordable housing is much more complex and will hold not just the land but a whole program for housing.

It will hold all of the housing restrictions, requirements to qualify, all affordable units and rentals.

All housing programs will come under it. All financing both buyer and developer. The trust will enforce all provisions of our affordable housing rules.

It will create and establish new programs as market changes.

It is a complete vibrant market for all of our affordable housing units. It is not a simple land trust used for a few or small numbers of units.

It is really not a typical land trust but for want of a description it would be a super land trust.

Peter Savio