

# DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

LUIS P. SALAVERIA DIRECTOR

MARY ALICE EVANS

(808) 586-2355 (808) 586-2377

Telephone:

Fax:

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: www.hawaii.gov/dbedt

# Statement of LUIS P. SALAVERIA

Director

Department of Business, Economic Development and Tourism before the

#### **SENATE COMMITTEE ON WAYS AND MEANS**

Friday, February 23, 2018 10:00 a.m. State Capitol, Conference Room 211

in consideration of SB 2758, SD1 RELATING TO HOUSING.

Chair Dela Cruz, Vice Chair Keith-Agaran and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) supports SB 2758, SD1, though we prefer the original bill as introduced.

This bill would expand the Chapter 201H 45-day expedited approval process for affordable housing projects to include expedited approvals of district boundary amendments of parcels less than 15 acres that require the approval of the applicable county land use decision-making body. DBEDT supports this proposal, which stems from discussions of the Special Action Team on Affordable Rental Housing.

Thank you for the opportunity to offer written comments in support of SB 2758, SD1.

DAVID Y.IGE
Governor

DOUGLAS CHIN
Acting Lieutenant Governor

Luis P. Salaveria Director

MARY ALICE EVANS
Deputy Director



#### LAND USE COMMISSION

Department of Business, Economic Development & Tourism State of Hawai`i

**DANIEL ORODENKER** Executive Officer

Bert K. Saruwatari
Planner
SCOTT A.K. DERRICKSON AICP
Planner

RILEY K. HAKODA Chief Clerk/Planner

FRED A. TALON
Drafting Technician

Statement of **Daniel E. Orodenker** 

Executive Officer

Land Use Commission Before the

**Senate Committee on Ways and Means** 

Friday February 23, 2018 10:00 AM State Capitol, Conference Room 211

In consideration of SB 2758 SD1
RELATING TO HOUSING

Chair Dela Cruz; Vice Chair Keith-Agaran; and members of the Committee on Ways and Means:

The Land Use Commission supports the intent of SB 2758 SD1 in that it seeks to clarify that the appropriate county land use decision-making authority must conduct a district boundary amendment proceeding, as part of the 201H-38, Hawai`i Revised Statutes (HRS) process, for land areas of fifteen acres or less, within forty-five days of a petition being submitted.

Thank you for the opportunity to testify on this matter.



#### 2018 OFFICERS

PRESIDENT
DEAN UCHIDA
SSEM INTERNATIONAL INC.

PRESIDENT-ELECT

MARSHALL HICKOX
HOMEWORKS CONSTRUCTION, INC.

VICE PRESIDENT DWIGHT MITSUNAGA

DM PACIFIC, INC.

SECRETARY
CHRIS CHEUNG
CC ENGINEERING & CONSTRUCTION, INC.

TREASURER
BRIAN MOORE
CENTRAL PACIFIC BANK

SPECIAL APPOINTEE-BUILDER
GREG THIELEN
COMPLETE CONSTRUCTION SERVICES CORP.

SPECIAL APPOINTEE-BUILDER
MARK KENNEDY
HASEKO CONSTRUCTION MANAGEMENT
GROUP, INC.

SPECIAL APPOINTEE-ASSOCIATE
CRAIG WASHOFSKY
SERVCO HOME & APPLIANCE DISTRIBUTION

IMMEDIATE PAST PRESIDENT EVAN FUJIMOTO GRAHAM BUILDERS, INC.

CHIEF EXECUTIVE OFFICER
GLADYS MARRONE
BIA-HAWAII

#### 2018 DIRECTORS

KAREN BERRY
TRADE PUBLISHING COMPANY

DARCY ENDO-OMOTO
HAWAIIAN ELECTRIC COMPANIES

MARK HERTEL INTER-ISLAND SOLAR SUPPLY, OAHU-MAUI-HAWAII-KAUI

BRENTON LIU
DESIGN TRENDS CONSTRUCTION, INC.

SARAH LOVE

BAYS LUNG ROSE & HOLMA
BEAU NOBMANN

HPM BUILDING

GARY OKIMOTO

HONOLULU WOOD TREATING

JORDAN OKIMURA
BROOKFIELD HOMES HAWAII, LTD

JACKSON PARKER
D.R. HORTON, SCHULER DIVISION

ALAN TWU
HK CONSTRUCTION CORP.

**DARYL TAKAMIYA**CASTLE & COOKE HOMES

PAUL D. SILEN
HAWAIIAN DREDGING
CONSTRUCTION CO. INC.

ADDRESS: 94-487 AKOKI STREET SUITE 213 WAIPAHU, HAWAII 96797 P 808.847.4666

### Testimony to the Senate Committee on Ways and Means Friday, February 23, 2018 10:00 am State Capitol, Room 211

RE: SB 2758, SD 1, - Relating to Housing

Chair Dela Cruz, Vice-Chair Keith-Agaran, & members of the Committee:

My name is Gladys Quinto-Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIAHawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-HAWAII is in **<u>support</u>** of S.B. 2758, SD 1, which proposes to establish expedited approvals for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less under the jurisdiction of the counties, as well as expedited approvals by the Hawaii Community Development Authority.

The proposed bill would use the same timeframe, 45 days, as is allowed in the 201H process for approval of affordable housing projects as an incentive to develop more affordable housing. It establishes a forty-five—day approval process for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less within the jurisdiction of the counties, as well as for lands under the control of the Hawaii community development authority could expedite governmental approvals and save time and money; thereby, creating a new incentive to spur housing development.

The bill was amended in the prior Committee hearing by removing the language that would have made the Hawaii Community Development Authority subject to the proposed expedited time limit for approvals.

We believe the proposed bill is a step in the right direction if our goal is to increase the supply of housing at all price points in Hawaii.

We are in support of S.B. 2758, SD 1, and appreciate the opportunity to express our views on this matter.

## SB-2758-SD-1

Submitted on: 2/21/2018 9:26:09 PM

Testimony for WAM on 2/23/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

# OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES DEMOCRATIC PARTY OF HAWAI'I

THE COMMITTEE ON WAYS AND MEANS

THE SENATE

TWENTY-NINTH LEGISLATURE

**REGULAR SESSION OF 2018** 

Friday, February 23, 2018

10:00 AM

Hawaii State Capitol, Conference Room 211

RE: Testimony in Support of SB2758 SD1 RELATING TO HOUSING

To the Honorable Donovan M. Dela Cruz, Chair; the Honorable Gilbert S.C. Keith-Agaran, Vice-Chair, and Members of the Committee on Ways and Means:

Good afternoon, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on Senate Bill No. 2758 SD1, relating to Special Housing; and expedited approvals for eligible affordable housing projects.

The OCC Legislative Priorities Committee is in favor of Senate Bill No. 2758 SD1 and support its passage.

Senate Bill No.2758 SD1 is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes expedited approvals for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less under the jurisdiction of the counties.

The DPH Platform states that "[h]ousing is a basic human need and we believe that adequate, accessible, affordable, and safe housing should be available to all residents of Hawai'i. Affordable housing that is fair in proportion to individual income is the basis of prosperity for our citizens and stability in our economy. Recent and past real estate bubbles have fueled disproportionate rent increases, a key contributor to homelessness. Therefore, we support efforts to promote truly affordable housing for all citizens who rent.

We also need economically affordable home ownership. To this end we support policies which re-think the current formula to determine "affordability" as this formula puts both rentals and sales out of the reach of most working families in Hawai`i.

We support circuit breaker or other relief to ensure that senior citizens are not taxed out of their homes.

We believe in the concept of "Housing First" to develop affordable, stable housing and support services to break the cycle of homelessness for people with the fewest housing options.

We support dedicated social services and housing opportunities for Hawaii's homeless population, to get them off the streets and reintegrated into society, with specific devoted services for disenfranchised groups including but not limited to the Hawaiian community, aged-out foster kids, youth, returning veterans, the aged, and lesbian, gay, bisexual and transgender homeless. (Platform of the DPH, P. 7, Lines 340-358 (2016)).

Given that Senate Bill No.2758 SD1 establishes expedited approvals for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less under the jurisdiction of the counties, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours, /s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativeprorities@gmail.com, Tel.: (808) 258-8889

# Testimony to the Senate Committee on Ways and Means Friday, February 23, 2018 at 10:00 A.M. Conference Room 211, State Capitol

#### **RE: SENATE BILL 2758 SD1 RELATING TO HOUSING**

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") <u>supports</u> SB 2578 SD1, which proposes to establish expedited approvals for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less under the jurisdiction of the counties, as well as expedited approvals by the Hawaii Community Development Authority.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ 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 proposed bill would use the same timeframe, 45 days, as is allowed in the 201H process for approval of affordable housing projects as an incentive to develop more affordable housing. It establishes a forty-five—day approval process for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less within the jurisdiction of the counties, as well as for lands under the control of the Hawaii community development authority could expedite governmental approvals and save time and money; thereby, creating a new incentive to spur housing development.

The bill was amended in the prior Committee hearing by removing the language that would have made the Hawaii Community Development Authority subject to the proposed expedited time limit for approvals.

We believe the proposed bill is a step in the right direction if our goal is to increase the supply of housing at all price points in Hawaii.

Thank you for the opportunity to testify.









February 23, 2018

### The Honorable Donovan Dela Cruz, Chair

Senate Committee on Ways and Means State Capitol, Room 211 Honolulu, Hawaii 96813

RE: Senate Bill 2758 SD1, Relating to Housing

HEARING: Friday, February 23, 2018, at 10:00 a.m. in Room 211

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its close to 9,500 members. HAR **supports** Senate Bill 2758, SD1, which establishes expedited approvals for affordable housing projects seeking district boundary amendments for land areas of fifteen acres or less under the jurisdiction of the counties.

Chapter 201H, Hawai'i Revised Statutes, provides for a 45-day approval process for affordable housing projects seeking district boundary amendments from the Land Use Commission, as well as for projects seeking county approvals and exemptions. This measure would use the same 45-day timeframe for affordable housing projects seeking district boundary amendments for land areas of 15 acres or less within the jurisdiction of the counties.

According to the Department of Business, Economic Development and Tourism, nearly 66,000 housing units are needed to meet long-term demand over the next ten years. We need more housing at all price points to address our housing shortage. This measure would expedite the governmental approval process, thereby creating an incentive for developers to build affordable housing.

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

