

LATE TESTIMONY



*Building
houses,
building
hope*

**Testimony on SB1350: Relating to Kakaako
Senate Committee on Education and Housing
Com. On Water, Land, Agriculture and Native Hawaiians
Conference Room 225, 2/13/09, 1:30 p.m.**

Hawaii Habitat for Humanity Association supports the intention of this bill, which is to increase, in the Kakaako area, workforce housing for low and moderate income people. There is no doubt that there is need for this housing as a great number of people work in the service industry in Waikiki, Kakaako and Honolulu.

One of our concerns with this bill is that it while the housing is specified for low and moderate income people the type of housing and the income requirements seem to be geared to moderate to middle income people. There appears to be little likelihood that low income people will be able to afford either the for-sale or the rental housing. This leaves us still with a great deficit of housing for low income working people.

The amount of contribution a developer would make toward one of those units, which are affordable to moderate or middle income individuals and families, could however, help non-profits such as Habitat for Humanity build homes for low-income families and extended families if they were located in other areas such as Waianae, Waipahu and Waimanalo. By allowing a substitution of some of the "reserved housing" to be used explicitly by non-profits to build homes for low-income working families in other areas of the island, this part of the original intent of the bill could be met.

Please amend this and any other bills relating to "reserved housing" in Kakaako to allow for this substitution.

Thank you for your consideration.

Kathleen Hasegawa
Executive Director
Hawaii Habitat for Humanity Association
1164 Bishop St., Ste. 510
Honolulu, Hawaii 96813

COMMITTEE ON EDUCATION AND HOUSING

Senator Norman Sakamoto, Chair
Senator Michelle Kidani, Vice Chair

COMMITTEE ON WATER, LAND, AGRICULTURE AND HAWAIIAN AFFAIRS

Senator Clayton Hee, Chair
Senator Jill N. Tokuda, Vice Chair

**February 13, 2009, Committee Hearing
Conference Room 225
1:30PM**

**Senate Bill 1350
Relating to Kaka'ako**

Chair Sakamoto, Chair Hee and Committee Members:

I am opposed to Senate Bill 1350 as written.

I am Dexter Okada. As a disclosure, I am a member of the Hawaii Community Development Authority. But I am here speaking as the president of U. Okada & Co., Ltd., a third generation small family business and property owner that has been located on Queen Street in Kaka'ako for over fifty years. I am here also representing the Kaka'ako Business and Landowners Association, a group of small businesses and small landowners.

Central Kaka'ako is made up of small properties, from 30,000sq.ft. to as small as 2,700sq.ft. On these properties are small businesses, commercial, light industrial, service, and wholesale businesses. To revitalize Central Kaka'ako is a very daunting task. We have been working with Hawaii Community Develop Authority and the Transit Oriented Community Based Development project to come up with some creative and win-win solutions. Due to difficulties for any one small property to redevelop, one idea that has come up is for some of the small properties to join together to build an industrial condominium thus taking advantage of the economy of scale. But based on SB1350 as it is currently written, this idea may not be feasible since it would probably be over one acre and industrial use is not excluded.

Inclusion of small properties in this bill will kill the incentives to come up with these solutions. Central Kaka'ako will deteriorate further and eventually the small businesses will have to close up shop. In our economy, we need more jobs not less.

So, please be careful of the unintended consequences. If SB1350 is to be amended, please be sure that small properties and industrial use are excluded.

The redevelopment of Kaka'ako is a difficult task and the housing problem is also a difficult. The solution has to be creative. The process has to be cooperative.

Thank you,
Dexter Okada

LATE TESTIMONY

Tony Au

1212 Nuuanu Avenue #2808

Honolulu, HI 96817

Phone: 808-781-5588

Email: tonyau@hawaii.rr.com

Senator Norman Sakamoto
Chair, Committee on Education and Housing

Senator Clayton Hee
Chair, Committee on Water, Land Agriculture and Hawaiian Affairs

Senator Brian Taniguchi
Chair, Judiciary and Government Operations

Subject: Senate Bill 1350

Senators,

This is my testimony in support of Senate Bill 1350. Over the past couple of years Hawaii has experienced extremely challenging economic times and is in more need now of affordable housing than ever.

The Hawaii Community Development Authority (HCDA) originally planned for approximately 15,000 affordable housing units for Kakaako. To date Kakaako resembles more of a luxury neighborhood with several towers that are far above the affordability of the median income buyer. The money invested by the state into the redevelopment of Kakaako for the residents of Hawaii are not going to be realized if the results are expensive luxury condos targeted to out of state buyers with price tags beyond the reach of the residents who need housing the most.

HCDA should hold to its original plan on all lands to be redeveloped and should not allow for substitutions with alternative locations or payments in lieu of building affordable units as that will not resolve our current housing crisis.

I respectfully ask for your consideration when reviewing this bill.