JOBIE M. K. MASAGATANI CHAIRMAN HAWAIIAN HOMES COMMISSION

## STATE OF HAWAI'I DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879 HONOLULU, HAWAI'I 96805

COMMENTS OF JOBIE M. K. MASAGATANI, CHAIRMAN HAWAIIAN HOMES COMMISSION TO THE SENATE COMMITTEES ON TOURISM AND HAWAIIAN AFFAIRS & HUMAN SERVICES

SCR 186/SR 142, URGING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO CONSIDER BUILDING AFFORDABLE RENTAL HOUSING THAT COULD BE USED FOR TRANSITIONAL, PERMANENT, OR RENT-TO-OWN HOUSING FOR HOMELESS NATIVE HAWAIIANS.

March 25, 2013

Chair Galuteria, Chair Chun Oakland, and Members of the Committees:

The Department of Hawaiian Home Lands (DHHL) supports the intent of this resolution that urges our department to consider affordable rental housing as an alternative to the homestead products that we currently offer.

We recognize that housing affordability is a critical issue and that the solutions require a coordinated effort along the whole spectrum of housing options from shelters for families in crisis to affordable homeownership. Our focus is addressing the end of the spectrum that addresses the affordable permanent housing solutions.

Although our housing product is generally more affordable than what is available in the fee simple market, we recognize that many native Hawaiians on our applicant wait lists cannot afford our typical turn key models. Therefore, investigating diverse and more affordable

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alternatives is a priority of this administration including rent-toown or deferred purchase and innovative financing options.

We did want to note that while we cannot limit our product offerings to native Hawaiian applicants who are homeless, we hope that aggressively pursuing more affordable permanent housing options will alleviate or help prevent homelessness. Additionally, as you know, the mission of our department is to return native Hawaiians to the land in a long-term manner, so transitional housing options many not align with our program mission.

Thank you for the opportunity to provide these comments.



## **Association of Hawaiian Civic Clubs**

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## JOINT SENATE COMMITTEES ON HUMAN SERVICES AND TOURISM AND HAWAIIAN AFFAIRS SENATE CONCURRENT RESOLUTION 186 AND SENATE RESOLUTION 142

## URGING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO CONSIDER BUILDING AFFORDABLE RENTAL HOUSING THAT COULD BE USED FOR TRANSITIONAL, PERMANENT, OR RENT-TO-OWN HOUSING FOR HOMELESS NATIVE HAWAIIANS Monday, March 25, 2013; 2:45pm; Room 224

Aloha Chairman Chun-Oakland and Chairman Galuteria of the joint Senate Committees hearing SCR186/SR142 urging the Department of Hawaiian Home Lands to consider funding affordable rental housing that could be used for transitional, permanent, or rent-to-own housing for homeless native Hawaiians.

The Association of Hawaiian Civic Clubs supports the purpose of SCR 186/SR 142 and offers some comments. We agree that the supply of available housing in Hawai'i is significantly less than the demand, and that low and moderate income housing is difficult to secure, much less afford.

We believe that the housing shortage in Hawai'i started with the Land Reform Act of 1970's with the mandatory lease to fee land conversion of single family homes. The State by policy, forced a private trust, the Bishop Estate, now Kamehameha Schools, to sell its leases to single family homeowners and prohibited new leases for single family dwellings. This inflated the cost of limited development land, a finite commodity in this island State, hence inflating the cost of affordable housing in Hawai'i.

The land tenure system of our host culture assured the availability of shelter, food, and a productive society prior to Western contact. The ali'i nui or mo'i enjoyed no absolute ownership of land, but rather was the trustee of all the people within an island (moku) or some other larger district. Similarly, the konohiki(land manager) maintained a tentative position because the

maka'ainana, the essential labor force, were free to leave the ahupua'a if they were unhappy with a particular chief (ali'i) or konohiki. Hence, the members throughout the political hierarch shared a mutual dependence in sustaining their way of life. Not so today.

We find it ironic that the State Senate turns to Hawaiian Home Lands as one method of resolving the growing problem of affordable housing and the societal problem of homelessness among Hawaiians. Certainly, in the 1910's Hawaiian leaders were concerned with the deterioration of Hawaiian society. They pointed out the rise in the crime rate for people of Hawaiian ancestry versus other races in Hawai'i. They noted also the rate of juvenile delinquency among Native Hawaiians rising as well as unemployment and poverty as evidence of a people in decline.

One solution to the growing problem was the creation of the Hawaiian Homes Commission Act of 1920 allowing native Hawaiians to cultivate a portion of their ancestral lands for the purpose of rehabilitating an indigenous populace struggling to survive. The Western model of home ownership was used, albeit that the lands remained leased, which helped to reduce the cost of home ownership.

Today, we see that our people have not been rehabilitated. We continue to be high in the negative statistics of society....poor health, unemployment, high incarceration, under-educated and even homeless in our homeland.

We agree with the ancient concept that land is king and its people are the servant. We agree too that the trust lands should benefit the kanaka o'iwi. We support the Department of Hawaiian Homes Land exploring ways to make more housing available to native Hawaiians, whether it is in the guise of transition rental housing for homeless Hawaiians, or rental housing for Kupuna, or rental housing for our formerly incarcerated native Hawaiians no longer under the jurisdiction of the Department of Public Safety.

The lands of DHHL are held in trust for our peoples and for the rehabilitation thereof. We support expanding the usage of the trust lands for the expanded needs of native Hawaiians. This position is not, in any way, meant to release the State from its trust obligations to native Hawaiians. We respectfully ask the Senate to remember that obligation, as it remains clear and undiminished. Mahalo.