

DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

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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. 43
RELATING TO HOUSING.

The HHFDC *supports the intent* of S.B. 43, provided that its passage does not adversely impact fiscal priorities in the Executive Biennium Budget. S.B. 43 creates a new Housing Coordinator position in HHFDC, to be responsible for coordinating State resources for housing development and for developing and advocating for policies to address the State's housing shortage.

At present, several agencies attached to different departments are responsible for some portion of the State's housing need. HHFDC provides financing and development tools to promote the development of workforce housing. The Hawaii Public Housing Authority provides public housing and housing assistance to lower-income households. The Hawaii Community Development Authority provides moderate-income housing through its Reserved Housing Program. It would be beneficial if a Housing Coordinator existed to ensure that these and any other State agency with a housing function work together to maximize housing development efforts. HHFDC is supports this measure, provided that there is a General Fund appropriation to cover salary and fringe benefits for the Housing Coordinator.

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 43
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) 43, relating to housing.

The Hawaii Public Housing Authority (HPHA) **appreciates the intent and requests amendments**, of SB 43, which creates the position of the state housing coordinator and offers the following comments.

SECTION 2, page 7, line 3 – of the bill would interfere with the HPHA’s Annual Contributions Contract (ACC) with the U.S. Department of Housing and Urban Development (HUD), and federal and state mandated roles and responsibilities of the Agency’s Board of Directors. HUD mandates that the HPHA Board of Directors (Board) is the “legally and financially responsible governing body of a Public Housing Authority (PHA) and the first line of accountability for the PHA’s performance”. The HPHA is a single purpose entity, governed by an eleven-member Board of Directors that are appointed by the governor (Chapter 356D-3 and 356D-4 Hawaii Revised Statutes), and it provides policy guidance to the Agency in accordance to federal and state law. Any conflict with this important role between the Board and the State Housing Director will interfere with the Board’s obligations.

Therefore, the HPHA would like to humbly request that SECTION 2 (b)(10) be removed or have the HPHA exempted from this measure.

The HPHA appreciates the opportunity to provide the Committee with the HPHA’s testimony regarding SB 43. We thank you very much for your dedicated support.

SB-43

Submitted on: 1/27/2021 9:24:48 AM

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

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Carney	Testifying for EAH Housing	Support	No

Comments:

EAH is in strong support of a centralized authority to help expedite the production of affordable housing.

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. The legislature finds that there is currently a
2 statewide housing crisis that is negatively impacting the
3 quality of life of Hawaii's residents. The overall lack of
4 supply of housing at all price points on the islands is causing
5 residents to move out of the State to more affordable markets.
6 It is also contributing to the increased number of homeless
7 individuals and families across the State.

8 There is a need to coordinate and focus the efforts among
9 all government agencies on increasing the supply of housing at
10 all price points, especially at affordable price points for
11 those individuals having a household income at or below one
12 hundred forty per cent of area median income.

13 Presently, a unique opportunity exists to build more
14 housing units on state-owned lands along the rail transit
15 corridor. While these units would not be sold in fee simple,
16 the State may provide ninety-nine-year leasehold condominiums
17 for projects built on state-owned lands.



S.B. NO. 43

1 The legislature recognizes that there also exists a need to
2 allow for more construction on private lands throughout the
3 State since the housing crisis cannot be solved solely by
4 development on government lands.

5 The legislature further finds that the existing government
6 structure regarding development of housing at the state and
7 county levels, which was developed at the time of statehood, is
8 cumbersome and not proactive in addressing the existing housing
9 problems. Further, the dual level land entitlement and land
10 zoning system in Hawaii is reactive, not proactive, in
11 addressing the need for more housing.

12 The legislature finds that in order to appropriately
13 respond to the statewide need for more housing at all price
14 points, there needs to be a centralized authority in government
15 that can coordinate the government's resources to respond to the
16 housing shortage.

17 SECTION 2. Chapter 201H, Hawaii Revised Statutes, is
18 amended by adding a new section to be appropriately designated
19 and to read as follows:



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1 "§201H- Housing coordinator; appointment; duties. (a)

2 The governor shall appoint, and may remove, a housing
3 coordinator who shall be:

4 (1) Attached to the Hawaii housing finance and development
5 corporation for administrative purposes;

6 (2) Exempt from chapter 76; and

7 (3) Responsible for organizing and maintaining a housing
8 opportunity working group that shall:

9 (A) Comprise representatives of state agencies
10 identified by the housing coordinator as having
11 jurisdiction over matters related to housing
12 development;

13 (B) Discuss and make recommendations for coordination
14 of state resources to maximize efficiency
15 relating to housing development;

16 (C) Meet as often as the housing coordinator
17 recommends; provided that the housing opportunity
18 working group shall meet no less than once each
19 month; and

20 (D) Submit an annual report to the governor and
21 legislature of the housing opportunity working



1 group's efforts and progress, no later than
2 twenty days prior to the convening of each
3 regular session.

4 (b) The housing coordinator shall develop, advocate for,
5 and implement policies to address the State's housing shortage
6 by:

7 (1) Analyzing solutions and programs to address the
8 State's need for housing that is affordable for all
9 economic segments of the State, including programs or
10 proposals regarding:

11 (A) Financing, acquisition, rehabilitation,
12 preservation, conversion, or construction of
13 housing;

14 (B) Use of publicly owned lands and buildings as
15 sites for affordable housing;

16 (C) Identification of state and local regulatory
17 barriers to the development and placement of
18 housing;

19 (D) Stimulation of cooperation among public entities
20 and the private sector in the development of
21 housing;

S.B. NO. 43

- 1 (E) Equitable geographic distribution of housing for
- 2 all economic segments;
- 3 (F) Examination and adaptation of successful housing
- 4 policies from jurisdictions both nationally and
- 5 internationally;
- 6 (G) Unique circumstances for special needs
- 7 populations;
- 8 (H) Provision of infrastructure for existing and
- 9 future housing needs;
- 10 (I) Preservation and enhancement of the character of
- 11 the State's unique cultures and communities;
- 12 (J) Correction of distortions in the housing market;
- 13 (K) Prevention of the erosion of housing stock,
- 14 including erosion caused by speculation,
- 15 transient accommodations, or short-term vacation
- 16 rentals; and
- 17 (L) Diversity of communities across the State;
- 18 (2) Considering homeownership and rental housing as viable
- 19 options for the provision of housing;



- 1 (3) Considering various types of residential construction
2 and innovation housing options, including manufactured
3 housing;
- 4 (4) Reviewing, evaluating, and making recommendations
5 regarding existing and proposed housing programs and
6 initiatives, including tax policies, land use
7 policies, and financing programs;
- 8 (5) Incorporating feedback and concerns from all
9 stakeholders in the State's housing crisis;
- 10 (6) Attracting and retaining future residents and
11 industries through the provision of abundant and
12 affordable housing;
- 13 (7) Engaging and educating the public on housing policies
14 and programs;
- 15 (8) Facilitating the housing development process by
16 servicing as a guide for housing developers through all
17 parts of the housing development process;
- 18 (9) Encouraging state and county housing agencies to
19 explore the potential or expanded use of both
20 development and hold mechanisms, including community
21 land trusts, land banks, and master leases, to



preserve public lands for affordable housing under long term leases or in perpetuity;

(10) Facilitating redevelopment and rehabilitation of existing state public housing units;

(11) Gathering and collecting information regarding any existing challenges of developing more housing in Hawaii; and

(12) Collaborating with various state and county agencies involved in various aspects of housing development, including infrastructure, and developing strategies, whether project-specific, regional, or statewide, that will promote an increase in the supply of housing at all price points.

(c) The housing coordinator shall be a member of the state employees' retirement system and shall be included under the operations of the federal social security program or any other state or federal employee benefit program generally applicable to officers and employees of the State."

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2021-2022 and



S.B. NO. 43

1 the same sum or so much thereof as may be necessary for fiscal
2 year 2022-2023 to establish one permanent full-time equivalent
3 (1.0 FTE) housing coordinator position that is administratively
4 attached to the Hawaii housing finance and development
5 corporation.

6 The sums appropriated shall be expended by the Hawaii
7 housing finance and development corporation for the purposes of
8 this Act.

9 SECTION 4. New statutory material is underscored.

10 SECTION 5. This Act shall take effect on July 1, 2021.

11

INTRODUCED BY: _____

A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be the name of the bill's sponsor.

S.B. NO. 43

Report Title:

Hawaii Housing Finance and Development Corporation; State Housing Coordinator; Affordable Housing; Government Land; Private Land; Appropriation

Description:

Creates the position of the state housing coordinator.
Appropriates funds.

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

