

DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HOUSING

March 16, 2021 at 1:15 p.m.
State Capitol, Room 225

In consideration of
H.B. 606, H.D. 1
**AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR
AFFORDABLE HOUSING.**

The HHFDC supports H.B. 606, H.D. 1, which makes unspecified General Obligation Bond appropriations for infusion into the Dwelling Unit Revolving Fund (DURF) and the Rental Housing Revolving Fund (RHRF) in FY2021-2022. HHFDC appreciates the consideration of infusing funds into DURF and RHRF, provided that it does not adversely affect priorities set forth in the Executive Biennium Budget.

The Executive Biennium Budget includes a General Obligation Bond appropriation of \$20,000,000 in FY2022-2023 for infusion into DURF and a General Obligation Bond appropriation of \$25,000,000 in FY 2022-2023 for infusion into RHRF.

Thank you for the opportunity to testify.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830
1-866-295-7282 | Fax: 808-536-2882
aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

**The State Legislature
The Senate
Committee on Housing
Tuesday, March 16, 2021
1:15 p.m.**

TO: The Honorable Stanley Chang, Chair

RE: H.B. 606 HD 1 Relating to Issuance of General Obligation Bonds for Affordable Housing

Aloha Chair Chang and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with nearly 145,000 members in Hawai'i.

AARP Hawai'i supports H.B. 606 HD 1 which authorizes the issuance of general obligation bonds with funds to be deposited in the dwelling unit revolving fund and the rental housing revolving fund.

AARP continues to support funding allocations for affordable housing. The high cost of housing has driven many people to homelessness or the need to leave Hawaii. There is an urgent need to increase Hawaii's inventory of affordable housing so that residents can have a place to live and not leave the state. Issuing general obligations bonds for the rental housing revolving fund and the dwelling unit revolving fund is a prudent investment in our future. For example, 1,169 new units - in 10 rental projects - will be completed in FY 2021. These projects were financed through the Rental Housing Revolving Fund.

Thank you very much for the opportunity to support H.B. 606, HD1.

Sincerely,

A handwritten signature in black ink, appearing to read "Keali'i Lopez".

Keali'i Lopez, AARP Hawai'i
State Director



CATHOLIC CHARITIES HAWAI'I

TESTIMONY IN SUPPORT OF HB 606 HD1: AUTHORIZING THE ISSURANCE OF GENERAL OBLIGATION BONDS FOR AFFORDABLE HOUSING

TO: Senate Committee on Housing
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i
Hearing: Thursday, 3/16/21; 1:15 pm; via videoconference

Chair Chang, Vice Chair Kanuha, and Members, Committee on Housing:

Thank you for the opportunity to provide testimony **in strong support** of HB 606 HD1, authorizing GO bonds to the rental housing revolving fund for the construction of affordable rentals. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are also a member of Partners in Care (PIC).

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 70 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

CCH strongly supports GO bond funding to the Rental Housing Revolving Fund (RHRF). This past year has shown that affordable housing is critical as people try to recover from economic disaster, but often with reduced hours or long-term unemployment. Continuing to create affordable rentals will not only give hope to stressed families as we recover, but will give a much needed boost to the state's economy. We recognize that the State faces many challenges and even bond funding faces limits. **We urge that the immediate and ongoing needs of our residents for affordable rentals should be a priority in allocating CIP funding.**

The legislature is concerned about the ALICE population. Many may face homelessness in this crisis. Creating affordable rentals is one major factor of the cost of living over which the Legislature has some control. We also are greatly concerned about our kupuna who are at great risk due to limited incomes. *Seniors like a 63 year old woman who came to our Housing Assistance Program for elders since she was renting a room from her niece but wanted her own place. We counseled her and helped her to apply for rentals. However, with the long wait lists for an affordable unit, she eventually became homeless due to overcrowding and safety issues. She was living in her car when she called us with awesome news. She had gotten a unit at a senior housing project in Pearl City, funded by the RHRF! She was even willing to give up her car in order to pay the rent and remain independent with her limited income.*

Hawai'i's people, communities, and especially our most vulnerable, depend on all of us to continue to pay attention to affordable housing during this crisis.

We urge your support for HB 606 HD1 including a significant allocation for the construction of affordable rentals. Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.





Hawaiian Humane Society
People for animals. Animals for people.

2700 Waialae Avenue Honolulu, Hawaii 96826
808.356.2200 • HawaiianHumane.org

Date: March 12, 2021

To: Senator Stanley Chang
Vice Chair Senator Dru Mamo Kanuha
and Members of the Committee on Housing

Submitted By: Stephanie Kendrick, Public Policy Advocate
Hawaiian Humane Society, 808-356-2217

RE: Testimony in support of HB 606, HD1: Authorizing the Issuance
of General Obligation Bonds for Affordable Housing
Tuesday, March. 16, 2021, 1:15 p.m., Capitol Room 225

Aloha Chair Chang, Vice Chair Kanuha and Committee Members,

On behalf of the Hawaiian Humane Society, thank you for considering our support for House Bill 606, HD1, which authorizes the issuance of general obligation bonds with the funds to be deposited into the dwelling unit revolving fund and the rental housing revolving fund.

The Hawaiian Humane Society has been a voting member of Partners in Care for the past four years. We joined the organization with the goal of better understanding the needs of homeless and low-income pet owners, partnering with other organizations that serve these vulnerable populations and collecting data to inform our policies and decision making. We have deep respect for the work being done by our local human social service agencies.

One issue looms over all of their hard work, Hawai'i's lack of affordable housing. More than half of local families pay more than one-third of their income on rent, which means that unexpected life events, such as losing a job, caring for a sick family member or recovering from a car accident, will put them into financial jeopardy. This housing insecurity is a real and ever-present threat to the wellbeing of Hawai'i's people and pets. The state must invest in making sure families can stay intact and have a roof over their heads.

Please pass HB606, HD1, and invest in the affordable, pet-friendly housing that our community so desperately needs. Mahalo for your consideration.

PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

TESTIMONY IN SUPPORT OF HB 606 HD1: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR AFFORDABLE HOUSING

TO: Senate Committee on Housing
FROM: Partners In Care (PIC)
Hearing: **Tuesday, 3/16/21; 1:15 PM; via videoconference**

Chair Chang, Vice Chair Kanuha, and Members, Committee on Housing:

Thank you for the opportunity to provide testimony **in strong support** of HB 606 HD1, authorizing the issuance of GO bonds for the Rental Housing Revolving Fund (HHFDC) for the construction of affordable rentals. Partners In Care (PIC), is a coalition of more than 60 non-profit homelessness providers and concerned organizations. We urge your continued prioritization of GO bond funding for affordable rental production to prevent homelessness and give hope to the people of Hawai'i.

We cannot afford to stop investing in affordable housing development, and by investing in it now, the legislature will be strengthening our economy. Job creation is vital to help pull the State out of this economic crisis. While it may not be feasible to commit the level of resources committed in previous years, **PIC urges your support for a strong allocation to the RHRF to meet the critical needs of our population during this crisis which will extend out for the next 2-3 years.**

60% of Hawaii's families pay more than one-third of their income on rent. Hit hard by the pandemic, they are in financial jeopardy. Growing homelessness is a real concern. Building affordable rentals builds resiliency for the future, as well as bringing hope to Hawaii's families. The RHRF is the major pathway for the State to promote the development of affordable rental units. RHRF has build thousands of units, yet 20,000 rentals are still needed by 2025 for Hawaii's lower income families (making \$61,000/year or less)

Partners In Care is also very concerned about increasing homelessness for elders. Vulnerable elders on walkers sometimes come into emergency shelters. Besides being the most vulnerable to the COVID-19 pandemic, elders face significant health trauma from homelessness. **Studies predict almost a 300% increase in elderly homelessness over the next 10 years.** Even worse, these projections were prior to the pandemic which has hit older workers hard.

Housing is healthcare—and can prevent much more expensive institutionalization for Hawai'i seniors. Partners In Care urges your strong support for GO bond funding for affordable rentals. Besides the important economic impact, this funding will provide hope to our struggling families, elders and disabled persons.

▪ **March 15, 2021**

**Honorable Stanley Chang, Chair
Honorable Dru Mamo Kanuha, Vice Chair
and Members of the Senate Committee on
Housing**

**RE: Testimony In Support Of HB606, HD1 Authorizing The Issuance Of General Obligation Bonds
For Affordable Housing
March 16, 2021, 1:15PM; CR 225 & Videoconference**

Dear Chair Chang, Vice Chair Kanuha and Committee Members,

My name is Stanford S. Carr and I am the President of Stanford Carr Development, LLC. We are a local development firm that has worked to provide the community with affordable housing opportunities. I am testifying in support of HB606, HD1 which authorizes the issuance of general obligation bonds with the funds to be deposited into the dwelling unit revolving fund and the rental housing revolving fund.

As we know, there is a severe shortage of affordable rental housing in Hawaii. Affordable housing developers like myself face significant challenges in providing affordable rental units, especially for low income households earning incomes at or below 60% of the area median income, given high construction and financing costs in Hawaii.

Therefore, the availability of various government financing tools, including the State's Rental Housing Revolving Fund and Low-Income Housing Tax Credits, is essential to enable developers to build more affordable rental projects that meet the housing needs of low-income individuals and families in Hawaii. In this regard, the passage of HB606, HD1 by this committee hopefully can serve as a vehicle for the Legislature to provide adequate and necessary funding for the development of much needed affordable housing in the future.

For all of these reasons, I respectfully ask for this committee's favorable consideration of HB606, HD1. Thank you for the opportunity to submit testimony on this important measure.



Stanford S. Carr

March 16, 2021

The Honorable Stanley Chang, Chair
Senate Committee on Housing
Via Videoconference

RE: H.B. 79, HD1 Relating to Housing

HEARING: Tuesday, March 16, 2021, at 1:15 p.m.

Aloha Chair Chang, Vice Chair Kanuha, and Members of the Committee,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **supports** House Bill 79, HD1, which establishes an affordable homeownership revolving fund within HHFDC to provide loans to nonprofit community development financial institutions and nonprofit housing development organizations for the development of affordable homeownership housing projects. Authorizes the transfer of taxable general obligation bond proceeds and accrued interest from the rental housing revolving fund to the affordable homeownership revolving fund. Appropriates funds out of the affordable homeownership revolving fund.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the State needs up to 46,000 housing units to meet demand in Hawai'i by 2030. Hawai'i needs more housing at all price points, including affordable housing.

With Hawaii's high cost of housing and living, homeownership is moving further out of reach for Hawaii's residents. As such, the Affordable Homeownership Revolving Fund can help facilitate the development of affordable housing by non-profits and self-help housing programs will allow Hawaii's residents to achieve the dream of homeownership by helping to build their own home. As such, HAR believes this measure will help increase the supply of much needed housing and provide homeownership opportunities in Hawai'i.

Mahalo for the opportunity to testify.

TESTIMONY IN SUPPORT OF HB 606, HD 1

TO: Chair Chang, Vice Chair Kanuha, & Senate Housing Committee Members

FROM: Nikos Leverenz, Grants, Development & Policy Manager

DATE: March 16, 2021 (1:15 PM)

Hawai'i Health & Harm Reduction Center (HHRC) **supports** HB 606, HD 1, which authorizes general obligation bonds to support the dwelling unit revolving fund and the rental housing revolving fund.

We support legislative efforts to ameliorate Hawai'i's housing crisis. Affording more low-cost options will help alleviate some of the obstacles faced by Hawai'i residents who are struggling to procure or maintain adequate housing in the current rental housing market.

HHRC is a member of [Partners in Care](#) (PIC), a coalition of organizations from nonprofit homeless providers, government stakeholders, private businesses, community advocates, public housing agencies, hospitals, universities, affordable housing developers, law enforcement, and homeless and formerly homeless persons. PIC is a planning, coordinating, and advocacy alliance that develops recommendations for programs and services to fill needs within O'ahu's Continuum of Care for homeless persons.

HHRC works with many individuals who are impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those relating to substance use and underlying mental health conditions. As such, we support a comprehensive "Housing First" approach for those struggling with housing instability.

[As noted by the Corporation for Supportive Housing](#), "Access to safe, quality, affordable housing – and the supports necessary to maintain that housing – constitute one of the most basic and powerful social determinants of health. ***[For] individuals and families trapped in a cycle of crisis and housing instability due to extreme poverty, trauma, violence, mental illness, addiction or other chronic health conditions, housing can entirely dictate their health and health trajectory. For these populations, housing is a necessary precursor of health.***" (emphasis added)

Thank you for the opportunity to testify on this measure.

HB-606-HD-1

Submitted on: 3/14/2021 8:48:10 PM

Testimony for HOU on 3/16/2021 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathy Jaycox	Individual	Support	No

Comments:

Aloha and thank you for the opportunity to submit testimony in support of this bill.

The task of providing affordable rental housing for the working families of Hawaii, as well as for our kupuna, is one of the greatest challenges facing our state. You have an opportunity to make a huge difference for our people by passing this bill. I urge you to do so.

Mahalo--

HB-606-HD-1

Submitted on: 3/13/2021 1:01:46 PM

Testimony for HOU on 3/16/2021 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Christy MacPherson	Individual	Support	No

Comments:

I strongly support HB606, HD1. We just CANNOT build enough affordable housing units for the people of Hawai'i.



To: Senator Stanley Chang, Chair
Senator Dru Mamo Kanuha, Vice-Chair
Committee on Housing

Hrg: March 16, 2021 at 1:15pm, Room 225/Zoom

From: Paula Arcena, Vice President, External Affairs
Trish La Chica, Community and Government Relations Manager, External Affairs

RE: **HB606 HD1, Authorizing the Issuance of General Obligation Bonds for Affordable Housing - Support**

AlohaCare appreciates the opportunity to provide testimony in support of **HB606 HD1**, which would authorize the issuance of general obligation bonds to be deposited into the dwelling unit revolving fund and the rental housing revolving fund.

Founded in 1994, AlohaCare is a community-rooted, non-profit health plan serving 73,000 Medicaid and dual-eligible health plan members on all islands. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating access to quality health care for all. We believe that health is about supporting whole-person care, including access to housing and food security, to build a stronger, healthier Hawaii.

AlohaCare believes this measure helps to fund much-needed affordable rental housing to house our vulnerable communities. Housing costs make up the majority of an individual's monthly costs and access to affordable, safe, and healthy housing is an important determinant of health that helps to keep a person healthy and well.

AlohaCare appreciates the Legislature's commitment to increase the availability of affordable housing units, particularly when median single-family home values have [reached a record high](#) of \$880,000. AlohaCare supports efforts that enable Hawaii's seniors to age in place and for families to remain housed in safe communities.

We are grateful to the Committee for hearing HB606 HD1 and the opportunity to testify.