



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2019**

LATE

ON THE FOLLOWING MEASURE:

S.B. NO. 874, RELATING TO HOUSING ON HAWAIIAN HOME LANDS.

BEFORE THE:

COMMITTEE ON HAWAIIAN AFFAIRS

DATE: Thursday, January 31, 2019 **TIME:** 1:15 p.m.

LOCATION: State Capitol, Room 016

TESTIFIER(S): Clare E. Connors, Attorney General, or
Alana B. Rask, Deputy Attorney General

Chair Shimabukuro and Members of the Committee:

The Department of the Attorney General provides the following comments regarding this bill.

S.B. No. 874 amends chapter 107, Hawaii Revised Statutes (HRS), to authorize the construction and use of micro housing units on approved Hawaiian home lands, to be leased to Native Hawaiian beneficiaries who meet the minimum Hawaiian blood quantum requirement established by the Hawaiian Homes Commission Act of 1920 (HHCA). It further amends section 214 of the HHCA to authorize the use of the Hawaiian Home Loan Fund and Hawaiian Home General Loan Fund for the purchase or rent of micro housing units by qualifying lessees on Hawaiian home lands. Finally, the bill makes appropriations to the Department of Hawaiian Home Lands (DHHL) for the building of organizational capacity of native Hawaiian-controlled nonprofit housing developers, and for the construction of micro housing units.

First, by virtue of section 204 of the HHCA and the State's sovereign immunity, county zoning requirements generally do not apply on Hawaiian home lands without the consent of DHHL. Section 1 of the bill therefore appears to be legally unnecessary, because DHHL already has the authority to allow micro housing units on Hawaiian home lands notwithstanding county zoning.

Second, references to the "minimum Hawaiian blood quantum requirement pursuant to section 209 of the [HHCA]" on page 1, lines 8-10, and on page 4, lines 17-

18, of the bill are unclear. Section 209 of the HHCA contains two minimum Hawaiian blood quantum requirements – 25 percent and 50 percent – that apply when determining who may succeed to a deceased lessee’s lease. If the intent is for the bill to apply to a lessee who meets the applicable HHCA blood quantum requirement, we suggest amending the bill by removing the references to blood quantum. This is because HHCA beneficiaries must already meet applicable blood quantum requirements to hold a homestead lease.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR
STATE OF HAWAII

JOSH GREEN
LT. GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

WILLIAM J. AILA, JR.
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON HAWAIIAN AFFAIRS
HEARING ON JANUARY 31, 2019 AT 1:15PM IN CR 016

SB 874 RELATING TO HOUSING ON HAWAIIAN HOME LANDS

January 30, 2019

Aloha Chair Shimabukuro and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) submits comments on this bill that authorizes the construction and use of micro housing units on Hawaiian home lands approved by DHHL and authorizes the use of the Hawaiian home loan fund and Hawaiian home general loan fund for assistance in purchasing or renting micro housing units for use on Hawaiian home lands and leased to beneficiaries.

This measure is unnecessary because section 214 of the Hawaiian Homes Commission Act includes broad authority for the department to make loans from revolving funds to beneficiaries for the “repair or maintenance or purchase or erection of dwellings on any tract.” Although the HHCA doesn’t specifically reference a micro housing unit, dwellings can encompass a micro housing unit. A particular challenge lessees on Hawaiian home lands face is financing a micro housing unit if they already have an existing mortgage.

The Department notes that this measure proposes funding from general revenues and appreciates any funding to support its initiatives as long as it doesn’t affect the priorities in the Governor’s Executive budget request.

Thank you for your consideration of our testimony.



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January 28, 2019

Committee on Hawaiian Affairs
Thursday, January 31, 2019
Conference Room 016

SB874 – Relating to Housing on Hawaiian Home Lands

Aloha Chair, Vice-Chair, and Committee Members:

I am submitting testimony on behalf of Hawaiian Community Assets (HCA), the State's largest HUD-approved housing counseling agency, to **STRONGLY SUPPORT SB874**.

SB874 would establish a tiny home loan fund to support the construction of affordable housing units on Hawaiian Home Lands. In addition, the legislation would build the capacity of nonprofit developers to increase the affordable housing stock on Hawaiian Home Lands.

Need for Affordable Housing

According to the Department of Housing and Urban Development, 22,000 native Hawaiians are on a waitlist for a home on Hawaiian Home Lands. Since the Hawaiian Home Lands Trust was established in 1920, approximately 8,000 residential leases have been awarded while thousands of families wait for their turn residing on the beach, in overcrowding housing, and in high-priced rentals. At a time when Hawaii reports the highest homeless rate per capita of any state in the nation and 42% of all homeless persons identifying as Native Hawaiian or Pacific Islander, SB874 gives us the unique opportunity to address both our homeless and affordable housing crises by supporting the development of affordable, tiny homes priced below \$125,000.

Power to Leverage the State's Investment

The bill would provide State funds to a native community development financial institution (CDFI) that would administer the revolving tiny home loan fund. CDFIs are nonprofit intermediaries that are helping communities build affordable housing across the United States by pooling together public and private capital for deployment to underserved populations through loans and grants. The Carsey Institute cites that CDFIs are leveraging Federal investments at a rate

of up to 8:1¹. This bill would take advantage of the power of CDFIs and their ability to leverage investments from foundations, banks, and government entities to increase affordable housing for native Hawaiian and their non-native Hawaiian family members on Hawaiian Home Lands.

Nonprofit Developers are a National Best Practice for Addressing Affordable Housing

In October 2017, Vice President of the Local Initiative Support Corporation's rural initiative, Suzanne Anarde, announced at the Annual Native Hawaiian Convention that "nonprofit developers are a national best practice for addressing affordable housing in our communities". Nonprofit developers have dual social and financial missions and are experts at utilizing both public and private funds to build affordable housing units for low- and moderate-income households, defined by the Department of Housing and Urban Development as those earning at or below 100% the area median income. SB874 would assist Hawaii in building the capacity of native Hawaiian nonprofit developers to increase the affordable housing stock on Hawaiian Home Lands. Most importantly, this will allow native Hawaiian families who are currently unable to qualify for turnkey single family homes being developed on Hawaiian Home Lands and priced at \$250,000 and above.

At a time when we are facing dual homeless and affordable housing crises, we cannot wait any longer for affordable housing in Hawaii. The Hawaiian Home Lands Trust was established to provide these opportunities to its beneficiaries that support economic self-sufficiency and for the well-being of all of Hawaii. We need to invest in affordable housing for native Hawaiians and non-native Hawaiians residing on Hawaiian Home Lands NOW. **PASS SB874.**

Sincerely



Jeff Gilbreath
Executive Director

¹ CDFI Industry Analysis: Summary Report. Carsey Institute, Spring 2012.
<https://www.cdfifund.gov/Documents/Carsey%20Report%20PR%20042512.pdf>

Center for Hawaiian Sovereignty Studies
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(808) 247-7942

Kenneth R. Conklin, Ph.D. Executive Director
e-mail Ken_Conklin@yahoo.com
Unity, Equality, Aloha for all



To: SENATE COMMITTEE ON HAWAIIAN AFFAIRS

For hearing Thursday, January 31, 2019

Re: SB 874 RELATING TO HOUSING ON HAWAIIAN HOME LANDS.
Authorizes the construction and use of micro housing units on Hawaiian home lands approved by the Department of Hawaiian Home Lands, and leased to native Hawaiian beneficiaries who meet the minimum Hawaiian blood quantum requirement, notwithstanding county zoning laws. Authorizes the use of the Hawaiian Home Loan Fund and Hawaiian Home General Loan Fund for assistance in purchasing or renting micro housing units for use on approved Hawaiian home lands and leased to beneficiaries who meet the minimum Hawaiian blood quantum requirement. Makes appropriations to the Department of Hawaiian Home Lands for construction of micro housing units, subject to certain conditions, and to build general organizational capacity of native Hawaiian-controlled nonprofit housing developers.

TESTIMONY IN OPPOSITION

Here are six points which need to be made.

1. Some clever politicians are trying to send millions of extra dollars to enrich DHHL by giving the public and the legislature the false impression that the purpose is to provide truly tiny houses to help poor and downtrodden people. Shame!

It is a form of bait-and-switch to use a currently popular term as the name for a proposal which is actually very different. This bill proposes to allow up to 800 sq ft. of floor space for a house or apartment to be branded as a "micro housing unit." That would be two or three times the size of the genuine "tiny homes" and "microunit apartments" that are the current fad in Honolulu for solving the twin problems of homelessness and housing shortage. My own 2-bedroom condo apartment is 723 sq ft and is definitely not "micro." Units of the same size in my building have families of 4 or 5 people living in them comfortably. Renters in my building pay around \$2,000 per month for apartments identical to mine, and the assessed valuation is currently \$ 377,100. Micro schmikro!

2. Don't reach into the pockets of Hawaii taxpayers to grab our money to make up for the malfeasance of DHHL leadership. The first sentence in the 2018 version of this bill, HB2473/SB2424, confessed: "The legislature finds that the department of Hawaiian home lands produced no new housing units during the fiscal year ending June 30, 2017, and closed out the year with \$30,000,000 in unspent federal housing funds." For that much money they could have bought 80 of my 2-bedroom apartments at current assessed valuation, to provide housing for 300-400 people. Or if we use the estimated construction cost of \$125,000 mentioned in this bill, that \$30 Million could have yielded 240 homes capable of sheltering 900-1200 people. DHHL leadership is clearly lazy or incompetent, and responsible for protracting the misery of hundreds of people whose well-being it is responsible for.

3. It appears that this bill would actually be discriminating against native Hawaiians. Census data indicate that "Native Hawaiians" have significantly larger family size and household size than the general population of Hawaii. Yet this bill proposes to cram those larger families into smaller "micro housing units" anticipated to be in violation of zoning laws and building codes. That's pretty nasty, isn't it?

4. Section 2 of this bill proposes to override "any county zoning laws, permit provisions, or building code provisions to the contrary to allow micro housing units" on DHHL lands. But those zoning laws and building codes exist for good reasons (or don't they?). Some DHHL residential homelands lie immediately adjacent to normal residential neighborhoods; for example, the one in Waimanalo (which I canvassed for Census 2000). Does the legislature really want to be responsible for the development of overcrowded slum housing ("micro housing units" in violation of zoning laws and building codes) right across the street from middle class suburban homes?

5. I remind the legislature that a class-action lawsuit by 3,000 native Hawaiians on the waiting list for DHHL leases has resulted in a court decision resulting in negotiations for a settlement that could force taxpayers to fork over Billions of dollars not only to individual plaintiffs but also to DHHL. Now comes before you this bill to begin a brand new DHHL project and to pay for it with two startup grants of one million and five million dollars, expected to result in permanent programs for huge megabucks in the future. It would be foolish to give DHHL new money on top of whatever will come out of those negotiations. If DHHL wants to develop a project for micro housing units, let DHHL fund that program, or include it in its demands for a negotiated settlement of the class action lawsuit.

6. OHA already has over \$600,000,000. And, according to its bill in both Senate and House, OHA wants to grab an additional \$119,000,000 in ceded lands "back rent" plus \$35,000,000 per year, in lieu of ceded lands revenue, going forward. Wow!

The legislature has the authority to raid OHA's treasury the same as the legislature raids any of the special funds for hurricane relief or highways. Make OHA pay for DHHL projects.

In this case the "raid" would merely be forcing OHA to spend money it was supposed to be spending all along, and to spend it for the exact purpose for which OHA was created.

Section 5(f) of the statehood Admissions Act says one of the 5 purposes for the use of ceded land revenues: is "... for the betterment of the conditions of native Hawaiians, as defined in the Hawaiian Homes Commission Act, 1920." HHCA defines "native Hawaiians" as people who have at least 50% native blood quantum -- exactly the same requirement for someone to be granted a lease on DHHL land.

Act 273 (1980) says "twenty per cent of all funds derived from the public land trust ... shall be expended by the office of Hawaiian affairs ... for the purposes of this chapter." Act 273 does not say the funds may be invested in an investment portfolio, it says the funds SHALL BE EXPENDED to provide services. Yet OHA seems to think it can grab tens of millions of dollars every year which it then invests or uses for political purposes such as lobbying for the Akaka bill or building a racial registry for "nationbuilding", but OHA fails to provide more than sporadic and inadequate funding for purposes which OHA should be supporting.

OHA currently has over \$600 Million in assets. No other agency of the state government is allowed to squirrel away huge amounts of wealth as a permanent cash stash.

Make OHA spend its vast wealth for the needs of DHHL -- i.e., for the betterment of native Hawaiians as defined in HHCA. If DHHL decides to use some of the money for "micro housing units" it can do so. DHHL can build slums for low-income native Hawaiians, to the consternation of middle-class suburban homeowners (including native Hawaiians) living right across the street.



January 28, 2019

To: **Sen. Maili Shimabukuro, Chair**
Sen. Kai Kahele, Vice Chair & Members of the
Committee on Hawaiian Affairs

From: **Kali Watson**
Executive Director
Hawaiian Community Development Board
Honolulu, Hawaii 96813

Re: **Hearing on SB 874 Relating to Housing on Hawaiian Home Lands**
January 31, 2019 at 1:15 pm
Conference Room 016, State Capitol

TESTIMONY IN SUPPORT

Dear Chairperson Shimabukuro & Vice Chair Kahele of the Hawaiian Affairs Committee, and Members:

Thank you for the opportunity to provide testimony in support to SB 874 relating to affordable housing development on Hawaiian Home Lands. This bill would facilitate the building of micro housing units and ADUs, financing them through DHHL loan funds, identify who can rent these units, and provide funds to increase the capacity of native Hawaiian nonprofits. HCDB strongly supports SB874.

With over 22,000 native Hawaiians on the waitlist for DHHL homes, and a third of the homeless being Hawaiians, this bill is definitely needed.

HCDB recently conducted workshops in the various homestead areas and found that there was strong interest among existing homesteaders, people on the waiting lists and families living in dilapidated and overcrowded DHHL houses. They know that building micro housing units and Accessory Dwelling Units will help address and alleviate the housing shortage. The fact that there are over 8,000 existing residential DHHL homesteads clearly makes the idea viable. And it's critically necessary.

Hawaiian Community Development Board is a nonprofit developer focusing primarily on beneficiaries of the Hawaiian Homes Commission Act of 1921, but also works with non-beneficiaries. Under this bill, funds would be provided to increase its capacity, which would be welcomed and definitely help facilitate and expand its current activities.

I urge you to please pass this measure, SB 874.

Pupuka I Holomua,

Kali Watson
Executive Director
Hawaiian Community
Development Board (HCDB)

President
Richard Soo

Secretary
Jackie Burke

Treasurer
Helen O'Connor

Board Members
Linda Ahue
Puni Kekauoha
Alfred "Bobby" Willing
Iolani Hamakua
Duane Hew Len

Executive Director
Kali Watson

Senior VP
Patti Barbee



January 29, 2019

**To: Sen. Maile Shimabukuro, Chair
Sen. Kai Kahele, Vice Chair & Members of the Committee on Hawaiian Affairs**

Re: Hearing on SB 874 Relating to Housing on Hawaiian Home Lands
January 31, 2019 at 1:15 pm – Conference Room 016, State Capitol

Aloha e Chair Shimabukuro and members of the committee,

The Council for Native Hawaiian Advancement (CNHA) **strongly supports SB874**, which allows the construction of micro housing units on Hawaiian home lands and authorizes the use of the Hawaiian Home Loan Fund and Hawaiian Home General Loan Fund for assistance in purchasing or renting micro housing units for beneficiaries; makes an appropriation to the Department of Hawaiian Home Lands (DHHL) for construction of micro housing units subject to certain conditions; and expands the organizational capacity of native Hawaiian-controlled nonprofit housing developers.

As a member-based 501(c)3 non-profit organization with a mission to enhance the cultural, economic, political, and community development of Native Hawaiians, CNHA is dedicated to engaging our national network of Native Hawaiian organizations to be a strong voice on public policy. At present CNHA has eight subject matter caucuses that assess, evaluate, and make recommendations on desired policy improvements on a wide range of issues affecting the lives of Native Hawaiians. Two of our existing eight subject matter caucuses- - the Homestead Trust Land and the Native Hawaiian Housing caucuses- - have both recommended adoption and support for the ideas contained within SB 874.

By way of background, CNHA is also a Native Community Development Financial Institution (CDFI) certified by the US Treasury department and a HUD-Certified Housing Counseling agency. We provide access to capital, financial education and individualized financial counseling services with a focus on low and moderate-income families. CNHA serves as a National Intermediary, providing grants and loans targeting underserved communities in Hawaii. CNHA is ready and willing to assist as necessary in financing micro housing to expand the housing options for DHHL homesteaders.

Through the work of our CDFI, CNHA has witnessed the growing need to house over 22,000 native Hawaiians on the DHHL waitlist and the ever-increasing number of houseless beneficiaries in our community. In recent weeks, CNHA has taken on individual projects to assist with developing micro housing units and ADUs. However, these housing needs cannot be successfully addressed without the shared effort and capacity of the Department of Hawaiian Home Lands. This measure would provide the necessary assistance and funding support critical to expand our reach of services and to move our advocacy into action. We humbly urge you to pass SB874.

Respectfully,

J. Kuhio Lewis
CEO, Council for Native Hawaiian Advancement

LATE

SB-874

Submitted on: 1/30/2019 11:22:40 PM

Testimony for HWN on 1/31/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Stephanie Lauifi	Testifying for Kalamaula Homesteaders Association	Support	No

Comments:



O`ahu County Committee on Legislative Priorities (OCCLP)

COMMITTEE ON HAWAIIAN AFFAIRS
Senator Maile S.L Shimabukuro, Chair
Senator Kaiali`i Kahele, Vice Chair

DATE: Thursday, January 31, 2019

TIME: 1:15 p.m.

PLACE: Conference Room 016, State Capitol

RE: SB 874 Relating to Housing on Hawaiian Home Lands

Aloha mai kakou Chair Shimabukuro, Vice Chair Kahele, and Members of the Committee on Hawaiian Affairs:

The O`ahu County Committee on Legislative Priorities (OCCLP) of the Democratic Party of Hawai`i (DPH) hereby submits its testimony in **SUPPORT of SB 874 relating to the Housing on Hawaiian Home Lands.**

SB 874 Authorizes the construction and use of micro housing units on Hawaiian home lands approved by the Department of Hawaiian Home Lands and leased to native Hawaiian beneficiaries who meet the minimum Hawaiian blood quantum requirement, notwithstanding county zoning laws. Authorizes the use of the Hawaiian Home Loan Fund and Hawaiian Home General Loan Fund for assistance in purchasing or renting micro housing units for use on approved Hawaiian home lands and leased to beneficiaries who meet the minimum Hawaiian blood quantum requirement. Makes appropriations to the Department of Hawaiian Home Lands for construction of micro housing units, subject to certain conditions, and to build general organizational capacity of native Hawaiian-controlled nonprofit housing developers.

DPH supports the construction and use of micro housing units on Hawaiian Home Lands approved by the Department of Hawaiian Home Lands and leased to Native Hawaiians beneficiaries who meet the minimum Hawaiian blood quantum requirement, notwithstanding county zoning laws. DPH supports multi-level housing in Transit-Oriented Development (TOD) and agribusinesses for Native Hawaiians by creating ag-tech zones promote agricultural innovation and diversify the State's agricultural systems for domestic consumption and export. *Democratic Party of Hawai`i Platform (2018), p. 16, ln. 6-11.*

For the foregoing reasons, OCCLP supports SB 874 and urges its passage out of the Committee on Hawaiian Affairs.

Mahalo nui loa

Me ka `ōia`i`ō

/s/ *Melodie Aduja*

Melodie Aduja

Chair, O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i

Ph. (808) 258-8889

Email: legislativepriorities@gmail.com

SB-874

Submitted on: 1/29/2019 3:30:48 AM

Testimony for HWN on 1/31/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Randy Gonce	Individual	Support	No

Comments:

SB-874

Submitted on: 1/30/2019 12:24:31 PM

Testimony for HWN on 1/31/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Marion K A Kapuniai	Individual	Support	No

Comments:

SUPPORT WITH ONE AMENDMENT TO:

SECTION 7. line 14

DELETE (.) ADD "IF SO DETERMINED BY THE DEPARTMENT OF INTERIOR."

All amendments to Hawaiian Homes Commission Act goes to the Department of Interior for

determination on whether the measure requires United State Congress approval.

Please read the Federal Register for clarification on your part.

Thank you

LATE

SB-874

Submitted on: 1/30/2019 7:11:18 PM

Testimony for HWN on 1/31/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Stephen K Frank	Individual	Support	No

Comments:

I am in support of this bill, it will allow additional dwellingd on leasee lands that will provide additional separate space for families to utilize.

LATE

SB-874

Submitted on: 1/30/2019 11:15:06 PM

Testimony for HWN on 1/31/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Doreen Gaspar	Individual	Support	Yes

Comments:

LATE

Testimony in Opposition of SB 874

SENATE COMMITTEE ON HAWAIIAN AFFAIRS
Senator Maile S.L. Shimabukuro, Chair
Senator Kaiali'i Kahele, Vice Chair

SB 874 RELATING TO THE HAWAIIAN HOMES COMMISSION ACT

January 31, 2019

Aloha Chair Shimabukuro and members of the Committee,

My name is Homelani Schaedel. I am a lessee residing at Malu'ohai homestead in Kapolei for the past 17 years, a homestead leader in the Kapolei region, a beneficiary, and advocate for the Hawaiian Home Lands Trust.

The homeless problem has progressively escalated since 2000; the primary cause is attributed to the rising cost of housing in both the rental and purchase markets. Since 2013, members in both houses of the legislature has focused on DHHL to develop and build homes to reduce the homeless population of Hawaiians; supposedly because statistically they comprise a higher population of the homeless. Hence, shifting the onus to DHHL to provide housing for homeless Hawaiians. However, what those statistics don't say is how many of those Hawaiians qualify to be served by DHHL. Section 201 of the Hawaiian Homes Commission Act (HHCA) is specific... "Native Hawaiian" means any descendant of not less than one half part of the blood of the races inhabiting the Hawaiian Islands previous to 1778. Let me be very clear, DHHL can only serve this segment of the Hawaiian homeless population.

I want to be clear and establish that Section 207.5 authorizes the Department of Hawaiian Home Lands (DHHL) to develop and construct single-family and multifamily units for housing native Hawaiians; which would include "Micro Housing Units" (MHU), Accessory Dwelling Units (ADU), Supplemental Dwelling Units (SDU) and Rental Units.

When an amendment to Title 10-Administrative Rules or the HHCA is initiated at the request of beneficiaries; the process has 11 steps from start to finish and can take between 18-24 months to complete.

Between April 30, 2018 to July 30, 2018, 388 beneficiaries attended 8 Beneficiary Consultations conducted statewide on DCC&R's, Multi-Family, Rentals, Kupuna Housing and SDU's. Beneficiaries provided comments and their top choices on:

Top Choices	Housing Options	Affordability
1	Multi-Family (Townhouses/Condos)	Rent with option to Purchase
2	Kupuna Housing	Manufactured/Package Homes
3	Single Family	Help with down payment

The reason I'm here is to give voice to what our beneficiaries want, not what you or others think should be made available to them as a housing alternative.

I'm not opposed to MHU's, they could be a viable solution to our states housing crisis. But why would we want to invest in a dwelling with a total floor area of less than 800 square feet that includes a bed, kitchen, kitchen sink, cooking and refrigeration appliances, and a partitioned off bathroom containing a toilet, and bathtub or shower at a cost not to exceed \$125,000.00 that at most can only accommodate 2 people? I wouldn't want to live in something like that, would you? Our beneficiaries deserve better than this!

Furthermore, the bill does not identify if the \$125,000.00 include infrastructure cost, i.e. water, sewer, electric, cable, streetlights, sidewalks? Or, will DHHL have to provide and incur the cost for infrastructure?

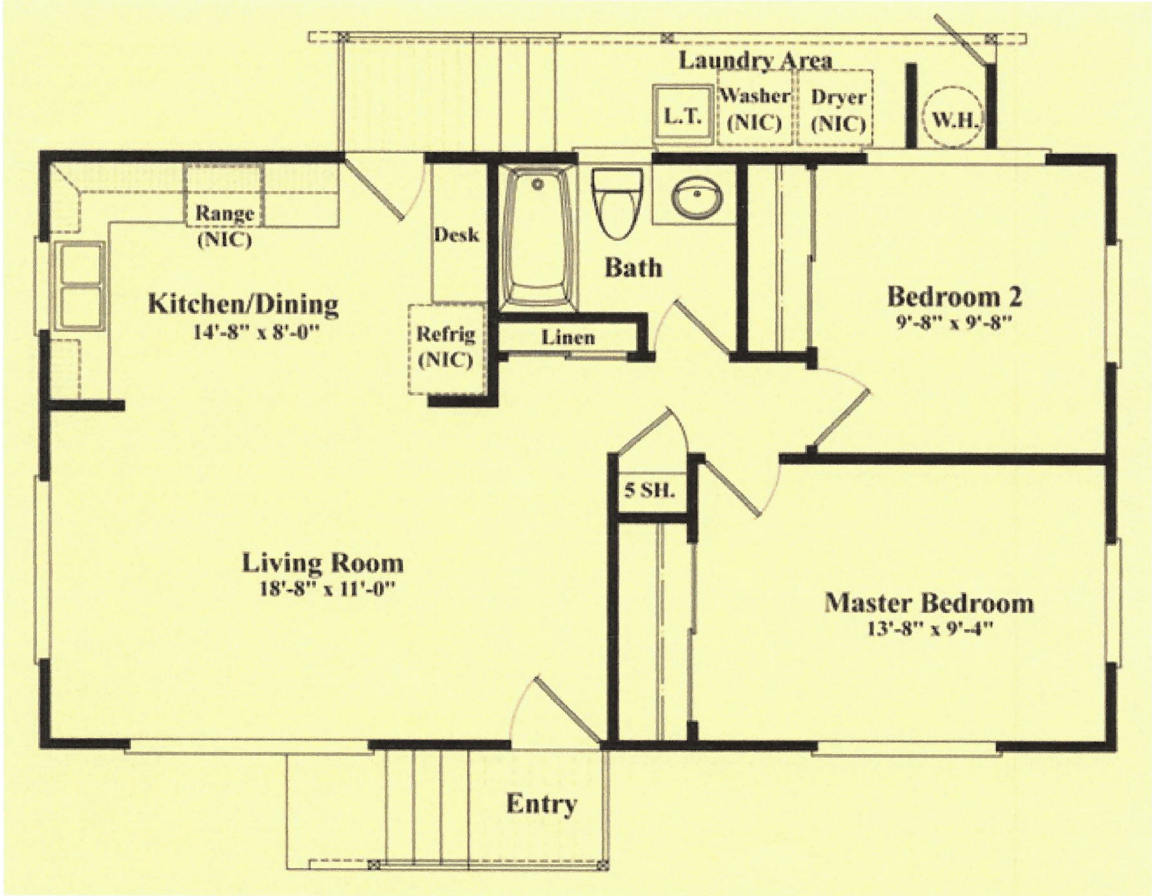
We should be looking at getting the best value for our investment. I'd rather the legislature invest in one of the 2 models attached to this submittal, than a square within a square.

The problem I have with this bill is that not only is it **what our beneficiaries don't want**, it is using DHHL and our beneficiaries as a guise to establish a funding source to support a specific group that could risk scrutiny and bring into question constitutional and statutory concerns. I would rather the legislature provide funding to DHHL to build what beneficiaries want. For these reasons, I strongly oppose this bill.

Mahalo for your time and the opportunity to provide my testimony.

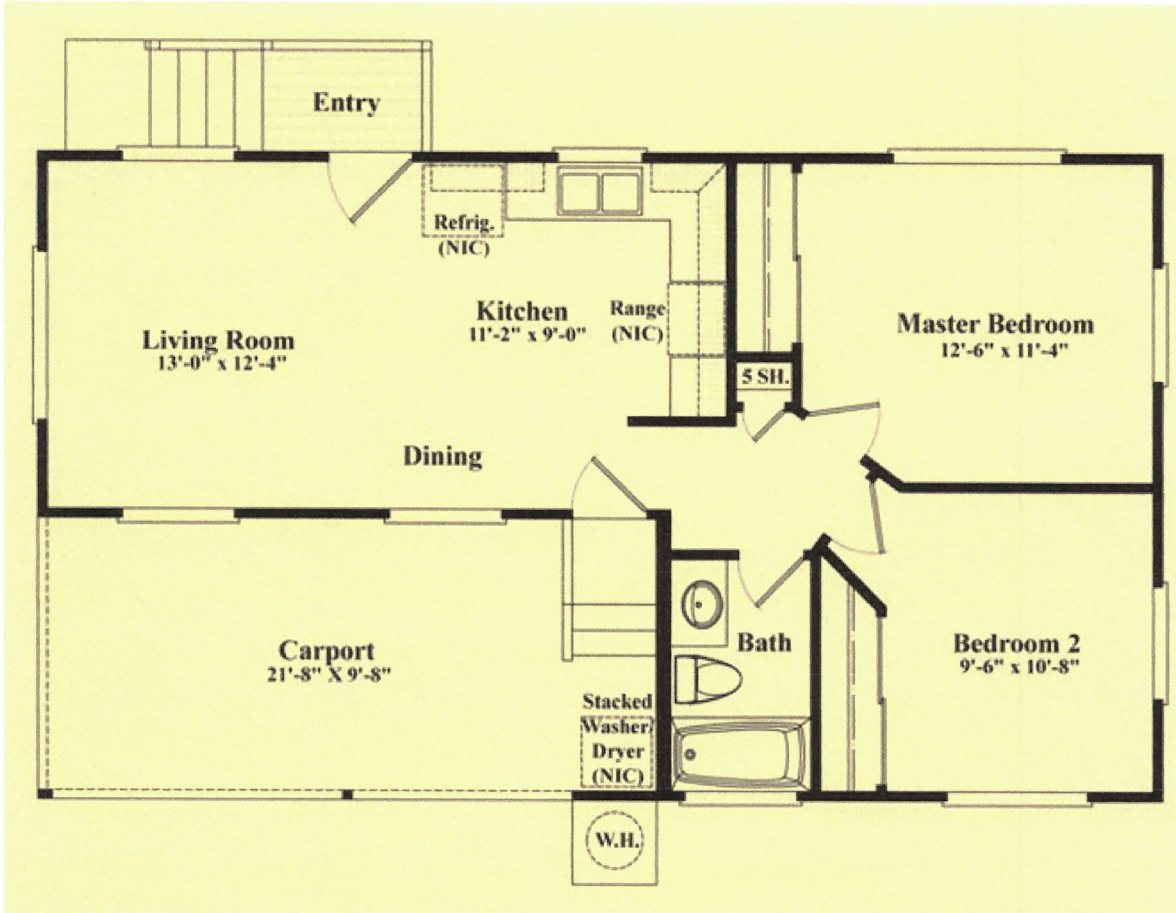
Homelani Schaedel

HONSADOR PACKAGE HOME – NOHEA MODEL – PACKAGE PRICE: \$40,000.00



2 Bedroom, 1 bath, 720 square feet

HONSADOR HOMES – HALE IKI MODEL – PACKAGE PRICE: \$44,000.00



2 Bedrooms, 1 bath, 700 square feet