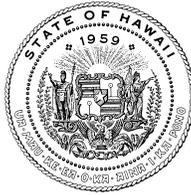


**JOSH GREEN, M.D.**  
GOVERNOR

**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 HOUSING**

February 10, 2026 at 1:00 p.m.

State Capitol, Room 225

In consideration of

### **SENATE BILL 3285**

### **RELATING TO WORKFORCE HOUSING.**

Chair Chang, Vice Chair Hashimoto, and members of the Committee.

HHFDC **supports** House Bill 3285, which proposes the establishment of a Workforce Housing Regulatory Sandbox Program in collaboration with participating counties.

Hawaii faces an urgent housing crisis. A 2024 housing planning study projected that the State needs approximately 64,490 new housing units by the end of 2027, with a significant portion required for workforce housing, such as teachers, healthcare professionals, first responders, and service industry employees. Yet, many struggle to find housing near their workplaces, leading to longer commute times and increased traffic congestion, higher living costs that strain families, and reduced economic stability and workforce retention.

This bill introduces an innovative regulatory sandbox that allows developers to test new approaches under temporary regulatory flexibility, while maintaining environmental, cultural, and public safeguards. Specifically, the program will accelerate housing production by reducing bureaucratic delays and permitting inefficiencies; encourage innovation in design, construction, and sustainability practices; and respect county authority through voluntary participation and consent-based waivers.

We suggest that Section 6 be amended to allow waiver or modification of State approval processes, such as those by the State Historic Preservation Division and Department of Health.

The inclusion of an Advisory Council with expertise in sustainability, Native Hawaiian practices, and housing development ensures that projects align with community values and environmental stewardship.

HHFDC is fully committed to participating in the group's work.

Thank you for the opportunity to testify.



**HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY**

547 Queen Street, Honolulu, Hawaii 96813  
Telephone: (808) 594-0300 Fax: (808) 587-0299  
Web site: <http://dbedt.hawaii.gov/hcda/>

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

STERLING HIGA  
CHAIRPERSON

CRAIG K. NAKAMOTO  
EXECUTIVE DIRECTOR

Statement of  
**CRAIG K. NAKAMOTO**  
**Executive Director**  
Hawai'i Community Development Authority  
before the  
**COMMITTEE ON HOUSING**

Tuesday, February 10, 2026  
1:00 p.m.  
State Capitol, Conference Room 225 & Videoconference

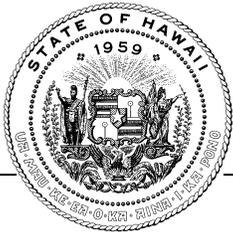
In consideration of  
**SB 3285**  
**RELATING TO WORKFORCE HOUSING.**

Chairperson Chang, Vice Chairperson Hashimoto, and members of the Committee. The Hawai'i Community Development Authority (HCDA) **supports SB 3285**, which establishes the Workforce Housing Regulatory Sandbox Program within the Hawai'i Housing Finance and Development Corporation (HHFDC).

This measure would allow HHFDC and housing developers to test innovative, time-limited approaches to reduce unnecessary delays and costs, while preserving essential environmental, cultural, and public health protections. This flexibility is critical to accelerating the production of workforce housing for families increasingly priced out of the communities they serve.

For matters related to program design and implementation, HCDA respectfully defers to HHFDC.

Thank you for the opportunity to provide testimony.



STATE OF HAWAII  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

MARY ALICE EVANS  
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

Telephone: (808) 587-2846  
Fax: (808) 587-2824  
Web: <https://planning.hawaii.gov/>

Statement of  
**MARY ALICE EVANS, Director**

before the  
**SENATE COMMITTEE ON HOUSING**  
Tuesday, February 10, 2026; 1:00 PM  
State Capitol, Conference Room 225

in consideration of  
**SB 3285**  
**RELATING TO WORKFORCE HOUSING.**

Chair Chang, Vice Chair Hashimoto, and Members of the Senate Committee on Housing.

The Office of Planning and Sustainable Development (OPSD) **supports** SB 3285, which establishes a time-limited workforce housing regulatory sandbox program administered by the Hawaii Housing Finance and Development Corporation (HHFDC) in collaboration with participating counties. Additionally, it establishes an advisory council to provide nonbinding guidance and recommendations to support the proposed program.

OPSD recognizes that the State faces an urgent housing crisis and understands the importance of expediting workforce housing production statewide. SB 3285 establishes an innovative, time-limited workforce housing regulatory sandbox program that will provide a pathway for developers to test innovative housing solutions. It also establishes an advisory council of which the director of OPSD will serve as the chairperson.

OPSD supports the bill and defers to HHFDC for any issues or concerns that may arise regarding its implementation.

Thank you for the opportunity to testify on this measure.



# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE SENATE COMMITTEE ON HOUSING  
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 225  
TUESDAY, FEBRUARY 10, 2026 AT 1:00 P.M.**

To The Honorable Senator Stanley Chang, Chair  
The Honorable Senator Troy N. Hashimoto, Vice Chair  
Members of the Housing Committee

## **SUPPORT SB3285 RELATING TO WORKFORCE HOUSING**

The Maui Chamber of Commerce supports SB3285, which establishes the Workforce Housing Regulatory Sandbox Program within the Hawai'i Housing Finance and Development Corporation (HHFDC), as it proposes a framework to pilot regulatory flexibilities and streamline permitting processes for workforce housing developments.

The creation of a regulatory sandbox aligns with our priority to expedite the delivery of affordable and workforce housing by allowing for targeted waivers and process improvements. By enabling select projects to operate under modified regulatory requirements, the bill has the potential to reduce delays and costs that often hinder housing production. The inclusion of an advisory council to oversee environmental and cultural considerations is a positive step, ensuring that streamlined processes remain balanced with responsible stewardship of Hawai'i's unique resources.

We appreciate that the bill requires annual reporting to the legislature, which will provide transparency and opportunities for ongoing evaluation. The temporary nature of the program, with a sunset date, allows the state to assess its effectiveness before considering broader application. However, it will be important to ensure that lessons learned from the sandbox are systematically captured and shared, so that successful strategies can inform future policy and regulatory reforms.

Overall, we support SB3285 as a promising tool to accelerate workforce housing delivery and respectfully urge its passage.

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.

February 10, 2026

TO: Chair Chang and Members of the Senate Housing Committee  
RE: SB 3285, Relating to Workforce Housing

Dear Chair Chang and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

**We support 3285.** The establishment of a Workforce Housing Regulatory Sandbox Program within the Hawai'i Housing Finance and Development Corporation represents a forward-thinking approach to piloting regulatory flexibility.

By allowing selected projects to test alternative permitting and development processes, the program will identify more efficient pathways for delivering workforce housing without compromising essential standards. The inclusion of an advisory council focused on environmental and cultural practices further ensures that these pilot initiatives remain sensitive to Hawai'i's unique values and community needs.

Regulatory sandboxes have been used in other sectors to foster innovation while maintaining oversight. Applying this model to workforce housing could help uncover practical solutions to regulatory bottlenecks that often delay or increase the cost of much-needed housing.

Let's increase workforce housing options for residents. **Please advance SB3285.**

Thank you,



Lee Wang  
Executive Director  
Housing Hawai'i's Future  
[lee@hawaiifuture.org](mailto:lee@hawaiifuture.org)



Perry Arrasmith  
Director of Policy  
Housing Hawai'i's Future  
[perry@hawaiifuture.org](mailto:perry@hawaiifuture.org)

**SB-3285**

Submitted on: 2/5/2026 1:16:05 PM

Testimony for HOU on 2/10/2026 1:00:00 PM

| <b>Submitted By</b>  | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>            |
|----------------------|---------------------|---------------------------|---------------------------|
| Johnnie-Mae L. Perry | Individual          | Oppose                    | Written Testimony<br>Only |

Comments:

I, Johnnie-Mae L. Perry Oppose

3285 SB RELATING TO WORKFORCE HOUSING.

**Testimony to the Senate Committee on Housing  
Senator Stanley Chang, Chair  
Senator Troy N. Hashimoto, Vice Chair**

**LATE**

**Tuesday, February 10, 2026, at 1:00PM  
Conference Room 325 & Videoconference**

**RE: SB3285 Relating to Workforce Housing**

Aloha e Chair Chang, Vice Chair Hashimoto, and Members of the Committee:

My name is Sherry Menor, President and CEO of the Chamber of Commerce Hawaii ("The Chamber"). The Chamber supports Senate Bill 3285 (SB3285), which establishes the Workforce Housing Regulatory Sandbox Program within the Hawaii Housing Finance and Development Corporation, and establishes an Advisory Council within the Workforce Housing Regulatory Sandbox Program to advise on environmental and cultural practices within specific developments.

SB3285 aligns with our 2030 Blueprint for Hawaii: An Economic Action Plan, specifically under the policy pillar for Economic Action. This bill aligns with one of the Chamber's top priorities of cutting unnecessary red tape and reducing regulatory complexity to foster faster housing project delivery, lower costs, and expand economic opportunity across Hawaii. By creating an environment for regulatory innovation, SB3285 presents the opportunity to investigate which regulations are sensible and which simply provide friction and delay, all within a controlled and supervised environment.

Regulatory delay and inefficiency impose real economic costs on developers and the broader economy. Hawaii experienced \$142.7 million in permitting delay costs in 2023 alone. Complex permitting processes translates into economic stagnation, heightened financing barriers, and delayed project completion — all of which raise prices for residents and limit industry from producing the housing stock necessary to meet housing demand. By codifying a controlled, innovative regulatory environment, this program presents a method of examining regulatory frameworks at a manageable scale. The Chamber believes that controlled regulatory innovation is imperative to increasing housing stock, lowering the cost of living, and identifying regulatory solutions applicable all industries pursuing development.

For these reasons we respectfully ask to pass Senate Bill 3285. Thank you for the opportunity to testify.

The Chamber of Commerce Hawaii is the state's leading business advocacy organization, dedicated to improving Hawaii's economy and securing Hawaii's future for growth and opportunity. Our mission is to foster a vibrant economic climate. As such, we support initiatives and policies that align with the 2030 Blueprint for Hawaii that create opportunities to strengthen overall competitiveness, improve the quantity and skills of available workforce, diversify the economy, and build greater local wealth.