



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 7, 2017

TO: The Honorable Representative Tom Brower, Chair
House Committee on Housing

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: HB968 – RELATING TO AFFORDABLE TEMPORARY HOUSING
HB1373 – RELATING TO ALTERNATIVE HOUSING

Hearing: Tuesday, February 7, 2017, 9:00 a.m.
Conference Room 423, State Capitol

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of these bills, as they address concerns related to limited housing inventory for people experiencing homelessness. However, the Coordinator respectfully opposes the measures, and expresses concern that the bills may result in the formal establishment of homeless encampments. In 2012, the Hawaii Interagency Council on Homelessness (HICH) was requested by the Legislature to study the issue of "designating safe facilities located at areas, showers, toilets, laundry facilities, and locker rooms in various locations throughout the State for homeless persons for overnight stays." In its report to the Legislature, the HICH concluded that "[c]reating camping areas for homeless individuals in our parks and in our public buildings . . . is unworkable, is not advisable, and should not be pursued." (See Report to the Twenty-Seventh Hawaii State Legislature 2013, in accordance with the provisions of Act 105, Session Laws of Hawaii 2012, Appendix 2, at page 10; link to the report: <http://humanservices.hawaii.gov/wp-content/uploads/2013/01/2012-Act-105-SLH-2012-HICH-Progress-Report.pdf>). The better long term strategy is to link people to housing.

PURPOSE: The purpose of each bills is:

- **HB968** – To allow property owners the ability to lease yard space or driveway space for campers and recreational camping vehicles, and

- **HB1373** - To authorize counties to provide exemptions for alternative dwellings and alternative dwelling parks. The definition of alternative dwelling includes tents, yurts, and lean-to shelters.

The State adopted a comprehensive framework to address homelessness, which includes a focus on three primary leverage points – affordable housing, health and human services, and public safety. While all three of these leverage points must be addressed to continue forward momentum in addressing the complex issue of homelessness, the overall strategy emphasizes permanent housing as the solution to homelessness.

The establishment of formal homeless encampments is inconsistent with the State’s overall strategy to address this complex issue. Both the HICH and the United States Interagency Council on Homelessness (USICH) have recommended against formal establishment of homeless encampments. According to the USICH, “strategies that focus on making encampments an official part of the system for responding to homelessness can serve to distract communities from focusing on what is most important – connecting people experiencing homelessness to safe, stable, permanent housing.” (USICH, *Ending Homelessness for People Living in Encampments*, August 2015).

While neither measure has an appropriation attached, the State is already experiencing significant fiscal impact related to law enforcement, waste management, property removal and storage, and delivery of social services to a transitory population.

The alternative to the establishment of alternative dwelling parks and tent encampments is to move people to housing, the Executive Budget request includes over \$180 million for the development of affordable housing and for public housing renovations. The Executive Budget specifically addresses housing production and assistance with high housing costs, as well as increasing resources for homeless outreach, mental health and substance use treatment.

Thank you for the opportunity to testify on these bills.



7192 KALANIANA'OLE HIGHWAY
 SUITE A143A, BOX 183
 HONOLULU, HI 96825

Mike Goodman, Director
 Tel: (808) 428-9779
 Fax: (949) 229-1953
 Skype: (949) 204-0884

Email: MikeGoodman@HawaiiKaiHomelessTaskForce.org

Website:
www.HawaiiKaiHomelessTaskForce.org

Market-Based Alternative Dwellings: —No cost to the State.

HB1373 Introduced by Rep. Gene Ward, Tom Brower, Romy Cachola, Richard Creagan, Cindy Evans, Beth Fukumoto, Angus McKelvey, Joy San Buenaventura.

<u>Bill #</u>	<u>Committee/s</u>	<u>Hearing Dates & Times</u>	<u>Location</u>
<u>HB1373</u>	<u>HSG</u>	<u>2/7/2017 9:00 AM</u>	<u>Room 423</u>
<u>HB1373</u>	<u>WAL</u>		
<u>HB1373</u>	<u>JUD</u>		

Allows privately developed, for-profit residential “parks” with alternative dwellings such as yurts, igloos, prefabricated sheds or tents.

HANDOUTS

INTRODUCTION

I’m Mike Goodman, Director of the Hawaii Kai Homeless Task Force. I want to thank the Chair, Vice-Chair, and all members of this committee for the opportunity to testify in support of HB1373 which allows privately developed, for-profit residential “parks” with alternative dwellings such as yurts, igloos, prefabricated sheds or tents, and in support of HB968, which allows people to take on “roommates” who aren’t in a room, but instead camp in their yards, or sleep in recreational camping vehicles in their driveways.

The Hawaii Kai Homeless Task Force is a group of citizens dedicated to researching and implementing practical solutions to the homelessness. This act is

part of a comprehensive six-step legislative strategy we helped develop, with five goals in mind:

First: To ensure that every homeless person has somewhere to go where they can be reasonably comfortable.

Second: To make existing social service programs more effective.

Third: To protect the quality of life for residents and tourists.

Fourth: To find solutions that can be implemented quickly.

Fifth: To do all of that with money the State already has, instead of what we hope to have in the future.

ANALYSIS

I want to begin by thanking everyone on this committee and other lawmakers who are committed to waging all-out war on the homeless crisis. As an aside, I want to also express our support for HB1179 which expands the types of rental projects that can be exempt from the GET tax;---- HB1557, which will enable certain tenants of housing projects to purchase their units; ----HB488 which will increase the supply of affordable housing;---- HB229 which prohibits State and counties from imposing building codes with minimum size requirements (*something which has direct bearing on alternative housing*); ----- HB413 which requires the Hawaii Housing finance and development corporation to locate available state property for affordable housing. (*for which I would suggest piggy-backing buildings on public schools. This was done in NYC. Entrances are on separate sides of the building. The developer devotes the first three or floors to the school {which by the way would have air conditioning!!}*) ----- HB869 which also helps increase the amount of affordable housing,-----and HB1549, which prohibits inclusionary zoning for low-income housing. These are all important bills because they will help people in the best way possible; which is by enabling them to help themselves.

Alternative housing must be part of any solution to the homeless crisis and the affordable housing shortage.

The reality is that the supply of government subsidized traditional housing has always fallen short of demand and probably continue to be insufficient for the foreseeable future. In Hawaii, what we call “affordable” traditional housing, costs about \$400,000 per unit and takes about eight years to build from inception. And as I’m sure you’re all aware, the State is saddled with billions in unfunded pension

liabilities. This makes it highly unlikely the State can finance enough subsidized traditional housing to meet demand.

The only solution to the affordable housing shortage is to augment traditional housing with alternative housing, **AND** to augment government subsidized alternative housing with private alternative housing.

To do that, we must free-up the private alternative housing market by eliminating unnecessary zoning restrictions, size requirements and other road-blocks to innovation. So long as alternative housing does not violate health and safety regulations, willing sellers and lessors should be free to sell or rent to willing buyers or lessees. By unleashing the ingenuity of entrepreneurs and the imagination of consumers, we can dramatically increase the supply of affordable housing **without any cost to the government.** What's more, alternative housing is faster to build, and would increase the supply of affordable housing in far less time than traditional housing.

Each of you have handouts giving you a small sample of what private alternative dwellings and alternative dwelling parks can look like. I respectfully request that you pass HB1373.

I also encourage all of you to spend just 10 minutes of your time visiting our website at www.hawaiikaihomelesstaskforce.org , to see how Alternative Dwellings and Alternative Dwelling Parks would fit into our overall plan to turn the homeless crisis into a manageable problem with money the State has today.

Mahalo Nui Loa for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 3, 2017 10:09 AM
To: HSGtestimony
Cc: erikdblair@gmail.com
Subject: Submitted testimony for HB1373 on Feb 7, 2017 09:00AM

HB1373

Submitted on: 2/3/2017

Testimony for HSG on Feb 7, 2017 09:00AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
Erik Blair	Individual	Support	No

Comments: The affordable housing crisis in Hawaii, as you know, is crippling the local economy and the traditional solutions aren't working. Alternative housing is required to overcome the traditional housing market that tends to increase annually at a rate of 6% on average. Wages DO NOT keep up with housing or the cost of living increases every year. Meanwhile, economists say that interest rates are going up in 2017-18, and they expect inflation to set in very soon. This means the cost of living is going way up! Housing costs to renters will suffer. Therefore, it is critical for Hawaii to embrace and fast track alternative housing on all fronts. We must make it easier, cheaper and faster to get tiny houses, container homes, recreation vehicles, and mobile homes going to offset the debilitating effects of the horrible disparity in income of Hawaii residents and the cost of living--especially housing. These bills are an important step toward a solution for everyone. These bills also have the potential to improve the local economy by injecting more cash into the economy because residents can save money monthly by alternative housing solutions. Please support these bills: HB1373, HB229, and HB968. Thank you! -- Erik Blair

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: Sunday, February 5, 2017 11:25 AM
To: HSGtestimony
Cc: juliedagenais@gmail.com
Subject: Submitted testimony for HB1373 on Feb 7, 2017 09:00AM

HB1373

Submitted on: 2/5/2017

Testimony for HSG on Feb 7, 2017 09:00AM in Conference Room 423

Submitted By	Organization	Testifier Position	Present at Hearing
julie dagenais	Individual	Support	No

Comments: I am in strong support of bill HB1373 for allowing counties to grant zoning exemptions for alternative dwellings and alternative dwelling parks that can be built by private parties. It is urgent for lawmakers to move forward with this act, as the affordable housing shortage will not relieve itself unless alternative solutions are embraced. The situation is dire and the legislature has my full support. Aloha

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HB1373 testimony

From:

Aaron James Everhart

Maui County

ponybob@gmail.com

To:

HOUSE OF REPRESENTATIVES, THE TWENTY-NINTH LEGISLATURE, REGULAR SESSION OF 2017

Rep. Tom Brower, Chair

Rep. Nadine K. Nakamura, Vice Chair

Rep. Henry J.C. Aquino

Rep. Joy A. San Buenaventura

Rep. Mark J. Hashem

Rep. Bob McDermott

Rep. Sean Quinlan

Re:

HB1373 RELATING TO ALTERNATIVE HOUSING

and

HB229 RELATING TO SINGLE-FAMILY DETACHED DWELLINGS

Bear with me for a minute to frame my argument:

I'm not a fan of titles of the Bills, which I'll explain in a bit, but it is a solid move in the right direction, to get housing relevant to people's needs and our natural environment situation.

When I was a teen, I worked for the California Law Revision Commission. My job was verifying law documents, and making photocopies of them for the commission to evaluate. It was an eye-opening job. I learned a lot about the critical importance of continuously revising the law to be relevant to society. Jokes are made about persistently kept, out-of-date laws, like "no tying up of your horse in front of the city hall". But there's no joke when lives are impacted. Today's laws / and code on housing, may have been relevant decades ago, whilst the world has certainly changed, for example:

- Society has evolved
- Materials have evolved
- Acceptable energy use norms have evolved

In light of that, consider the typical non-alternative, normal housing. What is constituted 'normal' 20-30 years ago, maybe should not be normal any more.

So back to the Bills, which I support.

For the HB1373 title, just in your mind, I invite you to replace the word "ALTERNATIVE", with the word "RELEVANT".

With the former, ALTERNATIVE HOUSING, the question is, alternative to what? It implies something else is, or should be, the norm. But, if we examine closely, in light of what we know today, a 'normal', non-alternative, 1200+ sf house for 2-4 people is what

should require the special permit. Maybe the “typical single family home” should now be labeled “alternative”, due to its non-efficient use of interior space, energy, raw materials, and land; all of which impact total cost of ownership. The reality about “alternative”, in this case, is that people will do what they must: illegal units, tent cities will pop up. Families are still going to need to cram into unfit, unsafe spaces. They cannot afford not to.

Now, imagine the bill had the latter word, RELEVANT HOUSING, as its title. Now you can understand, this bill is very much the correct, small-step direction, It's all about right-sized, solar-powered, water conserving, *relevant* spaces for living and working, even the emerging co-living, and co-working lifestyles...

These formats should begin being normalized today, in fact they are not even alternative, much less “new”. Here’s why, and here I close my testimony.

Consider this thought: contextualize our situation against 1000’s of years of human dwelling history. Look into our islands' own ancient past, where humans lived in groups, in small efficient, sleeping units, surrounding larger common-use facilities and gardens.

How lovely, how efficient, how nurturing. How could there be much crime in such a setting? How could people not feel loved, or important? This bill helps bring back the notion of tiny houses, surrounding (nurturing, watchful, self-monitoring) common-use facilities. There are many examples of this being successful, not only in ancient past, but right now. Co-living is booming in the world’s major cities, and it has been a growing fixture in parts of Europe, and Asia for decades.

Maybe true *progress* will be to *regress*. This bill gives some room for communities and mindful developers to re-examine how we live, work, and relate...for the better of everybody’s future. Only by removing barriers to these experiments can we evolve and truly progress.

The evolution of the definition of normal housing is being embraced internationally. In a recent meeting of the International Code Council (ICC), the organization that creates the International Residential Code (IRC) model building code used throughout the United States, an appendix addressing "tiny houses" passed with majority vote. This means that, pending confirmation by a validation committee and the ICC board (a formality, mostly), the appendix’s specifications will officially be incorporated into the 2018 edition of the IRC.

Comfort and status-quo is the same as stagnation, only by embracing a little complexity (i.e. alternative housing), will we not stagnate, but rather move forward, positively. Only by passing this Bill can we protect ourselves from potential chaos which comes when law doesn’t evolve along with the needs of people and the environment.

Thanks for your time!

Aaron

A handwritten signature in blue ink, appearing to read "A.J. Zuckert", with a long horizontal flourish extending to the right.