DAVID Y. IGE GOVERNOR



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

BARBARA E. ARASHIRO EXECUTIVE ASSISTANT

Statement of **Hakim Ouansafi** Hawaii Public Housing Authority Before the

## HOUSE COMMITTEE ON HOUSING

March 14, 2016 9:00 A.M. Room 329, Hawaii State Capitol

## In consideration of SB 2998, SD 2 RELATING TO PUBLIC HOUSING.

Honorable Chair Hashem and Members of the House Committee on Housing, thank you for the opportunity to provide testimony regarding Senate Bill (SB) 2998, Senate Draft (SD) 2, relating to public housing.

The purpose of this measure to appropriate funds for plans, design, construction, equipment, and development for the renovation, improvement, upgrade, and development of the HPHA's facilities statewide.

The HPHA **supports the intent** of this measure, provided its passage does not adversely impact priorities indicated in our Executive Budget. This measure makes a general fund appropriation of \$4 million to the HPHA toward the repair and maintenance of the HPHA's existing public housing stock, including but not limited to sewer repairs, site light upgrades, major modernization, site and infrastructure improvements, reroofing and exterior repairs, fire alarm upgrades, fencing, etc. The HPHA faces a backlog of repairs of \$800 million over the next ten years. To put it in perspective, the remediation alone of arsenic soil found at HPHA's Lanakila project on the Island of Hawaii could cost more than \$4 Million. Therefore, we respectfully request that the proposed appropriation be in addition to, and not replace, the Administration request of \$31 million.

The HPHA appreciates the opportunity to provide the House Committee on Housing with the HPHA's position regarding SB 2998, SD 2. We thank you very much for your dedicated support in addressing the affordable housing crisis in Hawaii.



THE HAWAII STATE HOUSE OF REPRSENTATIVES The Twenty-Eighth Legislature Regular Session of 2016

<u>COMMITTEE ON HOUSING</u> The Honorable Mark J. Hashem, Chair The Honorable Jo Jordan, Vice Chair

DATE OF HEARING: Monday, March 14, 2016 TIME OF HEARING: 9:00 a.m. PLACE OF HEARING: State Capitol 415 South Beretania Street Conference Room 225

## **TESTIMONY IN SUPPORT OF SB2998, SD2 RELATED TO PUBLIC HOUSING**

By DAYTON M. NAKANELUA, State Director of the United Public Workers (UPW) AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, and AFL-CIO. The UPW is the exclusive bargaining representative for approximately 12,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

SB2998, SD2 reduces from \$100,000,000 to \$4,000,000 in funding to the Hawaii Public Housing Authority for the modernization, repair, and maintenance of the existing public housing stock. The extensive capital needs of the HPHA are already underfunded by the United States Department of Housing and Urban Development. The UPW has serious concerns over this bill; the reduction of funding will make it very difficult for the HPHA to meet the demands for more available public housing.

Thank you for the opportunity to submit this testimony.





March 13, 2016

Representative Mark Hashem, Chair Representative Jo Jordan, Vice Chair House Committee on Housing

Support for SB 2998, SD1 Relating to Public Housing. (Appropriates funds for plans, design, construction, equipment, and development for the renovation, improvement, upgrade, and development of the Hawaii public housing authority's facilities statewide.)

## HSG Hearing: Monday, March 14, 2016, 9:00 a.m., Conf. Rm. 329

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage wellplanned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

Since the 1970's LURF and its members have built the majority of the housing for low, moderate and all income levels in the State, and have strongly supported affordable housing, including sale or lease for persons with eighty per cent (80%) Area Median Income (AMI) and below, as determined by the United States Department of Housing and Urban Development (HUD); and affordable housing projects or units funded by HUD programs and programs of the U.S. Department of Agriculture rural Development (DOA–RD). LURF members continue to successfully partner with the Hawaii Public Housing Authority (HPHA) and the Hawaii Housing Finance and Development Corporation (HHFDC) on various affordable housing projects.

LURF supports government-funded affordable rental housing built by HPHA and the counties; and **strongly supports SB 2998, SD2**, and the Administration's budget requests for HPHA and HHFDC programs.

**SB 2998, SD2.** This measure appropriates funds for plans, design, construction, equipment, and development for the renovation, improvement, upgrade, and development of the HPHA's facilities statewide.

House Committee on Housing March 13, 2016 Page 2

**LURF's Position.** The purpose and intent of SB 2998, SD2, is to appropriate moneys to improve the quality of HPHA's existing public housing stock in the State. LURF understands that HUD and the State do not provide sufficient funding for HPHA's extensive capital need to modernize, repair, and maintain the State's aging public housing stock.

It should be noted that this measure serves as a vehicle to provide resources to the HPHA for its repair and maintenance needs, but that it does not preclude the Legislature from considering the appropriation of additional funds if they become available through HB 1700, which has been proposed by the Governor and the State Executive Branch Agencies to adjust and request appropriations for Fiscal Biennium 2015-17 funding requirements for operations and capital improvement projects.

For the reasons stated above, LURF **supports SB 2998, SD2**, and respectfully requests its favorable consideration by this Committee.

Thank you for the opportunity to present testimony regarding this matter.