JOSH GREEN, M.D. GOVERNOR

> SYLVIA LUKE LT. GOVERNOR



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 **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation Before the

SENATE COMMITTEE ON GOVERNMENT OPERATIONS AND SENATE COMMITTEE ON HOUSING

April 15, 2024 at 3:30 p.m. State Capitol, Room 225

In consideration of

HCR 122 REQUESTING THE COUNTIES TO AMEND OR ADOPT AN ORDINANCE TO ALLOW RELIGIOUS INSTITUTIONS, EDUCATIONAL INSTITUTIONS, OR MEDICAL INSTITUTIONS TO DEVELOP RESIDENTIAL UNITS ON PARCELS THAT MEET CERTAIN CONDITIONS.

Chairs McKelvey and Chang, Vice Chairs Gabbard and Hashimoto, and members of the Committees:

HHFDC **<u>supports</u>** HCR 122 and appreciates the willingness of some of the institutions in the medical, educational, and religious community to use portions of their lands to provide housing.

This resolution requests the counties to amend or adopt an ordinance to provide those institutions with the flexibility to use portions of their lands for that purpose and will help to address the statewide shortage of affordable housing.

We defer to the counties as to whether they will implement this.

Thank you for the opportunity to testify on this resolution.

GRASSROOT INSTITUTE OF HAWAII

1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

April 15, 2024, 3:30 p.m. Hawaii State Capitol Conference Room 225 and Videoconference

To: Senate Committee on Government Operations

Sen. Angus L.K. McKelvey, Chair Sen. Mike Gabbard, Vice-Chair

Senate Committee on Housing Sen. Stanley Chang, Chair Sen. Troy N. Hashimoto, Vice-Chair

From: Grassroot Institute of Hawaii Ted Kefalas, Director of Strategic Campaigns

COMMENTS IN <u>SUPPORT</u> OF HCR122 — REQUESTING THE COUNTIES TO AMEND OR ADOPT AN ORDINANCE TO ALLOW RELIGIOUS INSTITUTIONS, EDUCATIONAL INSTITUTIONS, OR MEDICAL INSTITUTIONS TO DEVELOP RESIDENTIAL UNITS ON PARCELS THAT MEET CERTAIN CONDITIONS.

Aloha Chairs, Vice-Chairs and members of the Committees,

The Grassroot Institute of Hawaii would like to **offer its support** for <u>HCR122</u>, which requests that the counties amend or adopt ordinances that would allow religious institutions, medical facilities and schools to build housing on their lands, subject to certain conditions.

We commend the Legislature for encouraging the increase of Hawaii's housing supply through county-level zoning reform. As we discussed in a recent report, "<u>How to facilitate more homebuilding in Hawaii</u>," zoning reform can play a pivotal role in lowering housing prices and providing certainty to builders.

Because many nonprofits have limited access to financing and little expertise in managing the development process, uncertainty in the approval process can stop charitable housing projects before they begin.¹

¹ "Hayashi on a mission to help Hawaii churches provide housing," Grassroot Institute of Hawaii, Nov. 15, 2023.

To help solve this problem, HCR122 and HR102 endorse a creative approach pioneered last year by California. The Golden State's "Yes in God's backyard" law allows certain religious and educational institutions to build housing on lands they own, subject to some affordability and density restrictions.

The California YIGBY law has already demonstrated that this is a viable way to create new housing. For example, the Episcopal Church's Los Angeles Diocese is planning to build affordable housing on a quarter of its more than 130 campuses in the region.²

In Hawaii, allowing schools, hospitals and religious institutions to create housing on their own properties would help them with their recruitment and retention issues³ by enabling them to more easily provide affordable rental housing for their employees.

Nonprofit institutions that had been prevented from creating housing for their own staff would be able to offer a convenient on-campus housing benefit, thereby freeing up housing elsewhere throughout the islands for other renters.

Thank you for the opportunity to testify.

Ted Kefalas Director of Strategic Campaigns Grassroot Institute of Hawaii

² Lynette Wilson, "Los Angeles diocese set to develop affordable housing on 25% of church-owned land," Episcopal News Service, Oct. 18, 2023.

³ Allyson Blair, "<u>On Hawaii Island, a desperate request to house traveling nurses key to patient care</u>," Hawaii News Now, Feb. 21, 2023.