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Affordable Housing Legislation, SB 2822

OVERVIEW: Per the study I did last year for the state and the four counties on affordable rental housing, entitled: Affordable Rental Housing Study Update, 2014, one in five households statewide needs housing assistance (20% of our families make 60% or under of the Area Median Income). It is thanks to a chronic undersupply of housing over 30+ years that our community suffers from the stress of finding adequate shelter.

Additional to that, the build out of the rail system presents the opportunity to address this undersupply of housing by developing affordable housing in and around the rail stations.

Furthermore, affordable housing goes hand-in-hand with mass transit, as those living in affordable housing near the station would also be those likely to use the rail. Thus, this presents an opportunity to tie the two good causes to one another, to kill two birds with one stone, which create a virtuous circle benefiting working families seeking affordable housing and transportation.

Finally, if there is public land available in and around these TOD stations that is suitable for housing, then there is a further opportunity to extend the benefit of affordable housing and transportation to more families at lower cost.

COMMENTS: Please support this measure. It makes it easier for those in need of shelter and reasonably price transportation to obtain such.

Thanks for your consideration.

Yours truly,



Paul Cassidy Jr. (Ricky)
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BIA-HAWAII

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Testimony to the Senate Committee on Housing, and Senate Committee on Public Safety, Intergovernmental, & Military Affairs Tuesday, February 9, 2016 2:45 PM. State Capitol - Conference Room 225

RE: SB 2822: Relating to Hawaii Housing Finance & Development Corporation.

Dear Chairs Harimoto & Nishiara, Vice-Chairs Galuteria & Espero, and members of the Committees:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-HAWAII is in strong support of S.B. 2822 which proposes to allow the Hawaii Housing Finance and Development Corporation (HHFDC) to develop mixed-use developments in partnership with state and county departments and agencies.

The Building Industry Association of Hawaii and the Hawaii Chamber of Commerce convened a conference (Houseless in Honolulu) in November of 2015 to raise awareness of one of Hawaii's most pressing issues - home affordability. With the median home price in the Islands now \$730,000, the repercussions are having a major impact on Honolulu's economy.

Without a solution to the State's shortage of residences, the number will soon surpass a million dollars. Every uptick in prices has increasing economic impact. Housing at all price points is desperately needed if we are to maintain the State's economic equilibrium. If potential employees cannot find affordable homes they will choose not to move to Hawaii and current residents affected by stratospheric home prices will leave. Employers across all spectrum of enterprises are already feeling the pinch. Mid-level employees are especially hard hit. Educators, medical professionals, and small businesses are especially hard hit.

The Department of Business, Economic Development and Tourism forecasted demand for additional housing units by county is 25,847 units for Honolulu, 19,610 for Hawaii, 13,949 for Maui, and 5,287 for Kauai during the 2015-2025 period (DBEDT Report— Measuring Housing Demand in Hawaii, 2015-2025).

We believe that in order to address the current "Housing Crisis," there needs to be a shift in the focus of how government views housing development and move from our current "Regulatory" stance to a more "Production Oriented" stance. For example, this shift would have the City and County of Honolulu adopt a goal of approving an average of 2,500 new residential units each year over the next 10 year period to address the project 25,847 unit demand.

The most significant barrier to increasing the supply of housing at all price points is the lack of infrastructure capacity. The proposed bill will allow HHFDC to assist in developing infrastructure needed to support future growth especially along the 20 mile transit corridor on Oahu.

We are in strong support of S.B. 2822 and appreciate the opportunity to express our views on this matter.