

CITY COUNCIL CITY AND COUNTY OF HONOLULU 5 3 0 SOUTH KING STREET, ROOM 202 HONOLULU, HAWAII 96813-3065 TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

BRANDON ELEFANTE Councilmember District 8 'Aiea, Pearl City, Waipahū Chair, Committee on Zoning and Planning Telephone: (808) 768-5008 Email: belefante@honolulu.gov

> The Honorable Stanley Chang, Chair The Honorable Dru Mamo Kanuha, Vice Chair And Members of the Senate Committee on Housing

The Honorable Sharon Y. Moriwaki, Chair The Honorable Donovan M. Dela Cruz, Vice Chair And Members of the Senate Committee on Government Operations

Subject: Testimony in Support of SB 2192 Relating to Housing Hearing: Thursday, February 3, 2022 at 1:00 p.m., Conference Room 225

I'm Brandon Elefante, Honolulu City Councilmember and Chair of the Zoning and Planning Committee. I am testifying in strong support of SB 2192.

The Bill amends Section 201H-38 of HRS to allow the City and County of Honolulu more time to process 201H applications, increasing the review period from 45 days to 60 days.

While 201H projects have resulted in the production of additional affordable housing units, the flexibility in development standards and permitted uses sought for the projects is often a source of great concern to the surrounding community.

The Honolulu City Council unanimously adopted a resolution urging the Legislature to extend the processing period to 90 days at the county level prior to the grant of the automatic approval.

The City Council believes that when considering a 201H project proposals, it is important to carefully evaluate and balance the affordable housing provided by the 201H project, against the financial costs to the counties, and the impact on the surrounding community resulting from nonconformity with development standards and permitted uses.

The Honolulu City Council and each of its standing committees typically hold meetings once each month, and depending on when the Council receives the applicable agency's report and the proposed 201H project's preliminary plans and specifications, it is often difficult for the Council to obtain community input, carefully consider, and take final action on the 201H application (by adoption of a resolution) within the 45-day period provided by the current law.

The lack of a reasonable timeframe for Council review may lead to 201H projects being rejected, not because they lack merit, but because the Council and the community have simply not been given sufficient time to consider them.

A 60-day review period would provide the county councils with additional time to deliberate and take action on 201H applications with community input. As you know, these affordable housing projects and their exemptions are complex, often resulting in millions of dollars in exemptions as well as appreciable impacts on surrounding communities.

Please adopt SB 2192, which will improve the 201H process for all.

Sincerely,

Brandon Elefante

Dr. Holeka Goro Inaba Council Member, District 8, N. Kona



Office: (808) 323-4280 *Email:* holeka.inaba@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

County of Hawaiʻi West Hawaiʻi Civic Center, Bldg. A 74-5044 Ane Keohokalole Hwy. Kailua-Kona, Hawai'i 96740

February 2, 2022

Committee on Housing Senator Stanley Chang, Chair Senator Dru Mamo Kanuha, Vice Chair

Committee on Government Operations Senator Sharon Y. Moriwaki, Chair Senator Donovan M. Dela Crusz

Re: Testimony in *Support* of SB2192, RELATING TO HOUSING Videoconference Hearing: February 3, 2022 at 1:00 p.m.

Dear Chair, Vice Chair, and Members of the above referenced Committee,

On behalf of myself and constituents of Council District 8 in North Kona, I would like to express our *support* for the above referenced bill, and submit a brief testimony as follows:

I support an extension of the timeframe given to the County Council in which to approve, approve with modification, or disapprove an affordable housing project submitted for review pursuant to section 201H-38(a), Hawaii Revised Statutes, from forty-five days to sixty days.

We are in agreement that the forty-five day window is insufficient for Council to review a proposed housing project with its requested exemptions and evaluate the effects on the environment and the County's finances – then have a meaningful discussion on whether to approve, approve with modifications or disapprove.

We strongly *support* the passing of SB2192.

Sincerely,

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DR. HOLEKA GORO INABA, Council Member District 8, North Kona

HGI.wpb

HEATHER L. KIMBALL

Council Member Chair, Committee on Governmental Operations, Relations and Economic Development Council District 1



Contact Information (808) 961-8828 (808) 961-8018 (staff) heather.kimball@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

County of Hawaiʻi Hawaiʻi County Building 25 Aupuni Street, Suite 1402 Hilo, Hawaiʻi 96720

TO: Honorable Stanley Chang, Chair Senate Committee on Housing

> Honorable Sharon Y. Moriwaki, Chair Senate Committee on Government Operations

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FROM: Heather L. Kimball Council Member, District 1

DATE: February 2, 2022

SUBJECT: SUPPORT SB 2192, RELATING TO HOUSING

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this measure is to extend the timeline given to county councils to approve affordable housing projects from forty-five days to sixty days.

I am providing testimony in my capacity as an individual member of the Hawai'i County Council.

I **SUPPORT** this measure as there are times when the Hawai'i County Council feels rushed to make important decisions regarding affordable housing projects and an additional fifteen days would help ensure that all information is digested and the best decisions are made.

For these reasons, I SUPPORT SB2192, Relating to Housing.

January 31, 2022



Hawaii State Legislature Senate Committee on Housing Senate Committee on Government Operations Attn: Chair Stanley Chang and Chair Sharon Moriwaki

Subject: SB 2192 Relating to Housing, Hearing February 3, 2022, at 1:00pm, State Capitol, Room 225

Aloha Chair Chang, Chair Moriwaki and Members of the Senate Committees on Housing and Government Operations, I am Kevin Carney, Vice President for EAH Housing hereby submitting **testimony in opposition** to SB 2192 which would extend the timeframe given to the county councils to approve, approve with modification, or disapprove an affordable housing project submitted for review pursuant to section 201H-38(a), Hawaii Revised Statutes (HRS), from forty-five days to sixty days. Extending the 45-day review period is a bad precedent to set during a housing crisis when expediting production should be a priority.

EAH Housing is a non-profit developer and manager of low-income rental housing serving those with incomes at or below 60% of the area median income. We utilize the 201H process to assist us in serving those most in need of permanent, safe, and sanitary rental housing. Section 201H was created many years ago to expedite the production of affordable housing by granting exemptions from statutes, ordinances and rules that do not negatively affect the health and safety of the public.

In actuality, the county councils have a great deal more than 45 days to opine on any particular housing project. Developers bring their proposed projects to the community, to the Departments of Housing and Planning and to the Councilmembers very early on in the development process to reduce risk and gain a sense of support from the community and the county. We strive to avoid any last-minute surprises that could de-rail a project after having spent years in planning and investing very large sums of money.

Any delay in the process adds cost that cannot be made up easily. Our rents are fixed by HUD so we cannot simply increase rent, nor would we want to do that. A 15-day delay at the council could mean a missed opportunity for a grant application or a submittal deadline at HHFDC. Please keep the 45-day review period in place. Mahalo.

Sincerely,

Kevin R. Carney, RB-16444 (PB), NAHP-E Vice President, Special Projects, Hawaii

Creating community by developing, managing and promoting quality affordable housing since 1968.

Main Office 2169 East Francisco Blvd., Suite B San Rafael, California 94901-5531 415 / 258-1800 ■ Fax 415 / 453-4927 STANFORD CARR DEVELOPMENT, LLC

*February 1, 2022

Honorable Stanley Chang, Chair Honorable Dru Mamo Kanuha, Vice Chair and Committee Members, Senate Committee on Housing

Honorable Sharon Y. Moriwaki, Chair Honorable Donovan M. Dela Cruz, Vice Chair and Committee Members, Senate Committee on Government Operations Hawaii State Capitol Honolulu, Hawaii 96813

Dear Senator Chang, Senator Moriwaki, and Committee Members:

SUBJECT: SB 2192 Relating to Housing

I am writing to express **opposition** for Senate Bill 2192 that proposes to diminish the legislative intent of streamlining and expediting the process for development of affordable housing.

Act 350 enacted during the 1997 Regular Session of the Nineteenth State Legislature recognized the critical need for housing affordability and availability, further noting the cost added by government regulation. In the public interest of expeding affordable housing, Act 350 created Hawaii Revised Statutes (HRS) section 201E-118 requiring counties to approve or disapprove a project within 45 days or on the forty-sixth day a project is deemed approved.

The 2005 Regular Session of the Twenty-Third Legislature enacted Act 196 whereby section 35 established a joint legislative housing and homeless task force to further identify solutions to Hawaii's affordable housing problem. Recommendations of the task force included a need to "streamline government approvals and permitting of affordable housing projects."

As reported by Hawaii Business Magazine on January 25, 2022, the Hawaii Housing Finance and Development Corporation reports that the 201H process has successfully supported construction of 12,000 units to date for families earning less than 140% AMI.

February 1, 2022

Honorable Stanley Chang, Chair Honorable Dru Mamo Kanuha, Vice Chair Honorable Sharon Y. Moriwaki, Chair Honorable Donovan M. Dela Cruz, Vice Chair Page 2

Given the stated priority of all four county councils to support development of affordable housing along with the success of the 201H process, it seems judicious and appropriate to expect the councils to prioritize the 201H applications and provide timely review and approval.

Thank you for the opportunity to share my perspective on the discussion of affordable housing.

Respectfully,

Stanford S. Carr



SENATE COMMITTEES ON HOUSING AND GOVERNMENT OPERATIONS State Capitol, Via Videoconference 415 South Beretania Street 1:00 PM

February 3, 2022

RE: SB 2192, RELATING TO HOUSING

Chairs Chang & Misalucha, Vice Chairs Kanuha & Dela Cruz, and members of the committee:

My name is Daryl Takamiya, 2022 President 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. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA Hawaii is in opposition to SB 2192, Relating to Housing. This bill would extend the timeframe given to the County Councils to approve, approve with modification, or disapprove an affordable housing project submitted for review under section 201H 38a, HRS from 45 days to 60 days.

Slowing down the 201H approval process to 90 days will only slow down production of affordable housing. If the timing on 201H approvals increases to 90 days, that could potentially add a year to the financing stage for any subsidized developments. New policy at HHFDC requires that 201H approvals be in-hand before applying for tax credits and tax-exempt bonds that most low-income developers use for equity and the application for credits and/or bonds is now open only once per year.

As the Legislature is aware, the cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Adding more time to the building process will only serve to further raise this price. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price (NAHB).

We are in opposition to SB2192, and appreciate the opportunity to express our views on this matter.

tel. 808-629-7501 fax. 808-629-7701 94-487 Akoki St. , Ste 213 Waipahu, HI 96797 www.biahawaii.org info@biahawaii.org Council Chair Alice L. Lee

Vice-Chair Keani N.W. Rawlins-Fernandez

Presiding Officer Pro Tempore Tasha Kama

Councilmembers Gabe Johnson Kelly Takaya King Michael J. Molina Tamara Paltin Shane M. Sinenci Yuki Lei K. Sugimura



Director of Council Services Traci N. T. Fujita, Esq.

Deputy Director of Council Services David M. Raatz, Jr., Esq.

COUNTY COUNCIL COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

February 1, 2022

TO: Honorable Stanley Chang, Chair Senate Committee on Housing

> Honorable Sharon Y. Moriwaki, Chair Senate Committee on Government Relations

FROM: Alice L. Lee Council Chair

DATE: February 1, 2022

SUBJECT: SUPPORT OF SB 2192, RELATING TO HOUSING

Thank you for the opportunity to testify in **SUPPORT** of this important measure. The purpose of this measure is to extend the timeframe given to county councils to approve, approve with modification, or disapprove an affordable housing project submitted for review pursuant to Section 201H-38(a), Hawaii Revised Statutes, from 45 days to 60 days.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I SUPPORT this measure for the following reasons:

- 1. The 45-day window is insufficient for a county council to fully review a proposed housing project and requested exemptions, evaluate the environmental and financial impacts, and discuss and vote on a project.
- 2. The extension of the timeframe for a county council to approve of Chapter 201H lower-income housing projects from 45 to 60 days would support the Council's efforts in developing well-vetted and sustainable affordable housing that fully meets the needs of the County.

For the foregoing reasons, I **SUPPORT** this measure.

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DAVID Y. IGE GOVERNOR



DENISE ISERI-MATSUBARA EXECUTIVE DIRECTOR

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

Statement of DENISE ISERI-MATSUBARA

Hawaii Housing Finance and Development Corporation Before the

SENATE COMMITTEE ON HOUSING

February 3, 2022, at 1:00 p.m. State Capitol, Room 225

In consideration of S.B. 2192 RELATING TO THE HOUSING.

HHFDC **opposes** S.B. 2192, which extends the timeframe given to the county councils to approve, approve with modification, or disapprove an affordable housing project submitted for review pursuant to section 201H-38(a), Hawaii Revised Statutes, from forty-five days to sixty days.

There is an immediate need for more affordable housing. Extending the timeframe for county reviews will only exacerbate this shortage by creating delays in its production.

Thank you for the opportunity to testify.