



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-SECOND LEGISLATURE, 2023**

LATE

ON THE FOLLOWING MEASURE:
S.B. NO. 336, RELATING TO HOUSING.

BEFORE THE:
SENATE COMMITTEE ON HOUSING

DATE: Tuesday, January 31, 2023 **TIME:** 1:00 p.m.

LOCATION: State Capitol, Room 225

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Alison S. Kato or Bryan C. Yee, Deputy Attorneys General

Chair Chang and Members of the Committee:

The Department of the Attorney General provides the following comments on this bill.

This bill proposes to add a new section to chapter 46, Hawaii Revised Statutes, that would restrict a county from disapproving or imposing certain conditions on a housing development project or an emergency shelter.

In the new section being added to chapter 46 by section 1 of this bill, subsection (b) requires that a county make certain written findings when it disapproves a housing development project or an emergency shelter or conditions approval in a manner that renders the project or shelter infeasible. One of the possible findings, subsection (b)(5), beginning at page 3, line 8, includes a proviso listing three situations where the finding would be inapplicable and could not be used by a county. The three applicable situations are at subparagraphs (A) through (C), which appear to be distinct, but on page 4, line 10, the connecting word between subparagraphs (B) and (C) of the list is “and” rather than “or.” As written, the proviso of subsection (b)(5) only applies if subparagraphs (A), (B), and (C) are true. To remedy this, we recommend that the last word in the line at page 4, line 10, be revised from “and” to “or.”

Thank you for the opportunity to offer comments.

LATE

SB-336

Submitted on: 1/30/2023 7:38:51 PM

Testimony for HOU on 1/31/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nikos Leverenz	Testifying for Hawaii Health & Harm Reduction Center	Support	Written Testimony Only

Comments:

Hawai'i Health & Harm Reduction Center (HHHRC) supports SB 336.

HHHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work with many individuals impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those related to substance use and mental health conditions. Many of our program clients and participants have also been deeply impacted by trauma, including histories of physical, sexual, and psychological abuse.

Thank you for the opportunity to testify on this measure.



LATE

**SENATE COMMITTEE ON HOUSING
State Capitol, Room 225
415 South Beretania Street
1:00 PM**

January 31, 2023

RE: SB 336 - RELATING TO HOUSING

Chair Chang, Vice Chair Kanuha, and members of the committee:

My name is Max Lindsey, 2023 Government Relations Committee Chair 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 support of SB 336, Relating to Housing. This bill would restrict any county from disapproving or imposing certain conditions on a housing development project or an emergency shelter unless the county meets certain requirements.

Many housing development projects stall at the County level due to overregulation and government backlog. While this bill would raise the requirements that the Counties must meet in order to disapprove or impose conditions on development projects, it contains necessary guardrails that would ensure that public health or safety is not put at risk. This bill would be an important step in helping housing get built faster, which would in turn lower the cost.

The state of Hawaii is in a dire housing crisis. 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. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB). We are in support of legislation that would allow for the building of much-needed housing at every price point in Hawaii.

We appreciate the opportunity to express our support for HB 336.

LATE

3227 Alani Dr.
Honolulu, HI 96822
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January 30, 2023

Hawaii State Legislature
Senate Committee on Housing

Dear Chair Chang, Vice Chair Kahuna, and Committee Members,

I am writing in support of SB 336 – Housing Accountability Act. With housing supply at critically low levels, it is important that swift action and thoughtful enforcement happen for State- and County-level housing goals. Equally important, when housing projects that contribute to the housing supply are not approved, clear and thorough reasons are provided to the applicant and the public.

Regarding subsection (i), related to the county's requirement to provide written documentation explaining the project's non-compliance within 30 or 60 days: I agree—there should be a requirement to ensure timely response and to keep the process moving. However, should consideration of the current environment that the Counties are in, with regard to project timelines, be considered? Is 30 or 60 days a reasonable requirement that can be met by the Counties? Also, are there any exceptions being considered that the Counties could request for an extension? Regardless of whether or not the State will consider such an exception, it should be stated.

Regarding subsection (h), related to density: I agree—there should be a focus on maintaining density. Much concern about housing projects is size, whether too tall, too big of a footprint, or too many people. We are at a point where density *really* matters, and to quickly address the housing supply shortage, density is the answer. A focus on strategically using density ensures that we maximize housing in areas that are already rich in resources and infrastructure. More people can live near where they work, and where they *want* to live.

I believe that we are in a housing crisis that requires extreme focus and accountability. Ultimately, the Counties bear the responsibility of identifying and setting goals to address their County's unique needs, whether housing or otherwise. Because they know their County best. However, housing supply shortages are not unique to a certain County or State, this is a nation-, if not, world-wide issue. The State needs to hold Counties accountable and ensure that each housing project is well-vetted and accurately considered, especially if it will not be approved.

Mahalo for the opportunity to provide testimony.

Me ka ha'aha'a,

Damien Waikoloa

LATE

Monday, January 30, 2023

Regarding SB 336, Relating to Housing

Aloha Senators on the Committee on Housing -

Hawaii needs more affordable housing. But right now, many obstacles stand in the way of developing it.

Unpredictable public opinion and discretionary approvals of otherwise fully permitted and rule-conforming projects all add a great deal of uncertainty to the process of housing development. This uncertainty adds to the risk affordable housing developers must take on, and this additional risk requires lenders to demand higher returns, which can prevent much-needed projects from achieving financial feasibility, especially when their revenue is limited by affordability requirements. The predictable result is that not enough affordable housing can be built to house those who need it.

By ensuring counties meet their affordable housing obligations, SB 336 would be an important step toward ensuring we are able to provide enough affordable housing to meet the needs of Hawaii residents, who are struggling under the crushing weight of our extreme housing costs.

Mahalo for your time and consideration regarding this important and timely matter,

Kyle Burchard
Resident of O'ahu