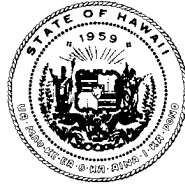


HB 1354 HD1

Measure Title:	RELATING TO HOUSING.
Report Title:	Appropriation; Housing Omnibus; Affordable Housing (\$)
Description:	Authorizes the issuance of general obligation bonds and appropriates funds to several state agencies for the purposes of improving and increasing the existing public housing stock in the State. (HB1354 HD1)
Companion:	
Package:	None
Current Referral:	HSH, WAM
Introducer(s):	MIZUNO, BROWER, CREAGAN, EVANS, HASHEM, MORIKAWA, NISHIMOTO, SAN BUENAVENTURA



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

IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING

March 17, 2015 at 1:20 p.m.
State Capitol, Room 016

In consideration of
H.B. 1354, H.D. 1
RELATING TO HOUSING.

HHFDC **supports** Parts III, IV, V, and VII of H.B. 1354, H.D. 1, provided that its passage does not replace or adversely impact priorities set forth in the Executive Biennium budget. We defer to the appropriate department or agency on the remainder of this bill. Parts III, IV, V, and VII appropriate unspecified amounts for the Rental Housing Trust Fund (RHTF), the Dwelling Unit Revolving Fund (DURF), for the construction of micro apartment housing units, and to build housing for veterans.

We note that the Governor requested for \$100 million in General Obligation Bond funds in Fiscal Year 2015-2016 for deposit into the RHTF, which would help to finance the development of approximately 800 permanent affordable workforce rental units and would provide an economic stimulus by creating 266 to 359 direct construction jobs and 670 to 714 indirect jobs, depending on the type of project.

DURF is primarily used for interim loans, and can be used to finance the development of off-site infrastructure for affordable housing projects. Additional funding for DURF would allow HHFDC to increase the number of DURF loans.

An appropriation for construction of micro apartments could be used for the development of a micro apartment project located in Kakaako at 630 Cooke Street.

HHFDC concurs that veterans are in need of affordable housing, has worked with our private sector partners to finance projects such as Hale Uhiwai Nalu, which houses veterans in Kalaeloa, and provides the wrap-around services they need.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
Honolulu, Hawaii 96817

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING

March 17, 2015 1:20 P.M.
Room 016, Hawaii State Capitol

In consideration of

House Bill 1354, HD1

Relating to Housing

Honorable Chair Chun Oakland, and Members of the Senate Committee on Human Services and Housing, thank you for the opportunity to provide you with comments regarding House Bill (H.B.) 1354, House Draft 1 (HD1), relating to Housing.

The Hawaii Public Housing Authority (HPHA) strongly supports the enactment of this measure, which would authorize general funds to improve the HPHA's existing public housing stock, and also increase public housing units in the State.

The HPHA's mission is to promote adequate and affordable housing, economic opportunity and a suitable living environment free from discrimination through its public housing and rental assistance programs. The HPHA serves the State's most vulnerable populations, including those earning less than thirty percent of the Area Median Income (AMI), the disabled and the elderly.

Repair and Maintenance – Due to the age of our housing inventory, these crucial funds will provide the agency with the ability to tackle its capital needs backlog of approximately three quarter of a billion (\$0.75) in capital needs, and your assistance is very important. The agency has properties that have been built over 50 plus years ago, and the issues at these properties needs to be addressed.

Some of the situations that need to be addressed are straight forward site and building improvements such as new roofing needs at Kalihi Valley Homes on Oahu, to unforeseen issues such as remediating arsenic from the soil at Lanakila Homes on Hawaii Island, and to federally mandated Americans with Disabilities Act improvements at all HPHA properties.

Public Housing Redevelopment – The appropriation of public housing redevelopment funds will be a great start in assisting the HPHA to combat the State's severe shortage of low-income rental housing stock, and improve the quality of life for our current residents and other qualified low-income families by revitalizing, modernizing and improving the agency's existing properties along the City and County of Honolulu's rail transit line through public/private partnerships.

A Request for Qualifications for the Mayor Wright Homes redevelopment project was released on July 11, 2014, and the selection of the Master Development Team of Hunt Companies, McCormack Baron Salazar, and the Vitus Group was announced on November 3, 2014. The HPHA is currently in negotiations with Hunt Companies, and looks forward to creating a Master Development Agreement in the near future.

A Request for Qualifications for the agency's North School Street redevelopment project was also recently released on January 13, 2015, and will look to provide the HPHA new administrative offices and incorporate creative housing units that will include but not be limited to micro units, modular, and pre-fabrication units.

The agency is currently working with its redevelopment partner the Michaels Development Company to start the second phase in redeveloping the Kuhio Park Terrace Low-Rise and Kuhio Homes properties by demolishing the existing 174 units, and building approximately 400 new units

The HPHA appreciates the opportunity to provide the Senate Committee on Human Services and Housing with the agency's position regarding H.B. 1354, HD1. We respectfully request the Committee to pass this measure favorably, and we thank you very much for your dedicated support to address the affordable housing crisis facing Hawaii.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

SHAN S. TSUTSUI
LT. GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING
IN SUPPORT OF

HB 1354 HD 1, RELATING TO HOUSING

March 17, 2015

Aloha Chair Chun Oakland, Vice-Chair Green, and Members of the
Committee:

The Department of Hawaiian Home Lands (DHHL) supports the general intent of this bill which aims to address Hawaii's shortage of affordable housing, and specifically supports Part VI which appropriates general funds to construct housing for beneficiaries on homestead lands.

DHHL welcomes this source of revenue to support the department's efforts to place native Hawaiian families on the home lands. In consideration of the limited general funds appropriated to the department, the conclusion of the Act 14 settlement payments, and the uncertainty of continued federal funds, the passage of this measure with an appropriation for DHHL will help expedite the construction of homes for native Hawaiian families.

Thank you for hearing this measure and for your consideration of our testimony.

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING
ON
HOUSE BILL NO. 1354, H.D.1

March 17, 2015
1:20 P.M.

RELATING TO HOUSING

House Bill No. 1354, H.D. 1, authorizes, among other things, the issuance of general obligation bonds and the appropriation of funds to 1) improve and increase the existing public housing stock, and 2) deposit into the Rental Housing Trust Fund and the Dwelling Unit Revolving Fund to finance affordable rental housing development and infrastructure development.

The Department has technical comments on this bill. Federal tax law requires, among other things, that tax-exempt general obligation bond proceeds be used to finance projects/programs that serve public purposes. As it appears that private entities will derive benefit from this legislation, tax-exempt general obligation bonds cannot be used for this purpose. The State would need to issue taxable general obligation bonds at a higher cost.

In addition, as funding for these projects/programs is not in the proposed Executive Budget, should this bill proceed or pass the Legislature, an amount for the corresponding annual debt service will need to be included in the Legislature's version of the budget.

Thank you for the opportunity to provide our testimony on this bill.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 1354, HD1: RELATING TO HOUSING

TO: Senator Suzanne Chun Oakland, Chair, Senator Josh Green, Vice-Chair; and Members, Senate Committee on Human Services and Housing

FROM: Trisha Kajimura, Social Policy Director, Catholic Charities Hawaii

Hearing: **Tuesday, March 17, 2015; 1:20 pm; Conference Room 016**

Chair Chun Oakland, Vice Chair Green, and Members:

Thank you for the opportunity to provide testimony **in strong support** of HB 1354, HD1, making appropriations for multiple housing initiatives.

Catholic Charities Hawaii has a long history of working in the areas of affordable housing and homelessness. We see the need for affordable rentals every day. Many elders who seek help from our Housing Assistance Program are facing homelessness. The same holds true for singles and small families who come to our Housing and Referral Programs. We need to act NOW to create more new affordable rentals.

The Committee has requested that we focus on the differences between HB 1354 and other similar Senate bills already heard (SB 120, SD2). Differences include:

- HB 766, also being heard today, focuses only on micro units, while the other two bills provide funding for multiple state initiatives, including micro units.
- SB 120 funds micro units with GO bonds, vs general revenue funding in the other 2 House bills being heard today.
- HB 1354 addresses a wider range of housing needs than SB 120.
- SB 120 and HB 766 both define micro units, while HB 1354 provides for an appropriation only.

Catholic Charities Hawaii supports the following sections of HB 1354:

- **Part III- Funding to the Rental Housing Trust Fund -- support \$100 million**
- **Part V- Funding for Micro Units -- support \$15 million.** We suggest that the same definitions listed in SB 120 / HB 766 be included in HB 1354.

Catholic Charities Hawaii urges the Committee to pass both bills, so that the Legislature can consider if GO bonds or general funds are most appropriate. These bills provide new tools to lower the per-unit cost of housing. Hawaii's housing needs are well documented: The 2014 Housing Study, finds that 27,224 rental units are needed by 2020 for people under 80% of AMI. **The need for housing for those at 60% or less of AMI rose dramatically between 2011 and 2014. 50% more units are needed for these households than was thought in 2011 (over 20,000 units vs 13,000 in the 2011 study).**

Please contact me at (808) 527-4810 or trisha.kajimura@catholiccharitieshawaii.org if you have any questions.



Catholic
Charities
USA



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eumoku Street, Honolulu, HI 96822
Phone (808) 527-4810 • trisha.kajimura@CatholicCharitiesHawaii.org





**Testimony to the Senate Committee on Human Services and Housing
Tuesday, March 17, 2015 at 1:20 P.M.
Conference Room 016, State Capitol**

RE: HOUSE BILL 1354 HD1 RELATING TO HOUSING

Chair Chun Oakland, Vice Chair Green, and Members of the Committee:

The Chamber of Commerce of Hawaii (“The Chamber”) **supports** the intent of HB 1354 HD1, which authorizes the issuance of general obligation bonds and appropriates funds to several state agencies for the purposes of improving and increasing the existing public housing stock in the State.

The Chamber is Hawaii’s leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the “Voice of Business” in Hawaii, the organization works on behalf of members and the entire business community to improve the state’s economic climate and to foster positive action on issues of common concern.

The Chamber strongly supports the need to provide government assistance to develop housing units for the 80% AMI and below income group. The economics associated with developing units for people in this income group and below require some type of government assistance. The private sector is unable to provide units at these price points without government assistance.

The Chamber also suggests that the Legislature expand its efforts by creating “incentives” for development of more units at all price points above the 80% and below AMI. Incentives could include some of the following:

- Up-zoning or density bonuses for existing urbanized properties;
- Improving the land use entitlement process to encourage development of housing units for certain targeted price points (i.e. 80% to 140% of AMI);
- Invest in regional infrastructure capacity building in areas identified for growth, and allow for small and medium size developers to enter the market to increase competition.

Addressing only one segment of the housing market is not the answer. A healthy housing market allows for people to “Step Up” into other units as their family and economic situation improves. Without increasing the overall supply of housing at all price points, people will be unable to “step up” into other housing units. Allowing families to “step up” into other units will also allow other first time home buyers to purchase the sellers entry level unit.

Thank you for the opportunity to express our views on this matter.



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Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Supporting HB 1354 HD1 Relating to Housing
Senate Committee on Human Services and Housing
Scheduled for Hearing Tuesday, March 17, 2015, 1:20 PM, Room 016

Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit law firm created to advocate on behalf of low income individuals and families in Hawai'i on issues of statewide importance. Our core mission is to help our clients access to the resources, services, and fair treatment they need to realize their opportunities for self-achievement and economic security.

Thank you for an opportunity to testify in **strong support** of House Bill 1354 HD1, which would appropriate funds for various affordable housing programs. We encourage the committee to make appropriations of **\$100 million toward the Rental Housing Trust Fund** to create affordable rental housing and **\$15 million for micro-apartments**, which can serve a variety of populations in critical need. Our affordable housing crisis has reached a tipping point, and both significant infusions of funding and new approaches are critical to begin reversing this devastating trend.

The Committee has requested that testimony focus on the **differences between HB 1354 HD1 and other similar bills** already heard by the Committee.

- SB 120 SD2, which has crossed over to the House, also provides unspecified amounts of funding for housing, including the Rental Housing Trust Fund (RHTF) and micro-apartments. HB 1354 makes additional appropriations to meet a broader range of housing needs.
- HB 1354 and SB 120 differ on the source of funds for micro-apartments: SB 120 relies on GO bonds, while HB 1354 HD1 relies on general revenues. Both use GO bonds for the Rental Housing Trust Fund appropriation.
- HB 1354 lacks a definition of micro-apartments. Hawai'i Appleseed supports the language used in SB 120 and HB 766, a bill scheduled for this hearing which also appropriates general revenue funds for micro-apartments.

Rental Housing Trust Fund: Appleseed supports an appropriation of **\$100 million** in general obligation bonds for the Rental Housing Trust Fund. Affordable rentals, the state's biggest housing need, are not being developed by the private market. The RHTF is a major tool to create these units and has resulted in the development more than 5,000 affordable units that otherwise would not have been financially viable. The RHTF also creates public-private partnerships that function as economic drivers. Moreover, the RHTF helps extremely low-income residents: 5 percent of units in RHTF-subsidized developments must be affordable to households earning less than 30 percent of the area

median income. We greatly appreciate the Legislature's decision this past session to increase the percent of the conveyance tax going to the Rental Housing Trust Fund, but we know that we still need far more rental housing inventory than is currently being created.

Micro-apartments: Appleseed supports an appropriation of **\$15 million** to fund the creation of micro-apartment units. Micro-apartments are a promising opportunity to create more affordable units in a single development and bring down the per-unit cost. They are smaller than traditional apartments but have all the necessities a tenant would need inside the unit. They can be built in smaller buildings with greater density and easily replicable floor plans and construction methods. Out of the state's general population, almost one out of four households are composed of one occupant. Micro-apartments work for a wide variety of populations: elders, students, youth transitioning out of foster care, young professionals starting their careers, and people experiencing homelessness. Because modern micro-apartments are an innovative model, subsidies for their development are particularly important to demonstrate their financial viability in Hawai'i.

As a community, we must make a commitment to housing our working families and vulnerable populations. Thank you for your concern about these critical issues, and we strongly encourage you to support HB 1354's appropriations for affordable housing.

March 17, 2015

The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services and Housing
State Capitol, Room 016
Honolulu, Hawaii 96813

RE: H.B. 766, H.D.1, Relating to Housing

HEARING: Tuesday, March 17, 2015, at 1:20 p.m.

Aloha Chair Chun Oakland, Vice Chair Green, and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,400 members. HAR **supports the intent** of H.B. 1354, H.D.1 which: 1) authorizes the issuance of general obligation bonds and appropriates funds to improve and increase the existing public housing stock in the State; 2) authorizes the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund to finance affordable rental housing development and infrastructure development; 3) appropriates funds for the construction of micro apartment housing units; 4) appropriates funds to build housing for beneficiaries on homestead land; and 5) appropriates funds to build affordable housing projects for veterans.

HAR has historically supported mechanisms to help increase the supply of low and moderate income affordable housing such as the Rental Housing Trust Fund (RHTF) Program which can help integrate the use of mixed-income and mixed-use projects, special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credit programs and deferred loan programs to provide rental housing opportunities.

HAR also supported the Dwelling Unit Revolving Funds (DURF) which may be used for the acquisition of real property; development and construction of residential, commercial and industrial properties; interim and permanent loans to developers; and any and all things necessary to carry out the purposes of the Housing Development Program.

Lastly, as these programs help to increase the availability of rental and affordable housing for persons who face obstacles in moving from homelessness to housing and persons with lower incomes who need to find affordable rental housing, HAR believes these efforts should continue to help address the homelessness issue in our State.

Mahalo for the opportunity to testify.



The Public Policy Voice for the Roman Catholic Church in the State of Hawaii

HEARING: Senate Committee on Human Services & Housing (Hearing on 03/17/15 @ 1:20 p.m. #016)

SUBMITTED: March 14, 2015

TO: Senate Committee on Human Services & Housing
Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair

FROM: Walter Yoshimitsu, Executive Director

RE: Support for HB 1354 HD 1 Relating to Housing

Honorable Chairs and members of the Senate Committee on Human Services & Housing, I am Walter Yoshimitsu, **representing the Hawaii Catholic Conference**. The Hawaii Catholic Conference is the public policy voice for the Roman Catholic Church in the State of Hawaii, which under the leadership of Bishop Larry Silva, represents Roman Catholics in Hawaii.

We support HB 1354 HD 1 because homelessness and lack of affordable housing continues to be one of the State's most significant and challenging social problems. The Diocese of Honolulu supports any strategic plan that makes homelessness and affordable housing one of its primary areas of focus. For many households in Hawaii at risk of becoming homeless, high housing costs mean skimping on food and medical care, moving frequently to find lower rents—which can interrupt a child's education—creating periods of homelessness. As people of faith, we simply cannot sit back and watch while families fall apart.

SUPPORT FOR THE RENTAL HOUSING TRUST FUND

We support this bill because it appropriates much needed funding for deposit into the Rental Housing Trust Fund (RHTF) to finance affordable rental housing development. We strongly believe that the funding used by the RHTF has consistently produced much-needed housing. Recent statistics show that over four-thousand homes have been created utilizing this fund. That is a great accomplishment in this dire economy but it is simply not enough. We know we have much more work to do!

SUPPORT FOR MICRO-HOUSING

Another key component for the conference in supporting this bill is that we appreciate the appropriation of funding for the construction of micro apartment housing units. This creative approach could have many positive effects on the economy including;

- ***creating jobs*** in the construction industry, growth and improvement in other industries like retail, professional services, health, and education, as these sectors grow to accommodate the increased number of residents,
- ***increasing consumer spending*** as decreased housing and utilities costs, renters and homeowners will have more disposable income to spend, which gives a positive boost to the economy,
- ***assisting families and individuals at risk of homelessness*** and allowing them to become self-sufficient.

All of these things, in turn, will ultimately help Hawaii save money on programs aimed at helping the homeless, and will reduce the burden on charities and religious organizations. We do understand that many services are vying for funding at this critical time and we appreciate your ongoing support for the RHTF and the development of micro apartment housing units.

Mahalo for the opportunity to testify.



Senate Committee on Human Services and Housing

The Hon. Suzanne Chun Oakland, Chair

The Hon. Josh Green, Vice-Chair

Testimony in Support of House Bill 1354 HD 1

Relating to Housing

Submitted by Nani Medeiros, Public Affairs and Policy Director

March 17, 2015, 1:20 pm, Room 016

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 1354, authorizing the issuance of general bonds to improve and increase the public housing stock in the state.

The HPCA is a staunch believer in the social determinants of health, those economic and social conditions that influence an individual and a community's health status. These conditions serve as risk factors endemic to a person's living and working environment, rather than their behavioral or genetic histories. Factors such as income, education, access to recreation and healthy foods, housing, and employment, can and do have measurable impacts on a person and a community, both in health and financial outcomes.

House Bill 1354 speaks to one of these major determinants directly by seeking to alleviate the growing pressure on affordable housing in Hawaii. For this reason, we strongly support this measure and thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
To: [HSH Testimony](#)
Cc: darakawa@lurf.org
Subject: Submitted testimony for HB1354 on Mar 17, 2015 13:20PM
Date: Saturday, March 14, 2015 1:17:31 PM

HB1354

Submitted on: 3/14/2015

Testimony for HSH on Mar 17, 2015 13:20PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
David Z. Arakawa	Land Use Research Foundation of Hawaii	Support	No

Comments: The Land Use Research Foundation of Hawaii SUPPORTS HB 1354, HD1, RELATING TO HOUSING, which authorizes the issuance of general obligation bonds and appropriates funds to several state agencies for the purposes of improving and increasing the existing public housing stock in the State. (HB1354 HD1)

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



49 South Hotel Street, Room 314 | Honolulu, HI 96813

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COMMITTEE ON HUMAN SERVICES AND HOUSING

Tuesday, March 17, 2015, 1:20 p.m., Conference Room 016

HB766 HD1 RELATING TO HOUSING
and
HB 1354 HD1 RELATING TO HOUSING

TESTIMONY

Ann Sack Shaver, Ph.D., President, League of Women Voters of Hawaii

Chair Chun Oakland, Vice Chair Green and Committee Members:

The League of Women Voters of Hawaii supports HB 766 and HB 1354. It is widely recognized that Hawaii needs a wide variety of affordable housing available to citizens of all ages, all family sizes and in all physical and mental health statuses. We strongly support the issuance of general obligation bonds to meet these various needs as proposed in HB 1354, HD1. We particularly applaud Part V, Section 7 of this bill, authorizing funds specifically for micro-housing.

Micro-units, more specifically addressed in HB766, have proven elsewhere to be a cost-effective way to increase housing stock for low-income and homeless people. These small dwellings can accommodate the needs of singles and small families, including families with school-age children. Thus they address and can prevent homelessness.

Homelessness has far-reaching consequences. It is especially harmful to children who fail to thrive and become productive members of the community. Providing stable housing is an important first step toward protecting the health and well-being of children, enabling their parents to find jobs, and keeping families together. These small residences are also appropriate for older people who are particularly vulnerable to crime and the illnesses associated with living on the streets. Moreover, micro-units are especially appropriate for our densely populated island. Such housing can make it possible for relatively large number of people to live near schools, employment, transportation and health and social services. They are a cost-effective way to address and prevent many existing problems.

We urge you to pass these bills. Thank you for the opportunity to submit testimony.

TESTIMONY IN SUPPORT OF HB 1354, HD1: RELATING TO HOUSING

TO: Senator Suzanne Chun Oakland, Chair, Senator Josh Green, Vice-Chair; and Members, Senate Committee on Human Services and Housing

FROM: Fr. Robert Stark, Catholic Diocese of Honolulu, Office for Social Ministry

Hearing: Tuesday, March 17, 2015; 1:20 pm; Conference Room 016

Chair Chun Oakland, Vice Chair Josh Green, and Members:

Thank you for the opportunity to provide testimony **in strong support** of HB 1354, HD1, making an appropriation for the construction of micro apartment housing units. I am Fr. Robert Stark, Director of the Catholic Diocese of Honolulu Office for Social Ministry. The Office for Social Ministry strongly supports the creation of affordable housing units to prevent and end homelessness.

The Committee has requested that we focus on the differences between HB 1354 and other similar Senate bills already heard (SB 120, SD2). Differences include:

- HB 766, also being heard today, focuses only on micro units, while the other two bills provide funding for multiple state initiatives, including micro units.
- SB 120 funds micro units with GO bonds, vs general revenue funding in the other 2 House bills being heard today.
- HB 1354 addresses a wider range of housing needs than SB 120.
- SB 120 and HB 766 both define micro units, while HB 1354 provides for an appropriation only.

For HB 1354, **Partners in Care supports:**

- **Part III- Funding to the Rental Housing Trust Fund. We support \$100 million** to this Fund.
- **Part V- Funding for Micro Units. We support \$15 million.** We suggest that the same definitions listed in SB 120 / HB 766 be included in HB 1354.

The Office for Social Ministry strongly supports both the House and Senate bills. Micro units make sense since they can lower the per unit cost of construction. Hawaii's housing needs are well documented: The 2014 Housing Study, just released, finds that 27,224 rental units are needed by 2020 for people under 80% of the Area Median income (AMI). **The need for housing for those at 60% or less of the AMI rose dramatically between 2011 and the 2014 study. 50% more units are needed for these households than in 2011** (over 20,000 units vs 13,000 in the 2011 study).



PARTNERS IN CARE

Oahu Continuum of Care

Partners in Care is a coalition of Oahu's homeless service providers, government representatives and community stakeholders working together in partnership to end homelessness.

TESTIMONY IN SUPPORT OF HB 1354, HD1: RELATING TO HOUSING

TO: Senator Suzanne Chun Oakland, Chair, Senator Josh Green, Vice-Chair;
and Members, Senate Committee on Human Services and Housing

FROM: Betty Lou Larson, Advocacy Committee, Partners in Care

Hearing: Tuesday, March 17, 2015; 1:20 pm; Conference Room 016

Chair Chun Oakland, Vice Chair Josh Green, and Members:

Thank you for the opportunity to provide testimony **in strong support** of HB 1354, HD1, making appropriations for various housing initiatives, including micro units. I am Betty Lou Larson from the Advocacy Committee of Partners in Care (PIC). PIC strongly supports the creation of affordable housing units to prevent and end homelessness.

The Committee has requested that we focus on the differences between HB 1354 and other similar Senate bills already heard (SB 120, SD2). Differences include:

- HB 766, also being heard today, focuses only on micro units, while the other two bills provide funding for multiple state initiatives, including micro units.
- SB 120 funds micro units with GO bonds, vs general revenue funding in the other 2 House bills being heard today.
- HB 1354 addresses a wider range of housing needs than SB 120.
- SB 120 and HB 766 both define micro units, while HB 1354 provides for an appropriation only.

For HB 1354, **Partners in Care supports:**

- **Part III- Funding to the Rental Housing Trust Fund -- \$100 million**
- **Part V- Funding for Micro Units. We support \$15 million. We suggest that the same definitions listed in SB 120 / HB 766 be included in HB 1354.**

Partners in Care strongly supports both the House and Senate bills. We suggest passing both bills forward today, so that the Legislature can consider if GO bonds or general funds are most appropriate. Micro units make sense since they can lower the per unit cost of construction. Hawaii's housing needs are well documented: The 2014 Housing Study, finds that 27,224 rental units are needed by 2020 for people under 80% of AMI. **The need for housing for those at 60% or less of AMI rose dramatically between 2011 and the 2014 study. 50% more units are needed for these households than in 2011** (over 20,000 units vs 13,000 in the 2011 study).

Please contact me at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair
Members, Senate Committee on Human Services & Housing

FROM: Scott Morishige, MSW
Executive Director, PHOCUSED

HEARING: **Tuesday, March 17, 2015 at 1:20 p.m. in Conf. Rm. 016**

Testimony in Support of HB1354 HD1, Relating to Housing

Thank you for the opportunity to provide testimony in **strong support** of HB1354, which appropriates funding for a range of critical programs to address Hawaii's affordable housing crisis. PHOCUSED is a nonprofit membership and advocacy organization that works together with community stakeholders to impact program and policy change for the most vulnerable in our community, such as the homeless. ***We note that this bill is similar in nature to SB120, but does not include an appropriation for the Housing First program.***

Since March 2014, PHOCUSED has surveyed 2,200+ homeless individuals and families across Oahu to assess their level of need and determine appropriate interventions. Based on our survey data, ***over a quarter (26%, or 570 homeless households) indicate a need simply for affordable housing*** – meaning that they do not require case management or intensive social services, but would be able to successfully transition to stable housing if affordable rental options were available. HB1354 includes a number of components that will strengthen Hawaii's ability to develop truly affordable housing for the most vulnerable and low-income in our community.

In particular, PHOCUSED supports the following components of this measure:

- Part III: General Obligation Bonds for the Rental Housing Trust Fund (RHTF)
The RHTF has a proven record of creating new affordable rental units in Hawaii, and is the only financing mechanism that mandates units for households at 30% of Area Median Income (AMI). PHOCUSED supports the issuance of up to \$100 million in general obligation bonds for the RHTF.
- Part V: Appropriation for the construction of micro-units
Micro units are a cost-efficient new option for housing development. The estimated construction cost for a micro unit is roughly half that for a traditional unit – an estimated \$150,000 per unit vs. \$300,000 per unit. Micro units could be utilized by a wide range of renters, including very low income singles, seniors, and small families. PHOCUSED supports the appropriation of \$15 million for the construction of micro-units.

Once again, PHOCUSED strongly urges your support of this bill. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at admin@phocused-hawaii.org.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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To: [HSH Testimony](#)
Cc: dkk@hawaiiantel.net
Subject: Submitted testimony for HB1354 on Mar 17, 2015 13:20PM
Date: Sunday, March 15, 2015 2:31:53 PM

HB1354

Submitted on: 3/15/2015

Testimony for HSH on Mar 17, 2015 13:20PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Deborah Kimball	Individual	Support	No

Comments: I am a Section 8 project tenant and know the desperation of many low-income people to shelter themselves. This is a crisis. Increasing the number of public housing units should be a priority in this bill. Minor repairs should come last.

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HB1354

Submitted on: 3/12/2015

Testimony for HSH on Mar 17, 2015 13:20PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Anthony Orozco	Individual	Oppose	No

Comments: Waste of money. This kind of thing only increases the level of dependence. How do you guarantee a vote? Make voters dumb, defenseless, and dependent on their lawmakers to keep the free ride going. Oh yes, and tax the hell out of working people also, so they never can afford to get a better education, make investments, or start a business.

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