

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
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IN REPLY REFER TO:

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

SENATE COMMITTEE ON HOUSING

January 28, 2021 at 1.00 p.m.
State Capitol, Room 225

In consideration of
S.B. 40
RELATING TO HOUSING.

The HHFDC ***offers the following comments*** on S.B. 40, a bill which would require no income restrictions for for-sale 201H projects that are built only for Hawaii residents that own no other real property and occupy the unit in perpetuity.

HHFDC has concerns that the proviso language in the proposed amendments to section 201H-38 is not sufficiently clear. We suggest that the phrase "residents of the State" be replaced with "qualified resident," a similar defined term in Chapter 201H, HRS, that does not impose any income limits and also applies only to persons who own no other interest in real property. We have similar concerns with the term "perpetuity," which is undefined, and whose plain meaning would be difficult for HHFDC to enforce.

We therefore suggest amending the language on page 3, lines 16 through 20 of the bill to read as follows:

- (4) If the proposed housing project is a for-sale project, the housing project shall, in perpetuity, not require income restrictions and provide that the proposed housing project is built only for qualified residents who will be owner-occupants of the units; and

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR



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Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

SENATE COMMITTEE ON HOUSING

Thursday, January 28, 2021
1:00 PM - Room 225, Hawaii State Capitol

In consideration of
SB 40
RELATING TO HOUSING

Honorable Chair Chang, and Members of the Senate Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 40, relating to housing.

The Hawaii Public Housing Authority (HPHA) **appreciates the intent** of SB 40, which exempts from income restrictions for-sale housing projects that are built for Hawaii residents, who will be owner-occupants in perpetuity, and who own no other property, and offers the following comments.

Creating more housing is a key component of getting the State out of the current housing crisis and all new housing units are a welcomed sight to the thousands of families are in desperate need of a permanent roof over their heads. The HPHA humbly suggests that a “resident of the State” be a defined term to provide clarity as to who would qualify to purchase a for-sale unit under this measure.

The HPHA appreciates the opportunity to provide the Committee with the HPHA’s testimony regarding SB 40. We thank you very much for your dedicated support.



Support SB 40

Aloha Senate Housing Committee,

Faith Action HousingNOW! Supports SB 40, which sets forth requirements for for-sale projects of the Hawaii Housing Finance and Development Corporation (HHFDC), as follows:

- There shall be no income restrictions.
- The housing shall be built only for residents of Hawaii who shall occupy the housing and own no other real property.

All Hawaii residents should have access to adequate housing that is affordable to them. This principle is embodied in the housing objectives and policies of the Hawaii State Planning Act, which sets forth a long-range comprehensive plan. This plan includes goals, objectives, policies, priority guidelines, and implementation mechanisms that are designed to guide all activities, programs, and decisions made by local and state agencies.

The housing objectives and policies of the Hawaii State Planning Act are contained in HRS 226-19, which includes the following objective: "Greater opportunities for Hawaii's people to secure reasonably priced, safe, sanitary, and livable homes, located in suitable environments that satisfactorily accommodate the needs and desires of families and individuals..."

HRS 226-19 sets policies for the State, including the following:

- "Effectively accommodate the housing needs of Hawaii's people."
- "Increase homeownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing."

HHFDC is the primary agency that oversees affordable housing finance and development in Hawaii. SB 40 directs the development of for-sale housing by HHFDC so that it is consistent with the housing objectives and policies of the Hawaii State Planning Act, to develop livable homes that are affordable to the people of Hawaii.

For the foregoing reasons, HousingNOW! supports SB 40.

Mahalo for your consideration to pass this bill,

Foo Pham
Faith Action
HousingNOW! Chair
housing@faithactionhawaii.org

JAN 21 2021

A BILL FOR AN ACT

RELATING TO HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 201H-38, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) The corporation may develop on behalf of the State or
4 with an eligible developer, or may assist under a government
5 assistance program in the development of, housing projects that
6 shall be exempt from all statutes, ordinances, charter
7 provisions, and rules of any government agency relating to
8 planning, zoning, construction standards for subdivisions,
9 development and improvement of land, and the construction of
10 dwelling units thereon; provided that:

11 (1) The corporation finds the housing project is
12 consistent with the purpose and intent of this
13 chapter, and meets minimum requirements of health and
14 safety;.

15 (2) The development of the proposed housing project does
16 not contravene any safety standards, tariffs, or rates
17 and fees approved by the public utilities commission



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1 for public utilities or of the various boards of water
2 supply authorized under chapter 54;

3 (3) The legislative body of the county in which the
4 housing project is to be situated shall have approved
5 the project with or without modifications:

6 (A) The legislative body shall approve, approve with
7 modification, or disapprove the project by
8 resolution within forty-five days after the
9 corporation has submitted the preliminary plans
10 and specifications for the project to the
11 legislative body. If on the forty-sixth day a
12 project is not disapproved, it shall be deemed
13 approved by the legislative body;

14 (B) No action shall be prosecuted or maintained
15 against any county, its officials, or employees
16 on account of actions taken by them in reviewing,
17 approving, modifying, or disapproving the plans
18 and specifications; and

19 (C) The final plans and specifications for the
20 project shall be deemed approved by the
21 legislative body if the final plans and



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1 specifications do not substantially deviate from
 2 the preliminary plans and specifications. The
 3 final plans and specifications for the project
 4 shall constitute the zoning, building,
 5 construction, and subdivision standards for that
 6 project. For purposes of sections 501-85 and
 7 502-17, the executive director of the corporation
 8 or the responsible county official may certify
 9 maps and plans of lands connected with the
 10 project as having complied with applicable laws
 11 and ordinances relating to consolidation and
 12 subdivision of lands, and the maps and plans
 13 shall be accepted for registration or recordation
 14 by the land court and registrar; ~~and~~

15 (4) If the proposed housing project is a for-sale project,
 16 the housing project shall not require income
 17 restrictions; provided that the proposed housing
 18 project is built only for residents of the State who:

19 (A) Will be owner-occupants of the units in
 20 perpetuity; and

21 (B) Own no other real property; and



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1 [~~4~~] (5) The land use commission shall approve, approve
2 with modification, or disapprove a boundary change
3 within forty-five days after the corporation has
4 submitted a petition to the commission as provided in
5 section 205-4. If, on the forty-sixth day, the
6 petition is not disapproved, it shall be deemed
7 approved by the commission."

8 SECTION 2. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act shall take effect upon its approval.

11

INTRODUCED BY: 



S.B. NO. 40

Report Title:

Housing; Exemption; Income Restrictions

Description:

Exempts from income restrictions for-sale housing projects that are built for Hawaii residents, who will be owner-occupants in perpetuity, and who own no other property.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



SB-40

Submitted on: 1/27/2021 7:45:50 AM

Testimony for HOU on 1/28/2021 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
John Kawamoto	Individual	Support	No

Comments:

I support SB 40, which sets forth requirements for for-sale projects of the Hawaii Housing Finance and Development Corporation (HHFDC). The requirements are as follows: (1) There shall be no income restrictions; and (2) The housing shall be built only for residents of Hawaii, who shall occupy the housing and own no other real property.

Housing creates the foundation for strong families and communities. All Hawaii residents should have access to adequate housing that is affordable to them. This principle is embodied in the housing objectives and policies of the Hawaii State Planning Act, which envisions “Greater opportunities for Hawaii’s people to secure reasonably priced, safe, sanitary, and livable homes, located in suitable environments that satisfactorily accommodate the needs and desires of families and individuals . . .”

The Hawaii State Planning Act also sets forth the following policies for the State: (1) “Effectively accommodate the housing needs of Hawaii’s people;” and (2) “Increase homeownership and rental opportunities and choices in terms of quality, location, cost, densities, style, and size of housing.”

HHFDC is the agency that is primarily responsible for affordable housing finance and development in Hawaii. SB 40 directs the development of for-sale housing by HHFDC so that it is consistent with the housing objectives and policies of the Hawaii State Planning Act, to develop livable homes that are affordable to the people of Hawaii.

For the foregoing reasons, I urge the committee to pass SB 40.