

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

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

March 27, 2025 at 2:00 p.m.
State Capitol, Room 325

In consideration of
S.B. 1170 SD2 HD2
**RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF
AFFORDABLE RENTAL HOUSING.**

Chair Tarnas, Vice Chair Poepoe, and members of the Committee.

HHFDC **supports** SB 1170 SD2 HD2, which authorizes the director of a county planning department to issue a special management area use permit to redevelop permanent affordable multi-family rental housing that has been substantially destroyed as a result of certain natural disasters and requires county planning departments and any other applicable state or county department or agency to prioritize approving permits for these redevelopments, with certain exceptions. It also exempts permanently affordable multi-family rental housing projects within the special management area that are being redeveloped and are located on properties or districts on the state or national historic register from environmental impact statement requirements. It also permits county planning departments and any other applicable state or county department or agency to amend or modify final plans and specifications for redevelopment of an existing experimental and demonstration housing project, with certain restrictions.

HHFDC supports the Legislature's efforts to respond to disasters declared as states of emergency, such as the August 2023 Maui wildfires. In particular, redevelopment of the Front Street Apartments project, which HHFDC is leading, would benefit from this proposal.

Presently, special management area use permits in Maui County can require over a year for processing. Granting the planning director the discretion for the issuance of

special management area use permits for these projects will greatly accelerate the development of these projects and aid Maui's recovery.

Thank you for the opportunity to testify on this bill.



LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813
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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Thursday, March 27, 2025, 2:00 PM
State Capitol, Conference Room 325 & Videoconference

in consideration of
SB 1170 SD2 HD2
RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF
AFFORDABLE RENTAL HOUSING.

Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary & Hawaiian Affairs:

Chapter 205A, Hawaii Revised Statutes (HRS), is the Hawaii Coastal Zone Management (CZM) Law. The Office of Planning and Sustainable Development (OPSD) is the lead agency of the Hawaii CZM Program.

OPSD is responsible for providing Special Management Area (SMA) permitting and shoreline setback guidance to the County Planning Commissions, and the County Planning Departments.

SB 1170 SD2 HD2 proposes amendments specifically for affordable rental housing, for example, subsection (e), which is under the jurisdiction of Hawaii Housing Finance and Development Corporation (HHFDC) and the county planning departments, and beyond the scope of the Hawaii CZM Program. The Hawaii CZM Program has no authority and expertise in providing specific guidance to affordable rental housing as proposed by SB 1170 SD2 HD2.

OPSD offers **comments** on SB 1170 SD2 HD2 with recommendations that maintain amendments relating to SMA use permitting to Chapter 205A, but relocate other amendments to Chapter 201H, Chapter 343 and Chapter 46, respectively, as follows:

SECTION 1. Chapter 205A, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated to read as follows:

“§205A- Special management area use permits; affordable multi-family rental housing; redevelopment. (a) Subject to terms and conditions under section 205A-26, the director of a county planning department may issue a special management area use permit to an applicant to redevelop permanent affordable multi-family rental housing as defined in section 201H- that has been substantially destroyed as a result of a disaster from wildfire, hurricane, or

SB 1170 SD2 HD2 RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND
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State Office of Planning and Sustainable Development
March 27, 2025

earthquake proclaimed by the governor to constitute a state of emergency under chapter 127A, Hawaii Revised Statutes. (note: OPSD defers to HHFDC for the definition of affordable multi-family rental housing)

(b) After issuing a special management area use permit pursuant to this section, the department of planning of the respective county shall file a notice of the issuance in the next available issue of the periodic bulletin of the office of planning and sustainable development.

(c) This section shall not apply to parcels on the shoreline or parcels impacted by waves, storm surges, high tide, or shoreline erosion.”

SECTION 2. Chapter 201H, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated to read as follows:

“§201H- Affordable multi-family rental housing; redevelopment. (a) After issuing a special management area use permit pursuant to section 205A- , the department of planning of the respective county and any other state or county agency authorized to issue a permit or approval shall prioritize approving permits to redevelop the permanent affordable multi-family rental housing.”

SECTION 3. Chapter 343, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated to read as follows:

“§343- Affordable multi-family rental housing; redevelopment. (a) Except as otherwise provided under §201H, or federal law, permanently affordable multi-family rental housing projects within the special management area that are being redeveloped pursuant to section 205A- and are located on properties or districts on the state or national historic register shall be exempt from the requirements of chapter 343.”

SECTION 4. Chapter 46, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated to read as follows:

“§46- Affordable multi-family rental housing; experimental and demonstration housing projects; redevelopment. (a) Notwithstanding any other law to the contrary, if an affordable multi-family rental housing that was originally developed as an experimental and demonstration housing project pursuant to section 46-15 has been substantially destroyed as a result of a disaster from wildfire, hurricane, or earthquake proclaimed by the governor to constitute a state of emergency under chapter 127A:

- (1) Any ordinance approved by a county for the initial construction of the experimental and demonstration housing project shall remain valid and relevant and continue to be in full force and effect with respect to the rebuilding of the project in accordance with this section;

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- (2) The director of a county planning department in the respective county or any other state or county agency authorized to issue a permit or approval required for the rebuilding of the project may amend or modify the final plans and specifications of the experimental and demonstration housing project to incorporate cost-effective best industry practices that include advances in building design, materials, construction types, or methods; provided that any modification shall adhere to principles that emphasize community, history, culture, future resilience, and the safety and well-being of the project’s occupants; provided further that the modifications shall not impose requirements or conditions that unreasonably increase rebuilding or future operating costs; and
- (3) Notwithstanding any termination of the applicable emergency proclamation before the completion of construction, the experimental and demonstration housing project shall not be subject to any specific provisions of law suspended pursuant to the emergency proclamation issued under section 127A-13, if an application for the initial permit or approval to commence rebuilding of the project has been submitted to the department of planning of a county, the department or office of housing of a county, or any other relevant agency of the applicable state or county before the end of the disaster emergency relief period; provided that the submitted application was deemed by the relevant state or county department or agency as complete.”

Thank you for the opportunity to testify on this measure.



Testimony of **Lahaina Strong**
Before the House Committee on
Judiciary & Hawaiian Affairs

In Consideration of Senate Bill No. 1170 SD2 HD2
RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF
AFFORDABLE RENTAL HOUSING.

To Chair Tarnas, Vice Chair Poepoe 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.

Lāhainā Strong stands in support of **Senate Bill 1170 SD2 HD2** which seeks to expedite the redevelopment of permanent, affordable multi-family rental housing in Lahaina. The loss of these homes has deeply impacted our community, and rebuilding them as quickly as possible is essential for residents to return home.

U.S. Census data shows that over 50% of the 4,000 homes lost in the fire were renter-occupied. The urgency of rebuilding truly affordable rental housing cannot be overstated—we must ensure that displaced residents can return to stable, long-term homes as soon as possible. Rebuilding must prioritize these multi-family rental units, which were home to kūpuna, generational families, and long-standing residents who built their lives in Lahaina. These homes provided stability and a sense of place before the fire, and their loss has only deepened the displacement of our community.

Many families who lost their homes were living in secure, affordable rental housing, which was already scarce before the fire. Without clear safeguards to prioritize

affordability and prevent speculation, we risk deepening displacement and housing instability. While we support efforts to streamline the process, our priority is ensuring that affordable rental housing is rebuilt first, not delayed by other types of redevelopment that do not meet the critical needs of displaced residents.

Lāhainā Strong urges you to **support SB1170 SD2 HD2** while ensuring that redevelopment remains focused on permanent affordability, community input, and cultural integrity—so that Lahaina’s residents can return home, not be pushed out.

Mahalo for your dedication to Lahaina’s recovery.

Sincerely,

Lāhainā Strong



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 325
Thursday, March 27, 2025 AT 2:00 P.M.

To The Honorable David A. Tarnas, Chair
The Honorable Mahina Poepoe, Vice Chair
Members of the Committee on Judiciary & Hawaiian Affairs

SUPPORT FOR SB1170 SD2 HD2 RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING

The Maui Chamber of Commerce would like testify in **SUPPORT for SB1170 SD2 HD2** which authorizes the director of a county planning department to issue a special management area use permit to redevelop permanent affordable multi-family rental housing that has been substantially destroyed as result of a disaster declared as a state of emergency and requires county planning departments and any other applicable state or county department or agency to prioritize approving permits for these redevelopments, with certain exceptions; exempts permanently affordable multi-family rental housing projects within the special management area that are being redeveloped and are located on properties or districts on the state or national historic register from environmental impact statement requirements; and permits county planning departments and any other applicable state or county department or agency to amend or modify final plans and specifications for redevelopment of an existing experimental and demonstration housing project, with certain restrictions.

Housing remains a top priority for the Maui Chamber of Commerce and continues to be critical as the crisis worsens following the wildfires, directly impacting businesses and our economic revitalization. Prior to the wildfires, the need for over 10,000 housing units by 2025 was already a pressing issue, but that number has increased due to the loss of 3% of our housing stock in Lahaina. This loss is a key factor driving the ongoing rise in housing prices.

The Chamber notes that the longer the development process takes, the higher the associated costs, which in turn drive up housing prices. This bill will help these specific affordable housing projects navigate the process more quickly, thereby lowering development expenses and making housing more affordable and, more importantly, available sooner.

For these reasons, we **SUPPORT SB1170 SD2 HD2**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

March 26, 2025

LEGISLATIVE TESTIMONY – SB1170 SD2 HD2 (HSCR1435)

A bill relating to the expeditious redevelopment and development of affordable rental housing.

House Hearing before the House Committee on Judiciary & Hawaiian Affairs

Hearing Date: Thursday, March 27, 2025

2:00 PM State Capitol Conference Room 325 & Videoconference

To: The House Committee on Housing
The Honorable Rep. Luke A. Evslin, Chair,
The Honorable Rep. Tyson K. Miyake, Vice Chair,
and members of the Committee

From: Joe Blanco *Joe Blanco*
Project Manager - KCOM Corp.
For the Weinberg Court Apartments
615 Honoapiilani Highway, Lahaina Maui

Re: Testimony in Support of SB 1170_SD2_HD2 (HSCR1435)

Chair, Vice Chair, and Members of the Committee:

The Weinberg Court Apartments is an affordable multi-family rental housing project developed as an experimental and demonstration housing project under Section 46-15 of the Hawaii Revised Statutes. Unfortunately, when such a project is destroyed by disasters like wildfires, hurricanes, or earthquakes, the rebuilding process under HRS 46-15 provides minimal flexibility to county agencies authorized to issue reconstruction permits. On behalf of KCOM Corp., the late Valentine Peroff, Jr. and I developed this apartment complex in the early 1990s.

As a result, since the complex was destroyed in August 2023, efforts to obtain all necessary permits for rebuilding have stalled. Without the passage of SB1170 SD2_HD2, obtaining all the permits required to rebuild could take up to 24-30 months and significantly increase costs for the rebuild.

The passage of this bill is integral legislation that will allow the Weinberg Court Apartment complex to be promptly rebuilt. I strongly urge your support SB1170_SD2_HD2.

LEGISLATIVE TESTIMONY IN SUPPORT OF THE INTENT OF

SB 1170_SD2_HD2 (HSCR1435)

(RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING)

HEARING DATE

Thursday, March 27, 2025
before the House Committee on Judiciary & Hawaiian Affairs
2:00 PM State Capitol Conference Room 325 & Videoconference

SUBMITTED BY

Pacific Commercial Realty Corp.

Operating General Partner for Housing Technology Associates
Owner of the Weinberg Court Apartment Complex
615 Honoapiilani Highway, Lahaina
March 26, 2025

The Honorable Rep. David A. Tarnas, Chair,
The Honorable Rep. Mahina Poepoe, Vice Chair,
and members of the Committee on Housing:

My name is Katherine Peroff, and I am the Executive Vice President of Pacific Commercial Realty Corp. (PCRC), the Operating General Partner for Housing Technology Associates (HTA), and the owner of the former Weinberg Court Apartments (WCA) complex. WCA was a 63-unit affordable rental apartment complex developed and built by my late father, Valentine Peroff, Jr., and his business colleague, Joe Blanco, in the early 1990s. All rental units at WCA were reserved solely for occupants earning 60% or less of the County of Maui median income (as determined by the U.S. Department of Housing and Urban Development and monitored by HHFDC). Please accept this testimony in support of SB 1170_SD2_HD2 (HSCR1435).

The Weinberg Court Apartments is an affordable multi-family rental housing project developed as an experimental and demonstration housing project under Section 46-15 of the Hawaii Revised Statutes. Unfortunately, when such a project is destroyed by disasters like wildfires, hurricanes, or earthquakes, the rebuilding process under HRS 46-15 provides minimal flexibility to county agencies authorized to issue reconstruction permits. As a result, since the complex was destroyed in August 2023, efforts to obtain all necessary permits for rebuilding have stalled. Without the passage of SB1170 SD2_HD2, obtaining all the permits required to rebuild could take up to 24-30 months and likely result in significantly increased costs for the rebuild.

HTA's Operating General Partner is currently managing the WCA's reconstruction process. Enacting SB1170 SD2_HD2 is necessary and critical for our efforts to rebuild the apartment complex promptly and budget-compliantly. I respectfully request your support for this bill.

Sincerely,



Katherine Peroff
Executive Vice President
Pacific Commercial Realty Corp.

SB-1170-HD-2

Submitted on: 3/25/2025 8:08:56 PM

Testimony for JHA on 3/27/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

Good idea that will help people in need and increase housing for local families. Mahalo!