
February 17, 2022

The Honorable Aaron Ling Johanson, Chair
House Committee on Consumer Protection & Commerce
Via Videoconference

RE: H.B. 1837, HD1, Relating to Housing

HEARING: Thursday, February 17, 2022, at 2:00 p.m.

Aloha Chair Johanson, Vice Chair Kitagawa, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its over 10,800 members. HAR **strongly supports** House Bill 1837, HD1, which requires each county to submit biennial reports to the legislature on its efforts to reduce zoning and regulatory barriers to housing development. Requires the Hawai'i Housing Finance and Development Corporation and Hawaii Public Housing Authority to submit biennial reports, based on their individual review of the counties' reports, to the Legislature and their respective Board on streamlining affordable housing development.

Homeownership is one of the most important ways for families to build wealth, connect more deeply with their communities and support the economic growth of the State. Unfortunately, that goal has become difficult for many families in Hawai'i, which has the highest cost of living in the country and high housing prices.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 46,000, housing units to meet demand in Hawai'i by 2030. Ultimately, we have a housing supply problem, and this measure is a creative approach to address those challenges.

Many of the levers of home building are at the local level – from permitting to planning and zoning. According to the National Association of Homebuilders, regulatory costs account for a quarter of the final price of single-family housing and a third of the cost of multifamily housing. As such, by having the counties identify regulatory barriers and housing opportunities for residents of all income levels, is a great step towards addressing our State's housing needs.

Mahalo for the opportunity to testify.