

JOSH GREEN, M.D.
GOVERNOR



LATE

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

IN REPLY PLEASE REFER TO:

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

HOUSE COMMITTEE ON HOUSING

February 03, 2023 at 9:00 a.m.
State Capitol, Room 312

In consideration of
H.B. 1117
RELATING TO TEACHER RENTAL HOUSING.

HHFDC *offers comments* on H.B. 1117, which authorizes HHFDC to assist in the planning of rental housing projects for teachers employed by the Department of Education and public charter schools and appropriates funds into HHFDC's Dwelling Unit Revolving Fund (DURF) for the development of such housing.

We recognize the need for more housing for teachers and want to support this effort, however, our programs and resources are subject to Fair Housing laws, and therefore, HHFDC needs assurance that any housing occupancy preferences do not violate these laws.

Development of teacher housing must be carefully planned and funded, as occupancy preferences or restrictions based on occupation, employment status, or residency may violate fair housing laws if disparate demographics exists between the project's occupancy and the broader demographics of the state or county in which the project is located.

Thank you for the opportunity to provide testimony.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 3, 2023

The Honorable Representative Troy N. Hashimoto, Chair
House Committee on Housing
The Thirty-Second Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Hashimoto and Committee Members:

SUBJECT: HB1117 Relating to Teacher Rental Housing.

The Hawaii State Council on Developmental Disabilities **SUPPORTS HB1117**, which authorizes HHFDC to assist DoE in developing teacher housing projects and contract or sponsor a development housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Requires DoE to lease land and contract with private entities for development, management, maintenance, or revitalization of teacher housing. Permits DoE to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below 95 percent.

It is well known that Hawai'i public schools are in need of qualified general education teachers. Data has also shown there is a greater need for special education teachers. For the past four school years, unfilled special education teacher positions have risen annually. There is a lack of special education teachers who have completed a state-approved teacher education program willing to fill those positions, and an increasing number of teachers with non-state-approved teacher education program credentials assigned to these positions.

The Council supports initiatives that will help to incentivize teachers to come and stay in Hawai'i to teach at our public schools. We also thank the legislature for including eligible non-teachers, such as individuals with disabilities, if the occupancy of teacher housing falls below 95 percent.

Thank you for the opportunity to submit testimony in **support of HB1117**.

Sincerely,

Daintry Bartoldus
Executive Administrator

JOSH GREEN, M.D.
GOVERNOR



KEITH T. HAYASHI
SUPERINTENDENT

STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/03/2023

Time: 02:00 PM

Location: 312 VIA VIDEOCONFERENCE

Committee: House Housing

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: HB 1117 RELATING TO TEACHER RENTAL HOUSING.

Purpose of Bill: Authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor a development housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Requires DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits DOE to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below 95 per cent.

Department's Position:

The Hawaii State Department of Education (Department) provides comments and concerns on HB 1117.

The Department appreciates the assistance that this bill aims to provide for the purpose of building teacher housing. However, the Teacher Housing program currently consists of one full-time employee. The requirements for the Department to establish administrative rules for the placement and occupancy of teachers; to contract for the management, maintenance, and revitalization of teacher housing; and associated tasks set forth in this bill will place additional administrative burdens on the Department. Additional staffing will be required for the aforementioned responsibilities.

The language added to the new language reflected in chapter 302A, Hawaii Revised Statutes, subsection (a) use of the term "shall" conflicts with the inclusion of "as necessary" in the clause. The Department recommends replacing "shall" with "may." Subsection (b) sets the threshold for reserving units for teachers at 95%. This figure does not take into consideration the relative size of the individual project or geographic variables. The Department recommends that the figure of 95% be replaced with "the threshold as established in the Department of Education's

administrative rules."

Additionally, the role of building and administering housing is not a core function of the Department and is not aligned with our core mission. We would defer to the Legislature as to the most appropriate agency, but suggest an organization such as the Hawaii Housing Finance and Development Corporation may be better suited to carry out this initiative. We would look forward to working with that organization when ensuring that the Department's guidelines on eligibility and conduct on school facilities is adhered to.

Thank you for the opportunity to provide comments on this measure.

Council Chair
Alice L. Lee



Director of Council Services
Traci N. T. Fujita, Esq.

Councilmembers
Tom Cook
Gabe Johnson
Tasha Kama
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Yuki Lei K. Sugimura
Nohelani U'u-Hodgins

Deputy Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

February 1, 2023

TO: The Honorable Troy N. Hashimoto, Chair
House Committee on Housing

FROM: Alice L. Lee
Council Chair

A handwritten signature in cursive script, appearing to read "Alice L. Lee", is written over the printed name and title.

SUBJECT: **HEARING OF FEBRUARY 3, 2023; TESTIMONY IN SUPPORT OF
HB 1117, RELATING TO TEACHER RENTAL HOUSING**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is to allow the Hawaii housing finance and development corporation to plan and help create rental housing projects for teachers employed by the department of education and public charter schools.

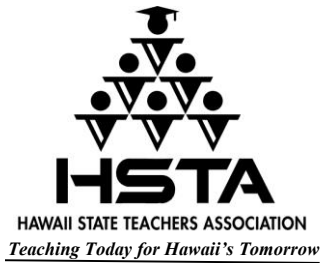
The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. There is a severe teacher shortage which is exacerbated by the lack of affordable rental housing available for teachers in Hawaii.
2. Attracting and retaining quality teachers is critically important to the future of a healthy society.
3. Providing more opportunities for teacher housing will enhance teachers' ability to remain in Hawaii to educate our children.

For the foregoing reasons, I **support** this measure.

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Osa Tui, Jr.
President
Logan Okita.
Vice President
Lisa Morrison
Secretary-Treasurer
Ann Mahi
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON HOUSING

RE: HB 1117 - RELATING TO TEACHER RENTAL HOUSING

FRIDAY, FEBRUARY 3, 2023

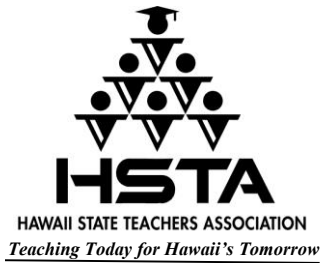
OSA TUI, JR., PRESIDENT
HAWAII STATE TEACHERS ASSOCIATION

Chair Hashimoto and Members of the Committee:

The Hawaii State Teachers Association **supports HB 1117**, relating to teacher rental housing. This bill authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor a development housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Requires DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits DOE 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 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



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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.

Add to these struggles the spike in inflation we've seen in the last year, and ever-rising housing costs. According to Locations Hawaii, the median home cost in Hawaii at the end of 2021 was \$1.02 million. The median rent for a one-bedroom apartment in Honolulu is more than \$1,600 and a two-bedroom is \$2,180. As homes are sold, teachers who rent then struggle to find affordable replacement housing.

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 Hawai'i's hardworking teachers, the Hawaii State Teachers Association asks your committee to **support** this bill.

February 3, 2023

The Honorable Troy N. Hashimoto, Chair

House Committee on Housing

State Capitol, Conference Room 312 & Videoconference

RE: House Bill 1117, Relating to Teacher Rental Housing

HEARING: Friday, February 3, 2023, at 9:00 a.m.

Aloha Chair Hashimoto, Vice Chair Aiu and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i and its over 11,000 members. HAR **supports** House Bill 1117 which authorizes HHFDC to assist DOE in developing teacher housing projects and contract or sponsor a development housing project with any state department or agency. Appropriates funds for deposit into the dwelling unit revolving fund. Requires DOE to lease land and contract with private entities for the development, management, maintenance, or revitalization of teacher housing. Permits DOE to lease teacher housing to other eligible tenants if occupancy of teacher housing falls below 95 per cent.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 45,497, housing units to meet demand in Hawai'i by 2030.¹ 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; therefore utilizing public school lands to build teacher housing is a creative approach to help teachers with their housing needs.

For the foregoing reasons, Hawai'i REALTORS® supports this measure. Mahalo for the opportunity to testify.

¹ <https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf>

HB-1117

Submitted on: 2/1/2023 11:54:15 PM

Testimony for HSG on 2/3/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Please support HB1117.