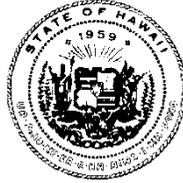


JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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 WAYS & MEANS

February 13, 2024 at 10:05 a.m.
State Capitol, Room 211

In consideration of
S.B. 2337 SD1
RELATING TO HOUSING.

HHFDC **supports** SB 2337 SD1, which expands the counties' authorization to exercise the same powers as HHFDC for purposes of developing, constructing, financing, refinancing, or providing mixed-use developments. These expanded powers apply to bond proceeds expended by a county after December 31, 2023.

Specifically, this bill would allow the counties authorization to use affordable-housing bonds to develop mixed-use housing projects, especially in transit-oriented development areas.

Thank you for the opportunity to testify on this bill.

OFFICE OF HOUSING
KE KE'ENA HO'OLĀLĀ KŪKULA HALE
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 306 • HONOLULU, HAWAII 96813
PHONE: (808) 768-4675 • FAX: (808) 768-4242 • WEBSITE: www.honolulu.gov/housing

RICK BLANGIARDI
MAYOR
MEIA



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR
PO'O HO'OKO

KEVIN AUGER
DEPUTY DIRECTOR
HOPE PO'O

2024-HOU-008

February 12, 2024

The Honorable Donovan Dela Cruz, Chair
The Honorable Sharon Moriwaki, Vice-Chair
and Members of the Senate Committee on Ways and Means
Hawaii'i State Capitol
415 South Beretania Street
Honolulu, Hawaii'i 96813

Dear Chair Dela Cruz, Vice-Chair Moriwaki, and Committee Members:

SUBJECT: Testimony in **Strong Support** of SB2337, SD1 – Relating to Housing
Hearing: Tues., Feb. 13, 2024, 10:05 a.m. at the State Capitol, Rm. 211

The Blangiardi Administration strongly supports SB2337. The proposed bill would grant the counties the same authority to develop mixed-use affordable housing projects currently enjoyed by the Hawaii'i Housing Finance and Development Corporation (HHFDC).

Under §201H-12, Hawaii'i Revised Statutes (HRS), HHFDC has the ability to plan, develop, construct, and finance housing projects, including mixed-use developments. As currently written, §46-15.1(a), HRS, relating to county housing powers, provides the counties the ability to exercise the same powers as those granted to HHFDC pursuant to 201H, but only for the purpose of developing, constructing, and providing low- and moderate-income housing.

Under existing law, the counties are not authorized to use affordable housing bonds to develop mixed-use affordable housing projects. The proposed bill remedies this inconsistency by providing the counties with the same authority as HHFDC with respect to mixed-use development.

With the commencement of operations of the city's new rail system, Skyline, in June 2023, the Blangiardi Administration is moving swiftly to activate Transit-Oriented Development (TOD) plans that have been adopted by communities surrounding key rail stations. As an example, the city recently acquired two properties in the Iwilei TOD area:

The Honorable Donovan Dela Cruz, Chair
The Honorable Sharon Moriwaki, Vice-Chair
and Members of the Senate Committee on Ways and Means
February 12, 2024
Page 2

the First Hawaiian Bank property and Iwilei Center, which closed in December 2023 and January 2024, respectively. The two properties total nearly five acres of land and a combined purchase price of nearly \$60 million. These acquisitions will form the catalyst of the city's redevelopment and revitalization efforts around the Kuwili Rail Station consistent with the area's TOD Neighborhood Plan.

Given our substantial investment in this area, the ability to plan, design, and construct mixed-use development is essential to the city's efforts to develop iconic affordable housing projects in Iwilei, and other TOD communities. Providing our residents access to commercial, retail, institutional, educational, and governmental services, combined with convenient access and close proximity to multi-modal transportation networks, will be vital to the success of these projects.

Accordingly, it is essential that the counties possess the same development authority as HHFDC as it relates to mixed-use development and we respectfully ask for the support from your Committee this session to pass these critical amendments.

Thank you for the opportunity to testify in support of this measure.

Sincerely,


FOR: Denise Iseri-Matsubara
Executive Director

APPROVED:


Michael D. Formby
Managing Director



LATE

DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • TTY (808) 586-8162 • Fax (808) 586-8129

February 13, 2024

TESTIMONY TO THE SENATE COMMITTEE ON WAYS AND MEANS

Senate Bill 2337 SD1 – Relating to Housing

The Disability and Communication Access Board (DCAB) offers comments on Senate Bill 2337 SD1 – Relating to Housing.

This bill would expand the counties' authorizations to exercise the same powers as the Hawaii Housing Finance and Development Corporation for purposes of developing, constructing, financing, refinancing, or providing mixed-use developments.

The housing crisis is magnified for people with disabilities. People with disabilities are twice as likely to live below the poverty level. Without action to address the affordable housing shortage, more people with disabilities are at risk of losing their independence or becoming homeless or institutionalized. This bill would assist people with disabilities who are facing housing insecurity.

In addition to addressing the affordable housing shortage, legislation should address the quantity of supportive housing units that are accessible to people with mobility and communication disabilities. The Americans with Disabilities Act Standards for Accessible Design (ADA Standards) specifies the minimum percentage of accessible housing units in public facilities. The ADA Standards only requires five percent of units to be accessible for mobility disabilities and two percent of units to be accessible for communication disabilities. The Fair Housing Act (FHA) design and construction requirements specifies the minimum number of adaptable housing units in public and private buildings containing four or more units. The FHA requires all dwelling units to be adaptable for mobility disabilities in buildings with an elevator, but only requires ground floor units to be adaptable for mobility disabilities in buildings without an elevator. The FHA does not require units to be adaptable for communication disabilities.

According to the U.S. Census Bureau's 2021 Disability Characteristics for the State of Hawaii, 19.1 percent of Hawaii's residents that are sixty five years and older have mobility difficulty, 12.6 percent have hearing difficulty, and 4.7 percent have vision difficulty. The following adjustments that exceed minimum accessibility and adaptability requirements would provide Hawaii residents with disabilities, especially kupuna with disabilities, the opportunity to live independently and give more residents without disabilities an option to continue to live in their home as they age in place:

- In public facilities with residential dwelling units, at least twenty percent, but no fewer than one unit, of the total number of residential dwelling units shall provide mobility features that comply with applicable technical requirements in the ADA Standards.

- In public facilities with residential dwelling units, at least thirteen percent, but no fewer than one unit, of the total number of residential dwelling units shall provide communication features that comply with applicable technical requirements in the ADA Standards.
- In multi-story buildings with four or more residential dwelling units, an elevator shall connect each story and all dwelling units shall comply with the FHA design and construction requirements.

Investing in accessible, affordable supportive housing would ensure that more residential units would be available for individuals with disabilities and their families.

Thank you for considering our comments.

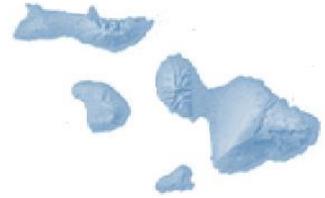
Respectfully submitted,



KIRBY L. SHAW
Executive Director

RICHARD T. BISSEN, JR.
Mayor

JOSIAH K. NISHITA
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAI'I 96793
www.mauicounty.gov

February 11, 2024

TO: Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair
Committee on Ways and Means

FROM: Richard T. Bissen, Jr., Mayor
Lori Tsuhako, Director of Housing and Human Concerns

DATE: February 11, 2024

SUBJECT: SUPPORT OF SB2337, SD1, RELATING TO HOUSING

Thank you for the opportunity to testify in **SUPPORT** of this important measure. This act expands the counties' authorization to exercise the same powers as the Hawai'i Housing Finance and Development Corporation for purposes of developing, constructing, financing, refinancing, or providing mixed-use developments and applies to bond proceeds expended by a county after 12/31/23.

We **SUPPORT** this measure for the following reasons:

1. The proposed bill would provide opportunities for Counties to expand our capacity to develop new units and rehabilitate existing housing units to address current housing shortages, and will likely have a positive impact on housing affordability.
2. The additional option given to the Counties to develop mixed use housing projects will be beneficial in securing financing and in ensuring long term sustainability of the housing created.
3. Providing the Counties with the same development authority as Hawai'i Housing Finance and Development Corporation may attract more public private partnerships for affordable housing and other development that will keep our communities vital.

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

Testimony of
Pacific Resource Partnership

LATE

Senate Committee On Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair

SB 2337, SD1—Relating To Housing
Tuesday, February 13, 2024
10:05 A.M.

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Pacific Resource Partnership (PRP) is a nonprofit organization that represents the Hawai'i Regional Council of Carpenters, the largest construction union in the state with approximately 6,000 members, in addition to more than 240 diverse contractors ranging from mom-and-pop owned businesses to national companies.

PRP writes in **strong support** of SB 2337, which allows counties to facilitate the development, construction, financing, refinancing, or other provision of mixed-income projects and mixed-use developments and issue bonds for this purpose.

Currently, the law as written, does not allow the counties to use affordable housing bonds to develop affordable housing projects in TOD communities, where our residents have access to commercial retail services, institutional, educational, industrial, and governmental uses. Essentially, for affordable housing projects, the counties need the same development potential as Hawai'i Housing Finance & Development Corporation.

As such, we respectfully request your favorable decision on this measure. Thank you for this opportunity to submit written testimony.



LATE

SB-2337-SD-1

Submitted on: 2/12/2024 5:43:48 PM

Testimony for WAM on 2/13/2024 10:05:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|--|---------------------------|---------------------------|
| Nathaniel Kinney | Testifying for Hawaii Regional Council of Carpenters | Support | Written Testimony Only |

Comments:

HRCC is in support of this measure which will allow counties to use bonds to finance and build mixed use developments that include affordable housing.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

LATE

**HEARING BEFORE THE SENATE COMMITTEE ON
WAYS AND MEANS
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 225
Tuesday, February 13, 2024, 10:05 A.M.**

To The Honorable Senator Donovan M. Dela Cruz, Chair
The Honorable Senator Sharon Y. Moriwaki, Vice Chair
Members of the committee on Ways and Means

SUPPORT SB2337 RELATING TO HOUSING

The Maui Chamber of Commerce **SUPPORTS SB2337**.

The Chamber notes that we are in a housing crisis and need significant support to build units as expeditiously as possible. We applaud the legislature for giving the counties the same powers as HHFDC for building housing. It is urgent to expedite housing and provide incentives to home builders before prices continue to increase.

We also supported the clause in the original version of the bill that allows households with higher incomes to purchase units if there are insufficient number of people to purchase at the initial income range. There are a lot of times where a person or family are in between AMI levels where they cannot afford to buy or rent at their current AMI level but could make it work for the next AMI level below. Unfortunately, this clause was removed by the previous committee. We would respectfully ask that it be returned to the next draft of the bill along with language that puts time limits for selling at the next AMI below. We are requesting this because developers have carrying costs and still need to sell the units. We don't want to extend that time too long, but if this language was added, they could also have a backup list of people at the next level ready to purchase. This would still achieve affordability for residents instead of the unit going into market rate.

We note that this is another tool in the affordable housing tool box. As many tools as we can get can only help increase the supply of affordable housing.

For these reasons, we **support SB2337** with the amendments we have suggested.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

LATE

SB-2337-SD-1

Submitted on: 2/13/2024 8:37:26 AM

Testimony for WAM on 2/13/2024 10:05:00 AM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Felicia Sendrey | Individual | Support | Written Testimony Only |

Comments:

Aloha Committee, I am Felicia Sendrey a junior from Kalaheo High School. I support this bill as it not only positively affects businesses, but our community here in Hawaii. We can create another opportunity for families to find housing, as currently as we all know it is quite hard to find affordable and accommodating housing. Mixed housing is a great way to provide that for people and brings about a lot of business for the stores beneath.

Thank you for your time, and I hope you consider passing Senate Bill 2337.