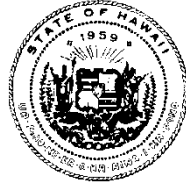


DAVID Y. IGE  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

**STATE OF HAWAII**  
HAWAII PUBLIC HOUSING AUTHORITY  
1002 NORTH SCHOOL STREET  
POST OFFICE BOX 17907  
HONOLULU, HAWAII 96817

Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**HOUSE COMMITTEE ON FINANCE**

**Thursday, April 1, 2021**  
**2:30 PM - Room 308, Hawaii State Capitol**

In consideration of  
**SB 142, SD2, HD1**  
**RELATING TO HOUSING DEVELOPMENT**

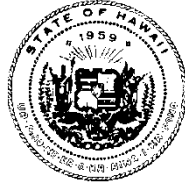
Honorable Chair Luke, and Members of the House Committee on Finance, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 142, SD2, HD1, relating to housing development.

The Hawaii Public Housing Authority (HPHA) **strongly supports** SECTION 1(c)(5) of SB 142, SD2, HD1, which exempts any affordable housing units in projects or property developed by the HPHA from school impact fee requirements.

With thousands of the most vulnerable people of our State on our public housing wait list, the only way to be able to assist them is by increasing our current inventory of affordable housing through P3 ventures. As all of HPHA's redevelopments include affordable rental units, they do create the need for gap financing, and the school impact fees will exacerbate this gap. The funding of this gap will be requested from the Legislature, and therefore, would be reallocating State funds between two State entities. In addition, these impact fees will increase the total cost of the redevelopment which in turn increases the Developer Fee.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony. We thank you very much for your dedicated support.

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

**HOUSE COMMITTEE ON FINANCE**

April 1, 2021 at 2:30 p.m.  
State Capitol, Room 308

In consideration of  
**S.B. 142, S.D. 2, H.D. 1**  
**RELATING TO HOUSING DEVELOPMENT.**

The HHFDC supports S.B. 142, S.D. 2, H.D. 1, which, among other things, exempts housing projects certified for exemption from general excise taxes or otherwise assisted by HHFDC from school impact fees. The exemption proposed in the H.D. 1 will lower the cost of affordable housing development.

Thank you for the opportunity to testify.



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**Date:** 04/01/2021

**Time:** 02:30 PM

**Location:** 308 Via Videoconference

**Committee:** House Finance

**Department:** Education

**Person Testifying:** Dr. Christina M. Kishimoto, Superintendent of Education

**Title of Bill:** SB 0142, SD2, HD1 RELATING TO HOUSING DEVELOPMENT.

**Purpose of Bill:** Exempts from school impact fee requirements, certain affordable housing units, additions to existing dwelling units, accessory dwelling units, ohana dwelling units, affordable housing units in projects or property developed by the Hawaii public housing authority, and affordable housing units in projects assisted by the Hawaii housing finance and development corporation. Effective 12/1/2050. (HD1)

**Department's Position:**

The Department of Education (Department) offers comments on SB 142, SD 2, HD 1.

Hawaii's school impact fee law, Hawaii Revised Statute (HRS) Sections 1601-1612, plays a vital role in the development of new school facilities in designated areas where the construction of new housing directly increases student enrollment. Other than direct appropriations from the legislature, school impact fees are the only other source of funding to support the development of new school facilities for the Department.

The Legislature created school impact fees in 2007, with amendments in 2010 and 2016. HRS Section 302A-1603 (a)(3) specifies that anyone who develops new residences in a school impact fee district must pay impact fees "including all government housing projects." Adding additional exemptions would limit the Department's potential funding sources.

Thank you for this opportunity to provide testimony on SB 142, SD 2, HD 1.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted

work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at [www.hawaiipublicschools.org](http://www.hawaiipublicschools.org).



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF SB 142 SD2, HD1: RELATING TO HOUSING

TO: House Committee on Finance

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i

**Hearing: Thursday, 4/1/21; 2:30 pm; via videoconference**

Chair Luke, Vice Chair Cullen, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **in strong support** of SB142 SD2, HD1, which exempts affordable housing units, additions to existing dwelling units, accessory dwelling units (ADUs), Ohana dwelling units, and affordable housing projects developed by the Hawai'i Public Housing Authority and affordable housing assisted by the Hawaii Housing Finance and Development Corporation, from school impact fees. I am Rob Van Tassell, with Catholic Charities Hawai'i. We strongly support this exemption which would have a significant impact on the costs to construct affordable housing projects.

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.

Our Catholic Charities Housing Development Corporation (CCHDC) has completed almost five affordable housing projects utilizing the state's Rental Housing Revolving Fund (RHRF). We have two more projects on Oahu and Maui competing for funding in the current round of the RHRF. The goal of our affordable housing is to create the most affordable rental housing possible. We look for ways to keep costs down since this has a direct impact on the rents that must be charged. We primarily target families and elderly at 60% AMI and below.

This exemption is one way to "stretch" the funds in the Rental Housing Revolving Fund. Without this exemption, the school impact fee would increase the financial "gap" to construct projects. In order to make projects "pencil out", we go to the RHRF to fill that gap. Without the exemption provided for in this bill, essentially the State would take money from one state entity (RHRF) to give it to another state entity (DOE). With limited funds in the RHRF, this can result in fewer rental units being funded. We need to produce as many affordable rentals as possible. We also need them as soon as possible as a result of the pandemic and the economic turmoil that so many of our local workers are experiencing.

We urge you to pass this bill with this exemption which will support more affordable rental units for those most in need of housing.

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or [bettylou.larson@catholiccharitieshawaii.org](mailto:bettylou.larson@catholiccharitieshawaii.org) if you have any questions.



**SB-142-HD-1**

Submitted on: 3/30/2021 5:38:38 PM

Testimony for FIN on 4/1/2021 2:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kaikea K. Blakemore	Neighborhood Place of Puna	Support	No

Comments:

Support

**SB-142-HD-1**

Submitted on: 3/30/2021 1:12:22 PM

Testimony for FIN on 4/1/2021 2:30:00 PM

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

Comments:

I support this to be passed through legislature.

**SB-142-HD-1**

Submitted on: 3/30/2021 4:16:30 PM

Testimony for FIN on 4/1/2021 2:30:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ellen Godbey Carson	Individual	Support	No

Comments:

Please pass this bill. We have a crisis in affordable housing that deserves these measures to try to create greater supplies of housing at affordable prices. Thank you.