

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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Honolulu, Hawaii 96813
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IN REPLY REFER TO:

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

HOUSE COMMITTEE ON EDUCATION

March 16, 2021 at 2:00 p.m.
State Capitol, Room 309

In consideration of
S.B. 804, S.D. 1
RELATING TO TEACHER RENTAL HOUSING.

The HHFDC **supports the intent** of Part III of S.B. 804, S.D. 1, provided that it does not adversely impact priorities set forth in the Executive Biennium Budget. HHFDC fully supports the desire to create rental housing in an effort to attract and retain qualified public-school teachers. We recognize that a good education is a pathway out of poverty and that there is a shortage of teachers in this state. We are currently working with the Department of Education to explore the development of teacher housing on certain sites on Oahu and Maui.

Part III of S.B. 804 amends §201H-12, HRS to expand HHFDC's authority to develop mixed-use housing projects, to include rental housing for teachers employed by the Department of Education and Public Charter Schools. It also appropriates \$10,000,000 in General Funds in Fiscal Year 2022-2023 for deposit into the Dwelling Unit Revolving Fund, earmarked for the development of rental housing for teachers.

Thank you for the opportunity to provide written comments on this bill.



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

Date: 03/16/2021

Time: 02:00 PM

Location: 309 Via Videoconference

Committee: House Education

Department: Education

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

Title of Bill: SB 0804, SD1 RELATING TO TEACHER RENTAL HOUSING.

Purpose of Bill: Authorizes the Hawaii Public Housing Authority and Hawaii Housing Finance and Development Corporation to provide rental housing projects for teachers employed by the Department of Education and public charter schools. Appropriates funds for the Hawaii Public Housing Authority. Appropriates funds for deposit into the dwelling unit revolving fund. Requires the Department of Education to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a project owner to lease teacher housing to other eligible tenants if occupancy of teacher housing is less than 95 per cent of total units in a project. Effective 7/1/2050. (SD1)

Department's Position:

The Hawaii State Department of Education (Department) supports SB 804, SD 1.

The Department appreciates the legislature's support in encouraging the development of additional statewide affordable teacher housing opportunities for Department educators and supports measures that aim to address this long-standing issue.

A January 2020 compensation study contracted by the Department revealed that 78 percent of survey respondents indicated that the lack of housing availability negatively impacted teacher retention in Hawaii. Additionally, a December 2020 comparison report developed for the Department on teacher recruitment revealed that similarly situated school districts in other states provide greater opportunities for low- to no-cost teacher housing for full-time employees. Furthermore, this report reveals that focus groups of current and former Department teachers echoed the need for not only more affordable housing opportunities, but inventory both in

geographically isolated areas and in higher priced rental locations .

The Department continues to pursue opportunities to increase the availability of affordable teacher housing. It is worth noting that recent discussions between the Department and the Hawaii Housing Finance and Development Corporation regarding a possible joint project to increase the supply of teacher housing have been promising.

Thank you for this opportunity to provide testimony on this measure .

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.

▪ **March 15, 2021**

**The Honorable Justin H. Woodson, Chair
The Honorable Jeanne Kapela, Vice Chair
And Members of the House Committee On
Education**

**RE: Testimony in Support of SB 804, SD1 Relating To Teacher Rental Housing
Tuesday, March 16, 2021; 2:00pm; House Conference Room 309 Via Videoconference**

Dear Chair Woodson, Vice Chair Kapela, 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 SB 804, SD1.

This important measure would authorize the Hawaii Public Housing Authority and Hawaii Housing Finance and Development Corporation to provide rental housing projects for teachers employed by the Department of Education and public charter schools; appropriate funds for the Hawaii Public Housing Authority; appropriate funds for deposit into the dwelling unit revolving fund; require the Department of Education to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing; and permit a project owner to lease teacher housing to other eligible tenants if occupancy of teacher housing is less than 95 per cent of total units in a project.

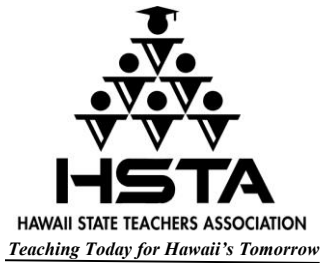
As an entrepreneur, lifelong island resident and civic leader, and the proud father of three children, I have always believed that a key to attaining a brighter and more prosperous future for our State is providing a quality education for all of our young people. In this regard, it concerns me that our lack of affordable housing is hampering our State's ability to attract and retain quality teachers who are the foundation of our educational system.

In light of these concerns, I have been in discussions with education officials and union leaders to explore ways affordable housing developers might be able to partner with the State to address this critical issue. With my knowledge and expertise in the construction field, I believe that the provisions in SB 804, SD1 would encourage and facilitate the development of much needed affordable housing opportunities for our teachers.

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



Stanford S. Carr



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Corey Rosenlee
President
Osa Tui Jr.
Vice President
Logan Okita
Secretary-Treasurer
Wilbert Holck
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON EDUCATION
and THE COMMITTEE ON HIGHER EDUCATION & TECHNOLOGY

RE: SB 804, SD1 - RELATING TO TEACHER RENTAL HOUSING

TUESDAY, MARCH 16, 2021

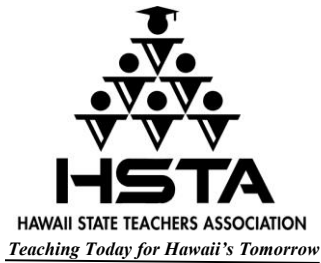
COREY ROSENLEE, PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Woodson, Chair Takayama, and Members of the Committees:

The Hawaii State Teachers Association **supports SB 804, SD1**, relating to teacher rental housing. This bill authorizes the Hawaii Public Housing Authority and Hawaii Housing Finance and Development Corporation to provide rental housing projects for teachers employed by the Department of Education and public charter schools. Appropriates funds for the Hawaii Public Housing Authority. Appropriates funds for deposit into the dwelling unit revolving fund. Requires the Department of Education to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a project owner to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below 95 per cent.

Hawai'i continues to suffer from a shortage of licensed teachers with over 1000 vacancies each year. Financial incentives and affordable options for teacher housing are key strategies for the recruitment and retention of teachers, particularly given that Hawai'i's teacher salaries continue to trail the nation, when adjusted for cost of living. Housing is a big portion of each teacher's paycheck.

IF we concentrate on retaining our teachers, the Department of Education would not have to focus so much on the recruitment of teachers. **To recruit and retain effective educators, policymakers must find ways to lessen the financial burden of being a public school teacher.** Establishing a teacher rental housing program is a good first step. In the islands, where new housing rarely becomes available, the percentage of renters who face cost burdens—financial handicaps



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incurred by people spending over 30 percent of their income on housing—is roughly 57 percent, according to the National Low Income Housing Coalition. Many of those cash-strapped renters are state educators, who are chronically underpaid. To make ends meet, many teachers are forced to pick up second and third jobs, live in cramped studio apartments, and cut back on necessities like medical and dental care. Thus they cannot devote their full attention to their students and the preparation of lessons and grading that they usually complete after school once their students have left for the day. Instead, they are rushing off to their second or even third jobs when they would much rather concentrate on their teaching duties and their students.

Thus, a teacher rental housing program will, as long as it is affordable for teachers, assist them in attaining sustainable and stable residency, while staving off crushing debt burdens. It would also make the teaching profession more attractive by increasing educators' ability to find affordable housing that won't take their whole paycheck.

To take care of the needs of Hawaii's hardworking teachers, the Hawaii State Teachers Association asks your committee to **support** this bill.

March 16, 2021

The Honorable Justin Woodson, Chair
House Committee on Education

The Honorable Gregg Takayama, Chair
House Committee on Higher Education & Technology
Via Videoconference

RE: Senate Bill 804, SD1, Relating to Teacher Rental Housing

HEARING: Friday, February 26, 2021, at 9:30 a.m.

Aloha Chair Woodson, Chair Takayama, and Members of the Joint Committees,

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** Senate Bill 804, SD1, which authorizes the Hawai'i Public Housing Authority (“HPHA”) and Hawai'i Housing Finance and Development Corporation (“HHFDC”) to provide rental housing projects for teachers employed by the Department of Education (“DOH”) and public charter schools. Appropriates funds for the HPHA. Appropriates funds for deposit into the dwelling unit revolving fund. Requires the DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits a project owner to lease teacher housing to other eligible tenants if occupancy of teacher housing is less than 95% of total units in a project.

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. Ultimately, we have a housing supply problem, and we need creative solutions to build more housing at all price points, including for teachers. Land cost is a big part of the development costs so utilizing public school lands to build teacher housing helps address one of the large costs of developing housing units.

With Hawaii's high cost of housing and living, this would provide teachers with an affordable housing option, and could help them save for a downpayment should they wish to purchase their own home in the future. Furthermore, at a time when our economy is hurting, this is a creative approach to tackle the solution of increasing the supply of housing while helping our teachers.

Mahalo for the opportunity to testify.



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-First Legislature, State of Hawaii
House of Representatives
Committee on Education

Testimony by
Hawaii Government Employees Association

March 16, 2021

S.B. 804, S.D. 1 — Relating To Teacher Rental Housing

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO wishes to provide comments on S.B. 804, S.D. 1, which proposes to authorize the Hawaii Public Housing Authority and Hawaii Housing Finance and Development Corporation to provide rental housing projects for teachers employed by the Department of Education and public charter schools.

The HGEA represents thousands of employees who work for the DOE and public charter schools who make less than a starting Hawaii teacher's salary. They and their immediate families also deserve to be considered for affordable rental housing. We urge the legislature to allow the Hawaii Public Housing Authority to provide "workforce housing" for other government employees regardless of jurisdiction who would view this as a benefit to government employment.

Thank you for the opportunity to provide comments on S.B. 804, S.D. 1.

Respectfully submitted,

Randy Perreira
Executive Director

SB-804-SD-1

Submitted on: 3/12/2021 7:24:48 PM

Testimony for EDN on 3/16/2021 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kenneth R. Conklin, Ph.D.	Individual	Support	No

Comments:

A recently published news report described how three teachers from the Philippines were recruited and are now teaching on the island of Lana'i. What a wonderful way to solve a teacher shortage, especially in a rural community where newcomers -- especially foreigners -- would have a very hard time finding housing. I'm sure that the housing element was a very important component that induced them to come.