

**woodson1-Brina**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, January 24, 2014 11:36 AM  
**To:** HSGtestimony  
**Cc:** mendezj@hawaii.edu  
**Subject:** \*Submitted testimony for HB1581 on Jan 27, 2014 09:00AM\*

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**HB1581**

Submitted on: 1/24/2014

Testimony for HSG on Jan 27, 2014 09:00AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	<del>Oppose</del>	<del>No</del>

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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Testimony of Hawai'i Appleseed Center for Law and Economic Justice  
Opposing HB 1581 Relating to Housing  
House Committee on Housing  
Scheduled for Hearing Monday, January 27, 2014, 9:00 AM, Room 329

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*Hawai'i Appleseed Center for Law and Economic Justice is a nonprofit, 501(c)(3) law firm created to advocate on behalf of low income individuals and families in Hawai'i on civil legal issues of statewide importance. Our core mission is to help our clients gain access to the resources, services, and fair treatment that they need to realize their opportunities for self-achievement and economic security.*

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Thank you for an opportunity to testify ~~in opposition of House Bill 1581~~, which would reduce county requirements of affordable housing by 40 percent. This bill purports to stimulate the construction industry by reducing affordable housing requirements. Limiting the counties' ability to meet their affordable housing needs in an attempt to boost an industry that is already thriving will only exacerbate Hawai'i's affordable housing crisis.

The Construction Industry Task Force's 2010 recommendation does not describe the reasons or mechanisms by which developers will voluntarily build more affordable and workforce housing if they are not required to do so. The recommendation itself indicates that the requirements for affordable housing vary from county to county, ranging from "liberal to restrictive in nature," yet the legislation simply proposes dramatically slashing these requirements. A flat 40% reduction of county affordable housing requirements does not provide a consistent affordable housing target or policy. The proposed legislation simply argues that the requirements are too onerous and have suppressed development, without any evidence that this across-the-board reduction of 40% is optimal for creating affordable units, especially for low-income households. This bill also has no sunset clause and therefore cannot be described as providing "temporary" relief.

If the argument is indeed that such requirements have suppressed growth in the construction industry as a whole, economic indicators show otherwise. The Hawai'i Department of Business, Economic Development, and Tourism's Quarterly Statistical & Economic Report for the 4<sup>th</sup> quarter of 2013 states that construction was one of the "major contributors" to job growth in the state over the past few years and that earnings for workers in the industry have increased. It notes that all indicators were positive in the 3<sup>rd</sup> quarter of 2013. The Economic Research Organization at the University of Hawai'i's (UHERO) October 2013 forecast offers a similar analysis. Home prices continue to climb and the Task Force recommendations present no empirical linkage between county affordable requirements and a reduction in affordable housing unit production.

Inclusionary zoning has been shown to work in other high-cost jurisdictions around the country. The construction industry and others looking to address affordable housing should consider how to better facilitate development of affordable housing, address barriers that do actually discourage the creation of affordable housing, and provide incentives for its creation.

The counties should not be harshly restricted in their ability to provide affordable housing for their residents, especially when there is no indication that a *reduction* in affordable housing requirements will somehow lead to an *increase* in actual affordable housing units. Again, thank you for the opportunity to testify in opposition of HB 1581.

**woodson1-Brina**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, January 27, 2014 7:26 AM  
**To:** HSGtestimony  
**Cc:** robertscottwall@yahoo.com  
**Subject:** Submitted testimony for HB1581 on Jan 27, 2014 09:00AM



**HB1581**

Submitted on: 1/27/2014

Testimony for HSG on Jan 27, 2014 09:00AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Scott Wall	Community Alliance for Mental Health	Support	No

Comments: Aloha Chair Belatti and members of the committee, On behalf of the Community Alliance for Mental Health along with United Self Help we support HB1581. This bill is necessary in our attempt to address our critical housing shortage. It is also fundamental in addressing our homelessness problem. Scott Wall VP/Legislative Advocate Community Alliance for Mental Health

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