



**OFFICE OF PLANNING  
STATE OF HAWAII**

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**DAVID Y. IGE**  
GOVERNOR

**LEO R. ASUNCION**  
DIRECTOR  
OFFICE OF PLANNING

Statement of  
**LEO R. ASUNCION**  
Director, Office of Planning  
before the  
**HOUSE COMMITTEE ON HOUSING**  
Tuesday, March 21, 2017  
10:40 AM  
State Capitol, Conference Room 423

in consideration of  
**HCR 184 / HR 108**  
**URGING THE STATE TO ESTABLISH AFFORDABLE HOUSING PRODUCTION  
GOALS AND BENCHMARKS TO MEASURE AND EVALUATE AFFORDABLE  
HOUSING DEVELOPMENT AND CONSTRUCTIN PROGRESS.**

Chair Brower, Vice Chair Nakamura, and Members of the House Committee on Housing.

The Office of Planning (OP) supports the intent HCR 184 / HR 108 however OP has concerns with its consistency with deadlines and benchmark requests between HCR 184/ HR 108 and Act 127, Session Laws of Hawaii 2016.

HCR 184 / HR 108 urges the State to establish a statewide goal to develop fifty-seven thousand affordable housing units for occupancy by December 31, 2025, and at least twenty-two thousand, five hundred should be affordable rental units pursuant to Act 127, Session Laws of Hawaii 2016 (Act 127). However the deadline for the twenty-two thousand, five hundred affordable rental units in Act 127 is December 31, 2026. This deadline is a large and difficult task to achieve by 2026, OP does not believe it would be feasible to shorten the deadline by a year.

HCR 184 /HR 108 also identifies a remaining thirty-four thousand, five hundred affordable units to be developed for occupancy which may be rental or for-sale units. OP is concerned that the goal of up to thirty-four thousand, five hundred affordable rental units by December 31, 2025 in addition to Act 127's twenty-two thousand, five hundred is an extremely difficult task.

The goal of fifty-seven thousand, five hundred affordable units by December 31, 2025 would also require amendments to the State Housing Functional Plan, and additional resources and funding. While OP supports the intent of this resolution, we respectfully request that this resolution be deferred.

Thank you for the opportunity to testify on this matter.



# Chamber of Commerce HAWAII

*The Voice of Business*

**Testimony to the House Committee on Housing  
Tuesday, March 21, 2017 at 10:40 A.M.  
Conference Room 423, State Capitol**

**RE: HOUSE CONCURRENT RESOLUTION 184 AND HOUSE RESOLUTION 108  
RELATING TO THE ESTABLISHMENT OF PRODUCTION GOALS AND  
BENCHMARKS FOR HOUSING PRODUCTION**

Chair Brower, Vice Chair Nakamura, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** HCR 184 and HR 108, which proposes to establish affordable housing production goals and benchmarks to measure and evaluate affordable housing development and construction progress.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,600+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber of Commerce Hawaii and the Building Industry Association of Hawaii convened the first "Houseless in Honolulu" event in November of 2015 to raise awareness of one of Hawaii's most pressing issues - home affordability. Then again in November of 2016 we convened our second event, "Still Houseless in Honolulu." The bottom line is we need to build our way out of this crisis by increasing the supply of housing at all price points. 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).



# Chamber of Commerce HAWAII

*The Voice of Business*

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 projected 25,847 unit demand.

We strongly support the need to provide more government focus on producing more housing units. With our average price of a new home on Oahu in the mid \$700,000.00 range, we need to “BUILD” our way out of our current housing crisis by increasing the supply of housing at all price points. A healthy housing market allows people to purchase housing at price ranges they can afford and as their income improves, provides them with the opportunity to “move up” the housing ladder.

The proposed resolutions are a step in the right direction and hopefully will provide more housing in Hawaii. We are in support of HCR 184 and HR 108, and appreciate the opportunity to express our views on this matter.

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, March 19, 2017 9:58 PM  
**To:** HSGtestimony  
**Cc:** soseasick@yahoo.com  
**Subject:** Submitted testimony for HCR184 on Mar 21, 2017 10:40AM

**HCR184**

Submitted on: 3/19/2017

Testimony for HSG on Mar 21, 2017 10:40AM in Conference Room 423

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
John Massa	Individual	Support	No

Comments: Many Families live in this Complex who rely on it being an Affordable dwelling. Woman and children, elderly, disabled, dying, Babies too. People who make this community. Please help these people and vote this bill through. I live at the Front Street Apartments. I have been on Maui for 26 years and have spent most of that time either living in very low standard living rentals or homeless due to lack of rentals. The situations I have endured during my stay have been atrocious. Without any alternatives I have put up with and endured the circumstances. Striving to better my situation and repair the existing rentals I occupied only to be evicted time after time so that the owner could benefit from my improvements. Either by selling the property or renting it out for an exorbitant amount. I received a notice on 11/30/2016 concerning the affordable housing status of the Front Street Apartments. I am aware of the situation from rumors but have also heard rumors of other tenants dismissing this information as here say or false rumors. I have been told by a neighbor who makes cabinets for the complex that a one bedroom apartment here at the Front Street Apartments for new tenants are renting for \$1500.00 a month and the owner wants \$1600.00 from new applicants. Sounds exorbitant to me!!! What will happen to the rest of the complex in two years? What we will probably see is a big increase in occupancy as tenants sublease their apartments to make rent. Renting out floor space, couches, hide a beds, dividing rooms, and even bunk beds. Doubling the septic waste and overloading the parking facility and infrastructure of Lahaina. I myself can not rationalize paying more than half of my income towards rent. That formula for living is mathematically infeasible. That is an unhealthy formula for living standards. As the Front Street Apartments gear up to cater to tenants with an income of \$4800.00 or more a month. They will leave their working class loyal renting patrons of the past to either over crowding or homeless situations. Although the apartment complex is not sub standard at present time. The situation will become that way and create a Slum Lord situation by definition. I myself would very much like to avoid this situation by all cost. Even if it means leaving my home, unfortunately!!! The Front Street Apartments were originally set up to give back to the community. What has changed in the past fifteen years I can not fathom. But what ever has changed is a terrible tragedy and needs to be corrected. Sincerely, John Massa

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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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, March 17, 2017 8:47 PM  
**To:** HSGtestimony  
**Cc:** sylviacabralmaui@gmail.com  
**Subject:** Submitted testimony for HCR184 on Mar 21, 2017 10:40AM

**HCR184**

Submitted on: 3/17/2017

Testimony for HSG on Mar 21, 2017 10:40AM in Conference Room 423

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
sylvia cabral	Individual	Support	No

Comments: So very important that this bill passes. Leave the hippie huis keep those 40 year tenants who are now elder or work force. They planted the trees and should reap the harvest. Otherwise you add more sick old people who say they would rather go to jail than live on the street.they cannot afford high rents. Pass this legis today first reading very important for the health of the people and the burden on the State & County

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## **nakamura1 - Natalie**

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**From:** nakamura1 - Natalie  
**Sent:** Monday, March 20, 2017 8:35 AM  
**To:** HSGtestimony  
**Subject:** FW: HCR184

**Importance:** High

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**From:** Carmie [mailto:Carmie@hawaii.rr.com]  
**Sent:** Monday, March 20, 2017 8:31 AM  
**To:** nakamura1 - Natalie <nakamura1@capitol.hawaii.gov>  
**Subject:** HCR184  
**Importance:** High

HCR184

URGING THE STATE TO ESTABLISH AFFORDABLE HOUSING PRODUCTION GOALS AND BENCHMARKS TO MEASURE AND EVALUATE AFFORDABLE HOUSING DEVELOPMENT AND CONSTRUCTION PROGRESS.

Hello, my name is Carmie Spellman, I live at the Front Street Apartments in Lahaina, Maui, Hawaii. I am totally in support of HCR 184. We need to prepare for the future as homelessness is not going away. I am facing it myself. I thank you all for your kindness and wisdom in being the caregiver and legal sources for all humanity. We are stronger with you, Mahalo Nui Loa!

Respectfully,  
Carmie Spellman  
[cspellman@hawaii.rr.com](mailto:cspellman@hawaii.rr.com) (sign in name)

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PHYSICAL:  
94-487 AKOKI STREET  
WAIPAHU, HAWAII 96797

**Testimony to the House Committee on Housing**  
**Tuesday, March 21, 2017**  
**10:40 am**  
**Conference Room 423**

**LATE**

**RE: HOUSE CONCURRENT RESOLUTION NO. 184 AND HOUSE RESOLUTION 108**  
**RELATING TO THE ESTABLISHMENT OF PRODUCTION GOALS AND BENCHMARKS**  
**FOR HOUSING PRODUCTION**

Chair Brower, Vice-Chair Nakamura, and members of the committee:

My name is Gladys Quinto Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-HAWAII is in strong support of HCR 184 AND HR 108 which proposes to establish affordable housing production goals and benchmarks to measure and evaluate affordable housing development and construction progress.

The Building Industry Association of Hawaii and the Chamber of Commerce of Hawaii convened the first **"Houseless in Honolulu"** in November of 2015 to raise awareness of one of Hawaii's most pressing issues - home affordability. Then again in November of 2016 we convened our second event, **"Still Houseless in Honolulu."** The bottom line is we need to build our way out of this crisis by increasing the supply of housing at all price points. With the median home price in the Islands now \$730,000, the repercussions are having a major impact on Honolulu's economy.

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The proposed resolutions are a step in the right direction and will hopefully help provide more housing in Hawaii. We are in strong support of HCR 184 AND HR 108, and appreciate the opportunity to express our views on this matter.





March 20, 2017

The Honorable Tom Brower, Chair  
The Honorable Nadine K. Nakamura, Vice Chair  
and members  
House Committee on Housing  
415 South Beretania Street  
Honolulu, Hawai'i 96813

**RE: Support for the Intent of HCR184/HR108**

Dear Chair Brower, Vice Chair Nakamura, and members:

The Hawai'i Construction Alliance is comprised of the Hawai'i Regional Council of Carpenters; the Laborers' International Union of North America, Local 368; the Operative Plasterers' and Cement Masons' Union, Local 630; International Union of Bricklayers & Allied Craftworkers, Local 1; and the Operating Engineers, Local Union No. 3. Together, the member unions of the Hawai'i Construction Alliance represent 15,000 working men and women in the basic crafts of Hawai'i's construction industry.

We support the intent of HCR184/HR108, which urges the State to establish affordable housing production goals and benchmarks to measure and evaluate affordable housing development and construction progress.

As you know, the Hawai'i Construction Alliance is extremely concerned about the chronic deficiency of rental apartment housing across the state. Simply put: the shortage of units for working moderate- and lower-income households is at a crisis level. Said shortage is negatively affecting families throughout the entire community, including our members, many of whom fall within the 80-140% AMI "middle income range."

We have been working with partners in the banking, development, landowning, contracting, architecture, and engineering communities, we have formed the "Hawai'i Rental Housing Coalition," with the aim of identifying and carrying out concrete private-sector steps to make a meaningful impact on the economics of building and operating rental housing for families in the 80-140% AMI range. We appreciate your committee's favorable action on the Coalition's bills during this legislative session.

The Hawai'i Construction Alliance and our industry partners are excited to take a leadership role in encouraging the production of rental housing across our state and helping the State to meet the goals set out in HCR184/HR108.

Mahalo,

A handwritten signature in black ink, appearing to read "Tyler Dos Santos-Tam".

Tyler Dos Santos-Tam  
Executive Director