



## Support SB 29 SD 1

Aloha Senate Committee on Ways and Means,

Faith Action Housing NOW! supports SB 29 SD 1, which proposes a Constitutional amendment that includes the production of enough housing to meet demand in the existing State and county mandate to manage the growth of the population to protect and preserve the public health and welfare.

Housing is the foundation for stable families and strong communities. Every resident of Hawaii deserves to have access to livable housing at prices they can afford. The private sector has been unable to deliver all of the housing needed by Hawai'i's residents, especially working families and those in poverty. The National Low Income Housing Coalition estimates that Hawai'i faces a shortage of more than 40,000 homes for families earning incomes of 50% or below of the area median income.

The private sector is falling short, therefore, the government has an obligation to step in because housing is a basic necessity. Government can guarantee housing for all residents because the State and its counties own land upon which housing can be built. Land costs, which are high in Hawai'i, would be zero, and dense housing design would bring down the cost per housing unit.

The Legislature is considering bills, such as SB 1 and its companion HB 607, which are revenue neutral bills that would develop dense housing on State land mixed with urban amenities to create walkable communities built with environmental sustainability in mind.

Traditional strategies for building housing have been woefully inadequate. A new housing vision for Hawaii is becoming clearer, and SB 29 SD 1 is part of it.

Mahalo for your consideration,

Foo Pham  
Faith Action  
HousingNOW! Chair



**MAUI**  
CHAMBER OF COMMERCE  
VOICE OF BUSINESS

**HEARING BEFORE THE SENATE COMMITTEE ON WAYS & MEANS  
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 211  
TUESDAY, FEBRUARY 16, 2021 AT 10:00 A.M.**

To The Honorable Donovan M. Dela Cruz, Chair;  
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair; and  
Members of the Committee on Ways & Means,

**SUPPORT SB29 SD1 PROPOSING A CONSTITUTIONAL AMENDMENT TO  
REQUIRE THE STATE AND ITS POLITICAL SUBDIVISIONS TO PLAN TO  
PRODUCE ENOUGH HOUSING TO MEET DEMAND IN THEIR MANAGEMENT OF  
POPULATION GROWTH**

Aloha, my name is Pamela Tumpap. I am the President of the Maui Chamber of Commerce, in the county most impacted by the COVID-19 pandemic in terms of our dependence on the visitor industry and corresponding rate of unemployment. I am writing share our support SB29 SD1.

We are in an affordable housing and rental crisis across the state and this is one of our priorities. Affordable housing and rentals are critical for workers, so our children can return home after college and to attract new industries and diversify our economy. We feel by including this language at this level in the State Constitution, it then creates a mandate and hopefully spurs bigger initiatives to solve the current crisis.

Mahalo for your consideration of our testimony and ask that you please pass this bill.

Sincerely,

*Pamela Tumpap*

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



## SB 29, SD 1, PROPOSING AN AMENDMENT TO ARTICLE IX, SECTION 6, OF THE HAWAII STATE CONSTITUTION, TO REQUIRE THE STATE AND ITS POLITICAL SUBDIVISIONS TO PLAN TO PRODUCE ENOUGH HOUSING TO MEET DEMAND IN THEIR MANAGEMENT OF POPULATION GROWTH

FEBRUARY 16, 2021 · SENATE WAYS AND MEANS COMMITTEE · CHAIR SEN. DONOVAN DELA CRUZ

**POSITION:** Support.

**RATIONALE:** Imua Alliance supports SB 29, SD 1, which amends the constitution to require the state to plan to provide enough housing to meet demand in its management of population growth.

Hawai'i is facing a looming eviction crisis. During COVID-19, unemployment skyrocketed to levels not seen since the Great Depression. A recent study found that our state is experiencing the slowest unemployment rate recovery in the nation, moreover, with our rate hovering at approximately 9 percent in December. Thousands of people who haven't lost their jobs have instead seen their employment hours and earnings slashed, as the economic downturn lingered throughout 2020 and into the new year.

Financial precarity has become the norm for many families, who are unable to pay their full mortgages or rent and have accumulated housing debts. Currently, the state's eviction moratorium protects these families from being removed from their homes. Yet, the eviction moratorium will eventually expire as the public health emergency passes, leaving thousands of people at risk of losing their housing. It is entirely plausible, though heartbreaking, that landlords may try to increase rental and other housing costs to recover economic losses that they incurred

during the pandemic, which would take a huge toll on tenants who are still struggling to get back on their feet.

Today, **our state's ongoing lack of affordable housing exacerbates the economic insecurity suffered by local families, which sex traffickers use to prey upon potential victims with false promises of financial stability and prosperity.** Hawai'i residents face the highest housing costs in the nation, at more than twice the national average. Researchers who authored the National Low Income Housing Coalition's *Out of Reach 2020* report found that a full-time worker would need to earn \$38.76/hour to afford a two-bedroom apartment at fair market value in our state, with Honolulu experiencing a 67 percent increase in fair market rent between 2005 and 2015. Average rent for a two-bedroom unit surpassed \$2,000 in recent years, with minimum wage workers needing to log 117 hours per week to afford a modest one-bedroom apartment at fair market value and 153 hours per week to afford a two-bedroom—a number that is equivalent to working over 20 hours a day with no days off year-round. In the past five years alone, Honolulu rent has increased by more than 25 percent. While 42 percent of Hawai'i residents are renters (a number that does not include individuals and families renting outside of the regulated rental market), they earn an average wage of \$17.17/hour, according to NLIHC, scarcely enough to meet their basic needs.

One out of every four households in Hawai'i report that they are “doubling up” or are three paychecks or less away from being homeless, per the Hawai'i Appleseed Center for Law and Economic Justice. Additionally, over 60 percent of households are severely cost-burdened, following NLIHC data, meaning that they pay more than 30 percent of their income for housing costs, a number that rises to over 80 percent of extremely low-income households, with only 74 homes available for every 100 households earning 80 percent of their respective area's median income.

**Notably, housing costs increased during the pandemic.** In Honolulu, median single-family home prices reached a record of \$880,000 last October, **driven largely by sales to residential property investors.** Unsurprisingly, our state is now experiencing population decline. Hawai'i saw domestic out-migration increase for a third consecutive year in 2019, as the state's high cost of living continued to push people to the mainland. Census estimates show that our state's

population dropped by 8,866 people from July 2019 to July 2020, when births, deaths, and migration were accounted for. That population drop is nearly double the loss seen in 2011, when Hawai'i one of just ten states in the country to lose population, according to the U.S. Census Bureau. People are simply being priced out of paradise.

Without question, Hawai'i's lack of affordable housing exacerbates our state's homelessness crisis. In a recently released report, Chief Medical Examiner Dr. Masahiko Kobayashi said that 127 people who were considered homeless at the time of their deaths died on O'ahu in 2019, up from 120 deaths in 2018 and an increase of 46 percent from 2017 (87 deaths). Roughly 30 percent of children who are living on the streets will be approached for sexual exploitation within 48 hours of being away from home, according to the National Center for Missing and Exploited Children, with over 80 percent being approached for the commercial sex trade during the course of their time on streets. A federal study found that an estimated 38,600 runaway youth have been sexually assaulted, in the company of someone known to be sexually abusive, or engaged in sexual activity in exchange for money, food, or shelter.

Unsheltered keiki are perceived as easy targets for sex traffickers because they lack stable shelter, a supportive environment, and financial resources, placing them at greater risk of forced prostitution and sexual servitude. Traffickers exploit our limited number of available shelter beds to lure young people into exploitation. As the homeless childcare provider Covenant House observes, traffickers tell homeless youth that shelters are full and ask, "Where are you going to go? Why don't you come with me? I'll take care of you." Coupled with threats of and actual physical and sexual violence against the victims or their families, these coercive techniques compel runaway youth to remain enslaved.

LGBTQ youth, who comprise an estimated 40 percent of the runaway and homeless youth population in the United States, are exponentially more likely to fall prey to human traffickers because of discrimination, family and community trauma, and a longing for comfort and acceptance (an estimated 26 percent of LGBTQ adolescents are rejected by their families and put out of their homes simply for being open and honest about who they are). In providing care for victims of human trafficking, we have heard their stories hundreds of times.

Given these problems, **we cannot continue to allow the islands to be used as a private Monopoly board for real estate speculators.** To ensure that our islands are affordable for ourselves and future generations, we must take bold action ***now*** to guarantee access to affordable housing for working families and ensure that people who are participating in our state's housing market do not face price gouging as they strive to achieve a successful financial recovery.

**Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · [kris@imuaalliance.org](mailto:kris@imuaalliance.org)**

**SB-29-SD-1**

Submitted on: 2/10/2021 11:41:18 PM

Testimony for WAM on 2/16/2021 10:00:00 AM

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

Comments:

I support SB 29 SD 1, which proposes a Constitutional amendment that adds the production of enough housing to meet demand to the existing State and county mandate to manage the growth of the population to protect and preserve the public health and welfare.

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