TESTIMONY OF LEODOLOFF R. ASUNCION, JR. CHAIR, PUBLIC UTILITIES COMMISSION STATE OF HAWAII

TO THE HOUSE COMMITTEE ON HOUSING

February 15, 2023 9:30 a.m.

Chair Hashimoto, Vice Chair Aiu, and Members of the Committee:

MEASURE: H.B. No. 1252, HD1 TITLE: RELATING TO ENERGY.

DESCRIPTION: Provides rebates for eligible electric vehicle ready parking stalls for new construction of affordable housing. Beginning with calendar year 2024, requires that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan.

POSITION:

The Public Utilities Commission ("Commission") supports this measure and offers the following comments for consideration.

COMMENTS:

The Commission thanks the Committee on Energy & Environmental Protection for passing this measure. The Commission supports this measure to assist low-income customers by providing ready access to charging infrastructure at affordable housing units at lower cost, particularly given the finding that constructing electric vehicle ready parking stalls at the time of constructing is approximately one-tenth the cost of retrofitting already-built parking stalls.

The Commission currently manages the Electric Vehicle Charging System ("EVCS") Rebate Program in consultation with electric vehicle stakeholders and in cooperation with the program's administrator, Hawaii Energy. The program directly supports the state's decarbonization goals and continues to provide benefits to Hawaii's residents. This measure would be a meaningful addition to the program. In service of long-term administrative efficiency of this beneficial EVCS program, within its budget request for the

H.B. No. 1252, HD1 Page 2

fiscal biennium 2023-2025, the Commission has requested establishment of a permanent spending authority to expend the funds that are automatically collected in the sub-account for this program.

Equity is a high priority for the Commission, and we support the provisions of this measure to increase charging access for low-income communities. The Commission has worked with electric vehicle stakeholders to begin identifying communities that are underserved by electric vehicle charging infrastructure and will further explore equity measures related to transportation electrification in Docket No. 2022-0250, which is investigating equity holistically across Commission functions. We also note that Hawaii Energy has partnered with Ulupono Initiative to offer a bonus rebate for the installation of Level 2 EVCS at affordable housing projects. The Commission supports the language of the measure that allows entities to simultaneously claim a rebate for a charging system as well as for an electric vehicle ready parking stall. This will help to ensure that electric vehicle ready stalls are actually furnished with charging systems.

Thank you for the opportunity to testify on this measure.



HAWAII STATE ENERGY OFFICE STATE OF HAWAII

235 South Beretania Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Telephone: Web: (808) 587-3807 energy.hawaii.gov

JOSH GREEN, M.D.

CHIEF ENERGY OFFICER

GOVERNOR

Testimony of MARK B. GLICK, Chief Energy Officer

before the HOUSE COMMITTEE ON HOUSING

Wednesday, February 15, 2023 9:30 AM State Capitol, Conference Room 312 and Videoconference

In SUPPORT of HB 1252, HD1

RELATING TO ENERGY.

Chair Hashimoto, Vice Chair Aiu, and Members of the Committee, the Hawai'i State Energy Office (HSEO) supports and offers the following comments on HB 1252, HD1, which provides rebates for eligible electric vehicle (EV) ready parking stalls in new affordable housing construction and requires that EV ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan starting in calendar year 2024.

HSEO's testimony is guided by its mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy, decarbonized economy. Hawai'i is a national leader in the adoption of electric vehicles ranking second nationally in EV adoption per capita. However, battery electric zero-emission vehicles still only constitute 1.7% of all registered light-duty vehicles in the state.¹ The high cost of EVs and limited charging facilities are likely to be particularly limiting factors for EV adoption to those living in affordable housing units, and thus poses an equity issue that must be addressed. For Hawai'i to meet its statutory target "to sequester more greenhouse gases

¹ https://energy.hawaii.gov/energy-data/

than emitted as soon as practicable but no later than 2045", we must ensure the transition to zero-emission transportation is inclusive of all communities.

In 2015 DBEDT served as the chair of the Act 164 Working Group, examining issues regarding requests to the board of directors of a MUD (multi-unit dwellings) for the installation of EV charging systems. The Working Group found that increasing the availability of EV charging systems located at MUDs could enable roughly one-third of households to own EVs. HSEO is monitoring Section 11401 of the Infrastructure, Investments, and Jobs Act which provides opportunities to state, local, and public entities to install alternative fuel infrastructure. \$1.25 Billion of program funds will be dedicated to competitive "Community Grants" for publicly-accessible alternative fuel charging/fueling projects with priority given to rural, LMI and underserved communities, and multi-unit dwellings. Program guidance is expected to be released in the first quarter of 2023.

To successfully decarbonize the ground transportation sector, we need to ensure our transportation decarbonization policies are equitable and inclusive of all communities. HB 1252, HD1, helps address this important priority.

Thank you for the opportunity to testify.

SYLVIA LUKE LT. GOVERNOR Choose an item.



GARY S. SUGANUMA DIRECTOR

KRISTEN M.R. SAKAMOTO DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF TAXATION Ka 'Oihana 'Auhau P.O. BOX 259 HONOLULU, HAWAI'I 96809 PHONE NO: (808) 587-1540 FAX NO: (808) 587-1560

TESTIMONY OF GARY S. SUGANUMA, DIRECTOR OF TAXATION

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1252 H.D. 1, Relating to Energy

BEFORE THE: House Committee on Housing

DATE:Wednesday, February 15, 2023TIME:9:30 a.m.LOCATION:State Capitol, Room 312

Chair Hashimoto, Vice-Chair Aiu, and Members of the Committee:

The Department of Taxation ("Department") offers the following <u>comments</u> regarding H.B. 1252, H.D. 1, for your consideration.

H.B. 1252, H.D. 1, seeks to amend section 235-110.8(a), Hawaii Revised Statutes (HRS), relating to the low-income housing tax credit, by requiring the Hawaii Housing Finance and Development Corporation (HHFDC) to include among the criteria to evaluate and allocate the tax credits for calendar year 2024 and later, whether new construction projects include electric vehicle ready parking stalls.

This measure has a defective effective date of June 30, 3000 and includes a provision that the amendments to section 235-110.8(a), related to the tax credit, shall not be repealed when that section is reenacted on December 31, 2027.

The Department defers to HHFDC on its ability to certify this credit with the added requirements.

This Department will be able to administer this measure by July 1, 2023, as there are no required system changes.

Thank you for the opportunity to provide comments on this measure.



STATE OF HAWAI'I

HAWAI'I CLIMATE CHANGE MITIGATION & ADAPTATION COMMISSION

POST OFFICE BOX 621

HONOLULU, HAWAII 96809

Co-Chairs: Chair, DLNR Director, OPSD

Commissioners: Chair, Senate AEN Chair, Senate WTL Chair, House EEP Chair, House WAL Chairperson, DTA Chairperson, DOA CEO, OHA Chairperson, DOH Director, DBEDT Director, DOT Director, C+C DPP Director, Hawai'i DP Director, Hawai'i DP The Adjutant General Manager, CZM

Testimony of The Adjutant Gr Manager, CZM Leah Laramee Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

Before the House Committee on HOUSING

Wednesday, February 15, 2023 9:30 AM State Capitol, Via Videoconference, Conference Room 312

In support of HOUSE BILL 1252 HOUSE DRAFT 1 RELATING TO ENERGY

House Bill 1252 HD1 provides rebates for eligible electric vehicle-ready parking stalls for new construction of affordable housing. Beginning with calendar year 2024, requires that electric vehicle-ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan. The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this measure.

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multijurisdictional effort between 20 different departments, committees, and counties. Emissions from ground transportation account for over half of energy emissions as noted in the 2017 Greenhouse Gas Inventory. Reducing emissions from ground transportation is one of the major focuses of the Commission, and a transition to clean renewable fueled vehicles is a crucial strategy to achieve state goals. Such conversions include electrification of transportation, and the use of clean, renewable fuels, and a rebate program could be critical in promoting this transition to clean transportation. For significant reductions to be made all market segments in Hawai'i need to be addressed, including low- to moderate-income households.

Electrification of our homes and transportation sector is a key component of becoming climate ready. New construction with solar and electric vehicle readiness is less expensive and sets homes up to be ready when residents are ready to install the infrastructure. By doing the work now we are reducing costs and waste and creating a more resilient future.

Mahalo for the opportunity to testify in support of this measure.

JOSH GREEN, M.D. GOVERNOR



DENISE ISERI-MATSUBARA EXECUTIVE DIRECTOR

STATE OF HAWAII DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300

HONOLULU, HAWAII 96813 PHONE: (808) 587-0620 FAX: (808) 587-0600



Statement of DENISE ISERI-MATSUBARA

Hawaii Housing Finance and Development Corporation Before the

SENATE COMMITTEE ON HOUSING

February 15, 2023 at 9:30 a.m. State Capitol, Room 312

In consideration of H.B. 1252 HD1 RELATING TO ENERGY.

HHFDC **<u>supports the intent but has concerns</u>** with H.B. 1252, which incentivizes electric vehicle (EV)-ready parking for new construction of affordable housing by:

- 1) Requiring that EV-ready parking be integrated as a criterion in HHFDC's Low-Income Housing Tax Credit (LIHTC) Qualified Allocation Plan (QAP); and
- 2) Providing rebates for eligible EV-ready parking stalls for new construction of affordable housing.

The QAP determines which housing projects should receive allocations of LIHTC by awarding points based on evaluation criteria that are aligned with the intent of the LIHTC program established under the Internal Revenue Code. As such, we generally **oppose legislation that imposes individual QAP mandates**. Ultimately, it can have the effect of undermining the intent of the evaluation criteria. As the allocating agency for the state of Hawaii, HHFDC is obligated to provide no more housing credits than deemed necessary to ensure an affordable housing project's financial feasibility.

The QAP already provides awarding up to four additional points to promote smart growth; energy and water conservation; operational savings; and sustainable building practices in affordable-housing design. As a practical matter, renters in LIHTC projects (affordable up to 60% of AMI) typically don't own EVs because of their relatively higher cost to purchase compared to conventional vehicles.

HHFDC believes that there are other ways to incentivize EV-ready parking-stall construction without affecting the QAP as provided for in this measure, one of which is the proposed \$1,750 per-stall rebate for eligible EV-ready parking stalls for new construction of affordable housing. Rebates through the PUC Public Utilities Commission for incorporating EV parking stalls into new affordable housing construction may be a good option to incentivize behavior.

Thank you for the opportunity to provide testimony.

OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11th FLOOR • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-2277 • EMAIL: resilientoahu@honolulu.gov • INTERNET: www.resilientoahu.org



M ATTHEW GONSER, AICP, CFM EXECUTIVE DIRECTOR & CHIEF RESILIENCE OFFICER

NICOLA HEDGE DEPUTY DIRECTOR & DEPUTY CHIEF RESILIENCE OFFICER

WEDNESDAY, FEBRUARY 15, 2023, 9:30 A.M.

STATE OF HAWAI'I HOUSE COMMITTEE ON HOUSING

TESTIMONY ON HOUSE BILL 1252, HD1 RELATING TO ENERGY

BY,

MATTHEW GONSER EXECUTIVE DIRECTOR AND CHIEF RESILIENCE OFFICER OFFICE OF CLIMATE CHANGE, SUSTAINABILITY AND RESILIENCY

Dear Chair Hashimoto, Vice Chair Aiu, and Members of the Committee:

The City and County of Honolulu ("City") Office of Climate Change, Sustainability and Resiliency (CCSR) **strongly supports** HB1252 HD1, which provides rebates for eligible electric vehicle-ready ("EV-ready") parking stalls for new construction of affordable housing.

The City is committed to more affordable housing to meet community demand. We recognize the need for solutions that drive down both upfront costs and long-term costs of living, particularly for low- to- moderate (LMI) residents, necessary for meeting both our affordable housing and climate change goals.

While only part of a zero emissions strategy for ground transportation, the transition to electric vehicles (EVs) is nonetheless important in meeting the State's clean economy target by no later than 2045. It is now clearer than ever that the auto industry is committed to moving away from climate warming fossil fuel vehicles to EVs. However, a continued barrier to EV adoption is the cost of establishing a robust network of EV charging infrastructure.

Sizing a building's electrical system for EVs, trenching and laying conduit to parking, and reserving capacity in electrical panels at the time of new construction (i.e., making the building EV-ready) is one of the most cost effective strategies we can utilize for expanding EV charging systems in Hawai'i. Without this preparation at building

RICK BLANGIARDI MAYOR Chair Hashimoto and Vice Chair Aiu HB1252 HD1 February 15, 2023 Page 2

construction, EV-ready retrofits can be prohibitively expensive later on when EV chargers are demanded. Acknowledging this, the City has already adopted local EV-ready requirements within our Building Energy Conservation Code¹. However, affordable housing projects were exempted from those provisions due to cost concerns.

While a stated intent of the State's existing Electric Vehicle Charging System Rebate Program has been to serve LMI residents, there has been very low uptake of this rebate at affordable housing projects to date. While eligible to take advantage of existing rebates, affordable housing developers may be reluctant to install a complete EV charging system, given that projects typically have very limited parking to begin with and tenants may not yet own EVs.

With this amendment to the rebate program to include EV-ready rebates for affordable housing, these projects can receive incentives to simply add the infrastructure at the time of construction, such that chargers themselves can be installed at a later time, when there is increased demand for EV charging among project tenants. This modest proposal is a strong step forward in helping to avoid additional and future cost barriers for EV adoption by LMI residents.

CCSR supports incentives that drive long-term savings for LMI residents and would additionally support discussions about how to increase these rebates to help adequately cover the costs of supporting affordable housing in the transition to a clean economy. Thank you for the opportunity to testify in strong support of HB1252 HD1.

¹ Ordinance 20-10: http://www4.honolulu.gov/docushare/dsweb/Get/Document-264403/ORD20-010.pdf.

OFFICE OF ECONOMIC DEVELOPMENT

NALANI BRUN, DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR MICHAEL A. DAHILIG, MANAGING DIRECTOR

Testimony of Christina Kaser Energy Coordinator, Office of Economic Development

Before the House Committee on Housing February 15, 2023; 9:30 a.m. Conference Room 312 Via Videoconference

> In consideration of House Bill 1252 HD1 Relating to Energy

Honorable Chair Hashimoto, Vice Chair Aiu, and Members of the Committee:

The County of Kaua'i is in **support** the intent of House Bill 1252 HD1, which provides rebates for eligible electric vehicle ready parking stalls for new construction of affordable housing, and, beginning in calendar year 2024, requires that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan.

The County of Kaua'i values the state's existing rebate program and has demonstrated its effect to stimulate electric vehicle charging adoption.

In 2021, the Kaua'i County Council passed a bill requiring new construction of multi-family sites, including affordable housing, and industrial, commercial, resort, and agriculture districts to have fifteen percent of parking stalls be EV Ready. Given that Kaua'i County already has requirements for EV-ready for our affordable housing projects, we support a targeted financial incentive to reduce the burden on the cost to developers. We also acknowledge that if we are advocating for increased electrification, it is especially important to lay down infrastructure in construction to increase access to charging and allow people of any income bracket to be in a better position to adopt to electric vehicles, whether it happens immediately or sometime in the future.

To the first item in the bill, a rebate made specifically for affordable housing will support more equitable electrification of transportation across the state. Often, a barrier to electric vehicle charging adoption is not necessarily just in the purchase of the charger itself, but in the costs associated with the charging infrastructure. *'EV Ready'* construction is one of the most cost-effective strategies for expanding EVSE installations, exhibiting substantial savings as opposed to installing infrastructure post-construction. Not only is it more affordable to install EV ready during construction compared to retrofitting, but it also reduces the risk of a potential burden

for higher costs to fall on residents down the line if housing projects eventually install EV chargers. By taking this action, the legislature can leverage valuable state funding to accelerate EVSE installations state-wide.

To the second item in the bill, the County will not take a position in requiring that that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan. Our County Council passed legislation to require EV ready for affordable housing projects on Kaua'i, and we feel that this requirement may be best left up to each County's unique situation. In any case, we value the bill's intention to provide much needed rebates to support implementation of our Council's bill.

Thank you for the opportunity to testify in **support** of HB1252 HD1.



HOUSE COMMITTEE ON HOUSING

February 15, 2023, 9:30 AM Room 312

TESTIMONY IN SUPPORT OF HB 1252 HD1

Aloha Chair Hashimoto, Vice Chair Aiu, and Committee members:

Blue Planet Foundation **supports HB 1252 HD1**, which establishes rebates for new affordable housing to construct parking lots that are "EV charger-ready." This bill would help save money for residents on future EV charger installation, reduce the barriers to EV adoption, and address the urgent challenge of reducing carbon emissions from ground transportation.

Electric vehicles are shaping the future of transportation

Electric vehicles are the fastest growing segment of new cars in Hawai'i. In 2022, the number of registered electric vehicles in Hawai'i increased more than 25%, compared to only a 1% increase in registered gasoline-powered vehicles.¹ There are currently over 22,000 electric vehicles registered in the state, a number that is expected to rise exponentially as more electric vehicles come to market, vehicle ranges increase, and the cost of electric vehicles decreases.

Battery costs have fallen precipitously over the past several years so that in many cases, the total cost of ownership for EVs is lower than for gasoline-powered vehicles. Experts expect battery prices to continue to fall, and as automakers increase the number of models and volume of EVs in the next few years, the upfront cost of EVs is expected to reach cost parity with conventional vehicles by 2024.²

In part due to falling costs and increasing consumer demand, and in part due to government policies encouraging the transition towards EVs, nearly all of the world's leading automakers have announced aggressive strategies and investments in electric and plug-in hybrid vehicles over the past two years.³ This bill helps to prepare Hawai'i for the future demand for electric vehicles in our state.

¹ "Monthly Energy Trends", *DBEDT*, December 2022 (https://dbedt.hawaii.gov/economic/energy-trends-2/).

² Slowik, Peter, et. al. "Assessment of Light-duty Electric Vehicle Costs and Consumer Benefits in the United States in the 2022-2035 Time Frame." *The International Council on Clean Transportation*. October 2022. (https://theicct.org/publication/ev-costbenefits-2035-oct22/).

³ Motavalli, Jim. *"Every Automaker's EV Plans Through 2035 and Beyond." Forbes*, October 2021. (https://www.forbes.com/wheels/news/automaker-ev-plans/).

The lack of EV charging is a barrier to adoption and an equity issue

The International Energy Agency found that "the availability of chargers emerged as one of the key factors for contributing to the market penetration of EVs."⁴ Unlike gasoline car owners, 80% of EV drivers charge their cars at home or at work.⁵ Residents in multi-unit dwellings or condos, however, are often unable to find a place to charge, preventing them from receiving the benefits of EVs. This is a fundamental equity issue in Hawai'i: a large segment of residents in Hawai'i live in multi-family housing, in part because single-family homes are financially out of reach for many. This bill reduces barriers to EV adoption and addresses social inequities. By providing incentives for new affordable housing to be made EV charger ready, we support low- and moderate-income residents who couldn't otherwise afford to install EV chargers at their homes.

Installing EV-ready wiring is cheaper pre-construction

The most challenging aspect of EV charger installation is the common lack of electrical capacity and distributed subpanels to support broad deployment of charging infrastructure. Studies have shown that installing EV infrastructure at the time of construction can be 91% less expensive than post-construction retrofits, and that per stall installation costs can be reduced through economies of scale, by deploying more stations at time of construction.⁶ Requiring that the power capacity and conduit be set up during construction would dramatically reduce retrofit costs at the time of installation, creating significant cost savings for affordable-housing renters and homeowners.

By choosing not to plan for EV charging infrastructure in new housing construction, low-income residents would be forced to pay expensive retrofit costs to upgrade power capacity later when ground transportation has shifted to electric vehicles—a transition that is already well underway. This bill is about future proofing our new affordable housing and encouraging developers to be proactive in installing the power capacity and wiring needed for future EV charging infrastructure.

Expanding EV charging infrastructure benefits all electricity users

Expanding access to EV charging is critical to unlock benefits for all electricity users, not just for EV drivers. Enabling EV charging during the middle of the day allows more low-cost solar to be added to the grid and helps the overall energy system. When large numbers of EVs— which are essentially batteries on wheels—are connected to the electricity grid simultaneously,

⁴ *Global EV Outlook 2017*, International Energy Agency, June 2017, https://www.iea.org/reports/globalev-outlook-2017.

⁵ Ibid.

⁶ See http://evchargingpros.com/wp-content/uploads/2017/04/City-of-SF-PEV-Infrastructure-Cost-Effectiveness-Report-2016.pdf.

they could be used to help manage the system through demand response, load shifting, and other grid services.

Conclusion

Recognizing that automakers are rapidly moving towards electric vehicles, and that a lack of charging infrastructure remains a barrier to more widespread EV adoption, HB 1252 is an opportunity to incentivize the installation of EV-ready charging infrastructure in new affordable housing construction. In doing so, we can prepare residents for the future of transportation, address equity issues for low- and moderate-income residents, and reduce unnecessary financial costs to working families and local residents— all while tackling the urgent challenge of reducing carbon emissions from ground transportation in Hawai'i.

For these reasons, Blue Planet is in strong support of HB 1252 HD1.

Thank you for the opportunity to provide testimony.



TESTIMONY BEFORE THE HOUSE COMMITTEE ON HOUSING

HB 1252 HD1

Relating to Energy

February 15, 2023 9:30 AM, Agenda Item #5 Conference Room 312, VIDEO CONFERENCE

June Chee Program Manager, Electrification of Transportation Hawaiian Electric

Aloha Chair Hashimoto, Vice Chair Aiu, and Committee Members,

My name is June Chee, and I am testifying on behalf of Hawaiian Electric in strong support of HB 1252 HD1, which provides electric vehicle (EV) ready rebates for new affordable housing developments. The EV charging system (EVCS) rebate program administered by Hawaii Energy has successfully provided supplemental funding for EV charging infrastructure across the state. Expanding the EVCS rebate program to include the eligibility of EV-ready projects for affordable housing will increase the program's effectiveness, provide resources to developers, and offer equitable transportation options for Hawaii's underserved communities.

This bill reflects an important step towards ensuring equitable access to clean transportation during this critical decade of change. In December 2022, the number of EVs in the state was 22,249, a 25.5 percent increase from the previous year.¹ On Oahu alone, EV ownership is forecasted to increase to approximately 430,000 vehicles by

¹ Hawaii State Department of Business, Economic Development and Tourism, Monthly Energy Trends, December 2022 <u>Energy_Trend.pdf (hawaii.gov)</u>

2045 making 55 percent of light-duty vehicles on Oahu roads fully electric.² Including EV-ready infrastructure in new buildings is crucial to ensure equitable access to Hawaii's clean transportation future.

While it is true that EV charging infrastructure increases project costs for developers, installing EV charging capability during the initial construction of a building mitigates and avoids the increased cost of retrofitting. Providing an EV-ready rebate for affordable housing developers will incentivize the inclusion of EV charging while reducing upfront costs to builders and developers. Hawaiian Electric strongly supports this bill. Thank you for the opportunity to testify.

² Hawaiian Electric. <u>Electrification of Transportation Strategic Roadmap (hawaiianelectric.com)</u>



To: The House Committee on HousingFrom: Sherry Pollack, 350Hawaii.orgDate: Wednesday, February 15, 2023, 9:30am

In support of HB1252 HD1

Aloha Chair Hashimoto, Vice Chair Aiu, and members of the Housing committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **supports HB1252 HD1** that provides rebates for eligible electric vehicle ready parking stalls for new construction of affordable housing. Beginning with calendar year 2024, this measure also requires that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan.

Parking stalls for affordable housing units are not constructed to be electric vehicle ready because of the added cost and because affordable housing is exempted from electric vehicle ready county requirements. But for Hawaii to achieve its sustainable transportation and climate goals, we must electrify ground transportation on our islands as soon as possible. And in a just transition, no one is left behind.

Access to vehicle charging infrastructure presents a barrier and an equity issue for low-income families who are unable to access the savings and other benefits associated with electric vehicle ownership because they lack access to charging infrastructure. Clearly, adequate vehicle charging infrastructure is a MUST for the democratization of transportation. To adopt electric cars, everyone must have access to charging. Providing incentives for electric vehicle ready new construction for affordable housing, as in HB1252 HD1, is an effective step to address this important equity issue.

Mahalo for the opportunity to testify.

Sherry Pollack Co-Founder, 350Hawaii.org

LEGISLATIVE TAX BILL SERVICE

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, Add Electric Vehicle Ready Parking Stalls to Evaluate Projects for Affordable Housing Incentives

BILL NUMBER: HB 1252 HD 1

INTRODUCED BY: House Committee on Energy & Environmental Protection

EXECUTIVE SUMMARY: Provides rebates for eligible electric vehicle ready parking stalls for new construction of affordable housing. Beginning with calendar year 2024, requires that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan.

SYNOPSIS: As it relates to the tax laws, amends section 235-110.8, HRS, to provide that in developing the qualified allocation plan effective for reservations and awards of the low-income housing tax credit for calendar year 2024 and later, HHFDC shall include among its criteria to evaluate and allocate tax credits the project's inclusion of electric vehicle ready parking stalls if the project is for new construction.

EFFECTIVE DATE: June 30, 3000.

STAFF COMMENTS: This bill creates a rebate program for the installation or upgrade of electric vehicle charging infrastructure. This program does not involve the tax code.

As it relates to the tax code, the bill adds another criterion that HHFDC is to consider when evaluating and allocating tax credits.

Digested: 2/13/2023



Email: communications@ulupono.com

HOUSE COMMITTEE ON HOUSING Wednesday, February 15, 2023 — 9:30 a.m.

Ulupono Initiative <u>supports</u> HB 1252 HD1, Relating to Energy.

Dear Chair Hashimoto and Members of the Committee:

My name is Micah Munekata, and I am the Director of Government Affairs at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono <u>supports</u> HB 1252 HD1, which provides rebates for eligible electric vehicle ready parking stalls for new construction of affordable housing; beginning with calendar year 2024, requires that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan.

Ulupono is very supportive of policies and programs that can accelerate the state's transition to greater electric vehicle (EV) adoption, especially ones that increase access to EV charging for low- to moderate-income households. The lack of access to charging is one of the top barriers to EV adoption.¹ This understanding is also demonstrated on the ground as well since 80% of Hawai'i EV drivers predominantly charge at home.² However, over 40% of Hawai'i residents live in multi-family unit housing and likely lack convenient home charging options.³

The proposed rebate and additional criterion to qualify for a low-income housing tax credit aims to encourage and offset the costs of installing EV-ready parking stalls for affordable housing developments. In doing so, this bill will increase affordable access to charging infrastructure and help provide access and improve the feasibility of owning an EV for more Hawai'i residents.

Enabling affordable housing developments to install EV-ready parking stalls is smart future-proofing. EV charging infrastructure should be installed, wherever and whenever possible, at the time of new construction because the cost of retrofits is significantly more

Investing in a Sustainable Hawai'i

¹ https://www.osti.gov/biblio/1854730

² ² https://www.ulupono.com/media/xj4cayeh/the-extra-mile-why-electric-vehicles-make-sense-for-hawaii-economy-environment-and-communities.pdf

³ https://dbedt.hawaii.gov/hhfdc/files/2017/03/Inventory-Report-2016.pdf



expensive than when installed upfront, and such an upfront investment is a relatively small part of the total cost of a parking stall. For example, a case study in San Francisco estimated the cost of retrofit can be up to nine times the cost of EV-readiness at the time of new construction.⁴ Additionally, given that our recent research shows that a typical structured parking space can cost \$42,000-\$57,000 per space to build and the incremental cost of upgrading a parking space to be EV-ready is relatively low, the proposed rebate will ensure that cost is not a barrier to expanding EV charging options.⁵ Therefore, if an affordable housing development will have to pay tens of thousands of dollars to install an EV charger at a later date—or worse yet, will simply not have access to convenient, affordable home charging nor the overall benefits of driving electric.

As our energy issues become more complex and challenging, we appreciate this committee's efforts to look at policies that support clean ground transportation.

Thank you for the opportunity to testify.

Respectfully,

Micah Munekata Director of Government Affairs

⁴ <u>https://energy-solution.com/wp-content/uploads/2016/09/PEV-Infrastructure-Cost-Effectiveness-</u> <u>Summary-Report-2016-07-20b.pdf</u>

⁵ <u>https://ulupono.com/media/ivcfs2pu/the-cost-of-parking-in-hawaii-report-2020-08.pdf?sha=27ef1b3a</u>



To: The Honorable Chair Troy Hashimoto, the Honorable Vice Chair Micah Aiu and Members of the Committee on Housing

From: Climate Protectors Hawaii (by Ted Bohlen)

Re Hearing: HB1252 RELATING TO ENERGY

Hearing Wednesday February 15, 2023 at 9:30 am., room 312

The Climate Protectors Hawaii STRONGLY SUPPORTS HB1252.

In order to reach our statutory goal to be carbon negative as soon as practicable but not later than 2045, Hawaii must electrify its transportation sector, the largest source of greenhouse gas emissions. The lack of vehicle charging infrastructure is a barrier to widespread adoption of electric vehicles, particularly for those in apartment buildings. Charging infrastructure is not being installed in affordable housing because of the cost. This creates an equity issue for lower income families who cannot access the savings of electric vehicles. Installing electric vehicle charging during building construction makes sense, as it costs ten times more thereafter.

This bill provides incentives for electric vehicle-ready parking in new construction for affordable housing.

The Climate Protectors Hawaii ask the Committee to please pass HB1252!

Mahalo! Climate Protectors Hawaii (by Ted Bohlen)

Big Island Electric Vehicle Association

hawaiidriveelectric@gmail.com bigislandev.org



February 14, 2023

SUPPORT for HB1252 HD1 - RELATING TO ENERGY

Dear Chair Hashimoto, Vice Chair Aiu, and Housing Committee members,

Big Island EV Association is in support of HB1252 HD1.

HB1252 HD1 will contribute to the availability of charging infrastructure in Hawaii's homes. This measure is notable as it incentivizes the installation of EV-ready parking stalls in low-income housing developments.

EVs will benefit households that must own a personal vehicle. However, inadequate access to charging infrastructure is a key barrier to adoption. This is especially true for residents who live in low-income multi-unit dwellings.

HB1252 HD1 will help rectify this by future-proofing new construction with EV-ready infrastructure. (This will also help us avoid expensive retrofitting.) Doing this will contribute to the equitable adoption of EVs.

Thank you for this opportunity. Sincerely,

Noel Morin - President

Big Island Electric Vehicle Association (bigislandev.org), established in 2011, is a grassroots non-profit group dedicated to accelerating the EV adoption Hawaii Island. Our members are EV owners and supporters.



February 14, 2023

Representative Troy Hashimoto, Chair Representative Micah Aiu, Vice Chair Members of the Committee on Housing

RE: HB 1252 HD1 – RELATING TO ENERGY Hearing date – February 15, 2023 at 9:30 a.m.

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

Thank you for allowing NAIOP Hawaii to submit testimony with **COMMENTS ON HB 1252 HD1 – RELATING TO ENERGY**. NAIOP Hawaii is the Hawaii chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals. NAIOP Hawaii is generally supportive of efforts to incentivize sustainability.

HB 1252 HD1 provides rebates for eligible electric vehicle ready parking stalls for new construction of affordable housing starting in 2024. Further, the measure requires that electric vehicle ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan.

NAIOP Hawaii appreciates the legislature's intent to incentivize the installation of EV charging stations in affordable housing projects. Currently, Hawaii is experiencing higher construction costs due to inflation and interest rates have significantly risen in the past year making affordable housing projects nearly infeasible.

NAIOP Hawaii understands the need for zero-emission transportation infrastructure, however, the cost should not be placed upon the developers of affordable housing, and future homeowners. We support the rebate at an increased amount to adequately offset the high cost of level 2 EV charging stations. We would recommend an increase in the rebate amount to prevent the substantial cost of level stations from being placed on affordable housing buyers.

Furthermore, we recommend that Qualified Allocation Plan (QAP) mandating EV ready parking be integrated as a criterion be removed. Making this a mandatory requirement would effectively and permanently mandate EV stalls. HHFDC's position is that the legislature should not impose permanent statutory requirements into the QAP to

Representative Troy Hashimoto, Chair Representative Micah Aiu, Vice Chair Members of the Committee on Housing February 14, 2023 Page 2

pick one green technology of the day over another. On EV stalls specifically, there is already preference given to green initiatives and improvements in the QAP, so making this requirement unnecessary. Ultimately, the mandate is excessive as HHFDC has the discretion to make adjustments to the QAP annually as needed and as the market, technology, need for parking or other conditions change.

NAIOP feels that a rebate should be increased to offset the cost of installing EV chargers to further incentivize developers. Further, requirements included in the QAP should be removed to prevent a mandate from being implemented. Thank you for the opportunity to testify on this measure.

Mahalo for your consideration,

Jennifer Camp, President NAIOP Hawaii



DATE: February 13, 2023

- TO: Representative Troy Hashimoto Chair, Committee on Housing
- FROM: Tiffany Yajima/Jena Matila

RE: H.B. 1252, H.D.1 – Relating to Energy Hearing Date: Wednesday, February 15, 2022 at 9:30 a.m. Conference Room: 312

Dear Chair Hashimoto, Vice Chair Aiu, and Members of the Committee on Housing:

On behalf of the Alliance for Automotive Innovation ("Auto Innovators") we submit this testimony **supporting the intent** of H.B. 1252, H.D. 1, which provides rebates for eligible electric vehicle (EV) ready parking stalls in new affordable housing construction and requires that EV ready parking for new construction be integrated as a criterion in the low-income housing tax credit qualified allocation plan starting in calendar year 2024.

From the manufacturers producing most vehicles sold in the U.S. to autonomous vehicle innovators to equipment suppliers, battery producers and semiconductor makers – the Alliance for Automotive Innovation represents the full auto industry, a sector supporting 10 million American jobs and five percent of the economy. The association is committed to a cleaner, safer and smarter personal transportation future.

Automobile manufacturers are transitioning toward an electric future and by 2025 the auto industry will have invested more than \$330 billion to reach the goal of an electrified future. A new generation of ZEVs is coming with 130 models for sale in the U.S. market by 2026, up from over 70 models today. To make the transition to a zero-emission transportation future, automakers support federal and state policies such as investments in charging infrastructure and consumer incentives for EV purchases that grow consumer demand for electric vehicles.

Thank you for the opportunity to submit testimony on this measure.

45 North King Street, Suite 500 • Honolulu, Hawai'i 96817 • HawaiiEnergy.com • P: (808) 839-8880 • F: (808) 441-6068

Before the House Committee on Housing Wednesday, February 15, 2023 at 9:30 a.m.

Testimony in Support of HB1252 HD1: Relating to Energy

Chair Hashimoto, Vice Chair Aiu, and Members of the Committee:

Thank you for the opportunity to testify in support and provide comments on House Bill 1252 HD1.

Hawai'i Energy works to empower island families and businesses on behalf of the Hawai'i Public Utilities Commission (PUC) to make smart energy choices to reduce energy consumption, save money, and pursue a 100% clean energy future. Energy efficiency – the energy we do not use – is the cheapest option to help us achieve our 100% clean energy goal by eliminating waste and being more efficient.

Hawai'i Energy applauds the legislature's efforts to support the continued impact of electrical vehicle charging station (EVCS) infrastructure on Hawai'i's residents and businesses as an integral component of the State's Clean Energy Initiative, which calls for Hawai'i to achieve 100% clean energy by 2045.

Hawai'i Energy administers the state-funded EVCS Incentive Program on behalf of the Public Utilities Commission, which was established through Act 75 (2021) and Act 202 (2022) by the Hawai'i State Legislature. We are proud to already be emphasizing EVCS installations for our underserved communities via a bonus incentive for affordable housing developments for AC Level 2 single- and multiport EV charging stations with network connectivity. The bonus incentive, which is in addition to the state-funded rebate, is \$5,000 per station for existing affordable housing developments, and \$1,500 per station for new affordable housing developments.

House Bill 1252 HD 1 expands the state-funded EVCS Incentive Program to offer rebates to new affordable housing developments to install the power-capacity and wiring necessary to make parking lots "electric vehicle ready." Giving rebates to affordable housing developments that are built as "electric vehicle ready" will only further accelerate our important momentum toward making electric vehicles more affordable to our local families. That, in turn, will only further accelerate Hawai'i's overall pursuit of a 100% clean energy future.

Thank you for the opportunity to testify in support of House Bill 1252 HD1.

Sincerely, Caroline Carl Executive Director Hawai'i Energy

<u>HB-1252-HD-1</u>

Submitted on: 2/13/2023 9:36:00 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

HB1252 will help Hawaii meet its carbon emission reduction goals.

Submitted on: 2/14/2023 6:53:38 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Koster	Individual	Support	Written Testimony Only

Comments:

My family strongly supports all good-faith efforts to expand EV infrastructure and lower our state's carbon footprint.

HB-1252-HD-1 Submitted on: 2/14/2023 7:11:19 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lyle Wilkinson	Individual	Support	Written Testimony Only

Comments:

I support this measure.

Submitted on: 2/14/2023 7:26:12 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lorn Douglas	Individual	Support	Written Testimony Only

Comments:

Aloha,

as the state moves to electric transportation the infrastucture has to adapt as well. Please support this bill.

Submitted on: 2/14/2023 8:16:41 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul Bernstein	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Hashimoto and members of the HSG committee:

I'm writing in support of HB1252 HD1. This bill should be part of a holistic effort to require all new construction be EV ready. The additional cost is small, especially compared to the retrofit costs. Also, this bill would facilitate the transition to cleaner transportation solutions.

Respectfully,

Paul Bernstein

Submitted on: 2/14/2023 8:33:56 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Nanette Vinton	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Hashimoto, Vice Chair Aiu, and honorable Housing Committee members,

I am writing in support of bill HB1252 HD1 that provides rebates for eligible electric vehicleready parking stalls for new construction of affordable housing. I believe that this bill is a crucial step towards promoting sustainable and clean transportation options for low-income communities and helping the State reach its clean transportation goals.

As we all know, electric vehicles have become increasingly popular in recent years and have the potential to greatly reduce our dependence on fossil fuels. However, access to charging infrastructure can be a significant barrier to adoption, particularly for those in low-income communities.

This bill addresses this issue by providing rebates for electric vehicle-ready parking stalls for new construction of affordable housing. This will not only make it easier for low-income families to own and use electric vehicles, but it will also help to reduce their overall transportation costs and improve their quality of life.

Thank you for your consideration.

Sincerely,

Nanette Vinton

Mililani, HI

HB-1252-HD-1 Submitted on: 2/14/2023 8:41:32 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Patrick Lum	Individual	Support	Written Testimony Only

Comments:

I support this measure.

Thanks.

HB-1252-HD-1 Submitted on: 2/14/2023 8:44:41 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Brenden	Individual	Support	Written Testimony Only

Comments:

I support this.

HB-1252-HD-1 Submitted on: 2/14/2023 9:29:26 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Carter Barto	Individual	Support	Written Testimony Only

Comments:

I Support this measure.

HB-1252-HD-1

Submitted on: 2/14/2023 9:44:50 AM Testimony for HSG on 2/15/2023 9:30:00 AM



Submitted By	Organization	Testifier Position	Testify
Keith Neal	Individual	Support	Written Testimony Only

Comments:

Support

Electric Vehicle Charging Infrastructure, Electric Vehicle-ready Parking Stalls and housing provisioning incentives are critical to Hawaii's cleaner and more resilient future.

Keith Neal

Waimea

HB-1252-HD-1

Submitted on: 2/14/2023 9:46:35 AM Testimony for HSG on 2/15/2023 9:30:00 AM



Submitted By	Organization	Testifier Position	Testify
Keaton S Woods	Individual	Support	Written Testimony Only

Comments:

Less affluent residents are more likely to own less-expensive older cars with internal combustion engines that pollute more than the newer cars with internal combustion engines. This makes it a priority to encourage these less affluent residents to switch to electric vehicles.

HB-1252-HD-1

LATE

Submitted on: 2/14/2023 10:00:47 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
David Durazzo	Individual	Support	Written Testimony Only

Comments:

I support this measure

HB-1252-HD-1

Submitted on: 2/14/2023 2:50:05 PM Testimony for HSG on 2/15/2023 9:30:00 AM



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

Comments:

Without subsidies, electrifiying affordable housing simply won't happen as it is not in the interest of a developer to install this infrastructure.

HB-1252-HD-1

LATE

Submitted on: 2/15/2023 4:08:11 AM Testimony for HSG on 2/15/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ruth Love	Individual	Oppose	Written Testimony Only

Comments:

Not realistic to assume that low income golks would be able to buy cars costing \$10,000 to \$40,000 more.