

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON WAYS & MEANS

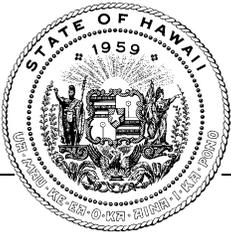
February 23, 2024 at 10:30 a.m.
State Capitol, Room 211

In consideration of
S.B. 2133
RELATING TO HOUSING.

HHFDC **supports** SB 2133, which, among other things, authorizes HHFDC to issue bonds for housing project infrastructure and to finance the development of regional state infrastructure projects.

The cost of off-site infrastructure is a major barrier to the development of housing statewide. These costs are typically paid by private housing developers who, in turn, pass them on to homebuyers and renters in the form of higher prices and rents. This bill will allow HHFDC to facilitate the development of infrastructure required to support new housing projects needed across the state. Bonds issued by HHFDC to pay for housing project infrastructure will be repaid through various assessments.

Thank you for the opportunity to testify on this bill.



**STATE OF HAWAII
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
INTERIM DIRECTOR

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Statement of
MARY ALICE EVANS, Interim Director

before the
SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 23, 2024

10:30 AM

State Capitol, Conference Room 211

in consideration of
**BILL NO SB 2133
RELATING TO HOUSING.**

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee on Ways and Means:

The Office of Planning and Sustainable Development (OPSD) **supports** Senate Bill 2133, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to issue bonds for housing project infrastructure and to finance the development of regional state infrastructure projects.

Per the Legislature's direction and funding in Act 88, SLH 2021, Sec. 39, OPSD recently completed the *TOD Infrastructure Finance and Delivery Strategy*, which underscored growing housing needs statewide, and outlined a strategy to target existing and new revenue sources to fund housing production and supportive infrastructure, especially to leverage development on public lands. (see https://files.hawaii.gov/dbedt/op/lud/Reports/TOD_InfraFin_Strategy_20231221.pdf). The study identified the need for regular, predictable revenue sources to help finance regional public infrastructure to facilitate transit-oriented development (TOD) and affordable housing production.

This bill will allow HHFDC to facilitate the development of infrastructure required to support new housing projects needed across the state, especially in well-located TOD areas.

Thank you for the opportunity to testify on this measure.

PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

TESTIMONY IN SUPPORT OF SB 2133: RELATING TO HOUSING

TO: Senate Committee on Ways and Means
FROM: Partners In Care (PIC)
Hearing: **Friday, February 23rd; 10:30 am; Room 211 & via videoconference**

Chair Dela Cruz, Vice Chair Moriwaki and Members of the Senate Committee on Ways and Means:

Partners In Care (PIC) is a coalition of more than 60 non-profit homelessness providers and concerned organizations. The crisis of homelessness and the lack of affordable housing makes this measure so important to pass. We currently search every day for units that are appropriate and truly affordable. Issuing bonds for infrastructure for housing projects will enable developers to create more housing that is affordable in our state.

Thank you for the opportunity to provide written testimony **in support SB 2133**, Relating to Housing.

Sincerely,



Laura E. Thielen
Executive Director
Partners In Care



February 22, 2024

Senator Donovan Dela Cruz, Chair
Senator Sharon Moriwaki, Vice Chair
Senate Committee on Ways and Means

RE: **SB 2133 – RELATING TO HOUSING**
Hearing date – February 23, 2024 at 10:30 AM

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and members of the committee,

Thank you for allowing NAIOP Hawaii to submit testimony **SUPPORTING THE INTENT OF SB 2133 – RELATING TO HOUSING**. NAIOP Hawaii is the Hawaii chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders, and other professionals.

SB 2133 authorizes the issuance of bonds for the Hawaii Housing Finance and Development Corporation's (HHFDC) to finance the development of infrastructure projects. Specifically, the bonds authorized under this measure may be utilized for infrastructure for housing projects financed by the bonds.

NAIOP supports the intent of this measure which seeks to provide funding to finance much needed infrastructure for housing projects in Hawaii. The development of additional housing inventory often comes hand in hand with the need to update aging infrastructure to accommodate the new units. The cost of updating infrastructure presents a major barrier to the development of housing projects. Furthermore, the cost often falls on the shoulders of the developers seeking to build the housing project which ultimately leads to the costs being passed down to the residents seeking to purchasing homes or units. We support this measure which will finance the cost of infrastructure projects and allow units to be delivered at a reduced price point to residents.

We do note that additional clarification is needed as the bonds issued under this measure does not appear to present a clear source of revenue for individual projects not in a designated TOD (transit-oriented development).

Accordingly, NAIOP Hawaii supports the intent of SB 2133 which will ensure the continued production of homes for our residents. Thank you for the opportunity to testify on this measure.

Senator Donovan Dela Cruz, Chair
Senator Sharon Moriwaki, Vice Chair
February 22, 2024
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Mahalo for your consideration,

A handwritten signature in black ink, appearing to read 'Reyn Tanaka', with a long horizontal flourish extending to the right.

Reyn Tanaka, President
NAIOP Hawaii