HOUSE RESOLUTION

URGING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION TO ENCOURAGE THE DEVELOPMENT OF ACCESSORY DWELLING UNITS TO ABET HAWAII'S HOUSING CRISIS

1 WHEREAS, Hawaii presently suffers from a critical housing shortage, with as many as 50,000 new housing units projected to 2 be necessary statewide in just the next few years; and 3 4 5 WHEREAS, housing continues to become an increasing financial hardship, with the median price of a single-family 6 home averaging \$1,000,000 and a condominium averaging \$500,000; 7 8 and 9 10 WHEREAS, the cost of renting too continues to rise, with more and more of our younger generations projecting they will 11 12 rent all their lives as high prices prohibit their ability to save enough for a down payment; and 13 14 15 WHEREAS, accessory dwelling units, often referred to as ADUs, are a legal alternative to illegal rental units and are 16 17 similar to ohana dwelling units, but with less restrictions, 18 particularly the absence of the requirement that the unit be 19 rented to a family member only; and 20 21 WHEREAS, accessory dwelling units cost less than 22 traditional housing units because there is no need to purchase additional land for the structure and construction costs are 23 24 considerably less, 25 26 WHEREAS, promoting the construction of accessory dwelling 27 units can offer a multitude of benefits, including alleviating 28 our state's housing shortage, providing another affordable

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housing option, and allowing those who develop the unit to make 1 2 extra income, 3 4 BE IT RESOLVED by the House of Representatives of the Thirty-second Legislature of the State of Hawaii, Regular 5 Session of 2023, that this body urges the Hawaii Housing Finance 6 and Development Corporation to create a program that offers 7 financial assistance for the private development of accessory 8 9 dwelling units on a dollar to dollar match up to a maximum of 10 \$50,000; and 11 12 BE IT FURTHER RESOLVED that the program consider requiring 13 the accessory dwelling unit be rented to a participant of IHS and for a period of at least two years; and 14 15 BE IT FURTHER RESOLVED that the State of Hawaii also 16 consider a tax incentive, such as a tax holiday on the income 17 generated by rental sales on an accessory dwelling unit for a 18 19 period following the unit's initial use as an affordable rental; 20 and 21 BE IT FURTHER RESOLVED that certified copies of this 22 23 Resolution be transmitted to the Hawaii Housing Finance and Development Corporation, the Hawaii Department of Taxation, the 24 25 Governor of the State of Hawaii, members of the House of Representatives of the State of Hawaii, and members of the 26 27 Senate of the State of Hawaii. 28 29 30 OFFERED BY:

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