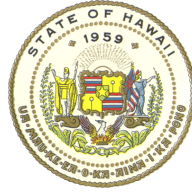
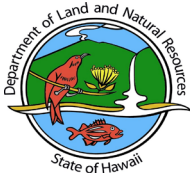


DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committees on
HUMAN SERVICES
AND
HOUSING**

**Tuesday, March 22, 2022
3:15 PM**

State Capitol, Conference Room 225 and Via Videoconference

**In consideration of
HOUSE BILL 2512, HOUSE DRAFT 2
RELATING TO OHANA ZONES**

House Bill 2512, House Draft 2 proposes to extend the 'Ohana Zone Pilot Program to June 30, 2026, and exempt contracts entered into under this Program from all or parts of 19 Chapters of the Hawaii Revised Statutes (HRS). **The Department of Land and Natural Resources (Department) respectfully opposes this bill as the exemptions related to land use are too broad, erase environmental protections and close off opportunities for public comment.**

The Department prefers the Senate Bill 3168 as a vehicle to extend and eventually make 'Ohana Zones permanent.

The Department notes that the original 'Ohana Zone legislation (Senate Bill 2401, Senate Draft 2, House Draft 1, Conference Draft 1) enacted as Act 209, Session Laws of Hawaii 2018, only exempted Chapters 103D and 103F, HRS. All other exemptions were a part of the Governor's emergency declaration. As the emergency declaration is no longer in effect, the Department questions the need for such broad exemptions from statute. In general, all of the laws waived protect the health and safety of the public and exist for good reasons. The Department requests the bill be deferred in favor of Senate Bill 3168. Below are the Department's comments on specific waivers.

Chapter 46, HRS. This Chapter delegates authority to the Counties for all their functions, including zoning, police powers and noise ordinances. Waiving Chapter 46, HRS, could have unintended consequences on the community. Chapter 46, HRS, meets this federal requirement and waiving this Chapter could prohibit the County from regulating development within these

flood-prone areas, forcing the Federal Emergency Management Agency (FEMA) to suspend state and county participation in the National Flood Insurance Program (NFIP). Suspension from the NFIP has significant consequences which would jeopardize the availability of federal flood insurance policies and federal disaster assistance (grants or loans) which would increase the risk for property owners in a large flood event. The Department also notes that Section 46-4, HRS, County Zoning is necessary to ensure appropriate land uses. In particular, the Department has concerns with waiving Section 46-4(3), HRS, zoning power over the areas bordering natural watercourses, channels, and streams, in which trades or industries, filling or dumping, erection of structures and the location of buildings may be restricted. Waiving county zoning regulations in these areas could affect downstream or neighboring populations and jeopardize State and County participation in the NFIP.

Chapter 6E, HRS, protects historic properties for the public good. A waiver of Chapter 6E, HRS, sweeps away protections for burials, and for historic and cultural sites of Native Hawaiians and other people of Hawaii without any process for comments from the affected public or review by the Department's State Historic Preservation Division. The State Historic Preservation Division is working on multiple fronts to ensure reviews of projects happen within the statutory deadlines.

A waiver of all of **Chapter 171, HRS**, is much too broad. This waiver appears to exempt 'Ohana Zones contractors from the authority of the Board of Land and Natural Resources, including its ability to lease land. If 'Ohana Zone contractors are exempted from having to lease lands under board authority, this could lead to chaos. Generally, a lease protects both State and leasing party because it describes terms of use, and the leasing party has to provide proof of insurance and indemnify the State. By granting a waiver of Chapter 171, HRS, the State forgoes these protections and opens the Department to lawsuits because 1) there is no lease describing what can and cannot be done on the land and 2) there is no indemnity insurance. In fact, without board approval, there is no authority to use the land at all. This type of waiver does not benefit the public.

Chapter 205, HRS, Land Use Commission and Chapter 205A, HRS, Coastal Zone Management (CZM) Program. The Department will rely on the Land Use Commission to comment on adverse effect of waiving Chapter 205, HRS, and the Office of Planning and Sustainable Development to comment on the adverse effects of waivers of both these laws. The Department notes land use planning ensures the highest and best use of land, and that the CZM Program is important for preserving open space and reducing hazards to life and property from coastal hazards. As with all of the proposed land use waivers, failing to review the effects of these types of projects could have adverse effects on the public and on other land uses.

Chapter 343, HRS, serves 2 major purposes. First, it addresses environmental effects of a project on Hawaii's unique and fragile environment. The Department does not support a waiver because the state has daily evidence of human effects on the environment to the detriment of the larger population. Coral loss due to polluted run-off, as well as climate change is a constant problem. The importance of monitoring water quality has been made very clear by the Red Hill leak. Avian malaria is threatening extinction for almost all of our native birds. Waiving Chapter 343, HRS, avoids looking at possible effects to these resources and addressing mitigation of any effects.

The second purpose of Chapter 343, HRS, is to allow the public an opportunity to comment on projects that may affect them. Waiving Chapter 343, HRS, closes this avenue for public comment on projects that the public should have an opportunity to weigh in on, since they are often built on public lands that other people, in addition to the homeless may use. While the Department understands the need for low income and alternate housing and the added costs incurred by complying with environmental regulations, we feel those costs are well worth it to ensure the protection of Hawaii's unique and fragile environment for the entire population of our state.

These are only five (5) of the nineteen (19) laws exempted. Exemption proposals should be carefully considered for public concerns regarding the lack of transparency, accountability, and opportunities for public comment that this bill encourages by making the waivers of these laws semi-permanent over the next five years, and perhaps beyond.

Thank you for the opportunity to testify on this measure.



HAWAI'I APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
SUPPORTING HB2512 HD2 – Relating to Ohana Zone Funding
Conference Room 225 & Videoconference
Tuesday, March 22nd, 2022 at 3:15PM

Aloha Chairs San Buenaventura and Chang, Vice Chairs Les Ihara and Kanuha, and committee members,

Thank you for the opportunity to provide testimony **supporting HB2512 HD2**.

We applaud the legislature for this bill providing additional funding and extending the Ohana Zone Pilot Program through 2026. Additionally, the exemptions provided for homes within the pilot program are critical for keeping costs down and providing housing as quickly as possible for our currently unhoused community members.

These exemptions make sense in the case of low-cost housing options for people currently living in encampments or unsheltered because these tiny homes and other very affordable options are much smaller in scale and environmental impact than typical housing developments aimed at people with incomes to support a rent or mortgage. These ohana zone projects are a big improvement and step up for people currently living without shelter, however, they are not the typical housing product you would see for sale or rent on trulia or craigslist. It is important to recognize that different segments of our population have different housing needs and that for the over 6,000 houseless residents across our state we must continue to provide options that are as low-cost as possible.

Please ensure that much needed transitional homes, supportive housing, emergency shelters and assessment centers continue to be built as quickly and efficiently as possible.

Mahalo.

HB-2512-HD-2

Submitted on: 3/21/2022 9:41:46 AM

Testimony for HMS on 3/22/2022 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	In Person

Comments:

Please support this important bill. Pu‘uhonua o Wai‘anae is a model for what this bill would allow us to do. One of the most important things that's been missing from our state response to houselessness is the mana‘o of those who are unsheltered or formerly-unsheltered, and they've been saying this bill is a priority that needs to pass. We should listen to those with lived experience, and I hope this committee will do so and pass this bill.

Mahalo

HB-2512-HD-2

Submitted on: 3/21/2022 10:00:15 AM

Testimony for HMS on 3/22/2022 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Arjuna	Individual	Support	In Person

Comments:

Strong support of HB2512 WITH exemptions

HB-2512-HD-2

Submitted on: 3/21/2022 12:20:30 PM

Testimony for HMS on 3/22/2022 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Lindsay Ann Pacheco	Individual	Support	In Person

Comments:

This bill is important to create housing for our houseless community members at lower costs and at a much more quicker rate than without these important exemptions. Please support solutions that have been shown to work for our houseless community members. Our houseless friends and neighbors deserve housing and a safe place to gain stability as quickly as possible.

Mahalo for your time,

Lindsay Pacheco

HB-2512-HD-2

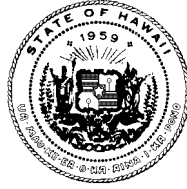
Submitted on: 3/21/2022 1:58:11 PM

Testimony for HMS on 3/22/2022 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Devin Thomas	Individual	Support	In Person

Comments:

Hawai'i's affordable housing crisis has grown worse during the COVID-19 pandemic, and it will only continue to grow worse unless timely, comprehensive solutions are implemented. Pu'uhonua O Wai'anae, which has benefited from the same exemptions that are being proposed in this bill, serves as an excellent example of a community-driven solution to houselessness. HB 2512 would help spur the development of similar projects across the state—projects that are desperately needed to address the lack of affordable housing. I urge lawmakers to support HB 2512's intent to provide more housing for Hawai'i's working families, many of whom who can no longer afford to live here.



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 18, 2022

TO: The Honorable Senator Joy A. San Buenaventura, Chair
Committee on Human Services

The Honorable Senator Stanley Chang, Chair
Committee on Housing

FROM: Cathy Betts, Director

SUBJECT: **HB 2512 HD2 – RELATING TO OHANA ZONES.**

Hearing: Tuesday, March 22, 2022, 3:15 p.m.
Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports extending the Ohana Zone Pilot Program; however, the DHS opposes the HD2. DHS proposed administration measures HB2140/ SB3108 and prefers the language in those measures or the original HB2512. DHS defers to other departments impacted by the HD2.

PURPOSE: The purpose of this measure is to expand regulatory exemptions for ohana zones pilot program contracts. Extends the sunset date for the ohana zones pilot program to June 30, 2026. Appropriates funds to the governor for the ohana zones pilot program. Effective 7/1/2050. (HD2) The HD1 made significant amendments by

- (1) Expanding the regulatory exemptions for Ohana Zones Pilot Program contracts, similar to those previously included in the Governor's Emergency Homeless Proclamation;
- (2) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

The HD2 amended the measure by:

- (1) Changing the appropriation to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to encourage further discussion.

The Department supports extending the ohana zone pilot program. However, DHS respectfully opposes section 1, which exempts ohana zone pilot program contracts from whole chapters of law, including Chapter 346, Hawaii Revised Statutes, and multiple sections of law. Specifically, DHS opposes exempting the entire Chapter 346, HRS, given that many services provided in a current or future Ohana Zones pilot project may need services funded through DHS. For example, DHS contracted services, such as outreach, assistance with obtaining government identification, and Housing First programs, are contracted through the authority set forth in Chapter 346. In addition to homeless services, DHS provides financial, nutrition, medical, child care, protective, vocational rehabilitation, and other public assistance services.

As of September 30, 2021, nineteen Ohana Zones pilot projects served 5,076 individuals statewide and placed 1,129 people into permanent housing. In addition, the Ohana Zones pilot projects maintained 358 beds in the homeless services system and added 432 new beds for shelter or Housing. During the COVID-19 pandemic, the Ohana Zones pilot program enabled the State and counties to be flexible and quickly add shelter capacity.

The success of the current Ohana Zone pilot programs is partly due to the leveraging of county resources and State-funded services. If Counties do not want State-funded homeless and other State-contracted services available for the population served by Ohana Zones pilot program, then Counties will have to fund these services with County funds or seek appropriations from the Legislature.

Also, it is unclear what kind of authority the Governor's Coordinator on Homelessness or the Hawaii Interagency Council on Homelessness (HICH) would continue to have regarding the delivery of homeless services in Ohana Zone pilot projects. The Coordinator and the HICH are established in Part XVIII, Chapter 346, HRS, and much of the coordinated entry system, changes, and practices are issues facilitated through the Coordinator and the HICH. Therefore, DHS respectfully requests the Legislature reconsider the breadth of HD1 Section 1 and, at the very least, delete the exemption of chapter 346, HRS.

The Department further suggests going back to the original HB2512 or adopting the language of administration measure HB2140/ SB3108.

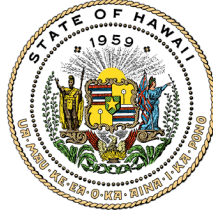
The Department anticipates a growing number of households will experience housing instability and face eviction. As a result, DHS will need to continue to provide the innovative community-based shelter and housing support programs initiated through the Ohana Zones pilot program led by the Coordinator. Act 209, SLH 2018, established the Ohana Zones pilot program as a three-year pilot project with an initial sunset date of June 30, 2021. Act 128, SLH 2019, extended the program to June 30, 2023.

The COVID-19 pandemic health and economic consequences impact many residents' ability to pay rent or mortgages. Since the end of the eviction moratorium, we are aware that evictions have been taking place, and we do not know the statistics of what is happening to these individuals and families. We anticipate that more residents will not be able to pay rent and will not be able to find less expensive housing, as prices continue to rise for rent, most consumer goods, and energy, as wages are not rising at the same pace as expenses, and more federal assistance does not appear forthcoming.

Additionally, the pandemic has further exposed the need for the State and counties to develop safer shelter options for unaccompanied youth and youth whose families are experiencing homelessness or living in crowded spaces. When families are experiencing housing instability, frequently, older youth double up with family members or friends; these older youth may stay at multiple homes to not overburden the families where they are staying. The housing instability impacts their health and well-being and their ability to attend school. More resources are needed to provide stable housing options for unaccompanied youth or youth experiencing homelessness. COVID-19 exposure and diagnosis have also impacted the ability of youth to find safe shelter to isolate and quarantine and to attend online school while in isolation or quarantine.

Given the increased demand for homeless services, there is a need to continue and expand the Ohana Zones pilot program to sustain effective services and expand statewide bed inventory. The continuation and expansion of the Ohana Zones pilot program will sustain effective homeless services and add new bed inventory to meet increased demand during and following the COVID-19 pandemic.

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



STATE OF HAWAII
DEPARTMENT OF DEFENSE
HAWAII EMERGENCY MANAGEMENT AGENCY

TESTIMONY ON HOUSE BILL 2512, HD2,
RELATING TO OHANA ZONES

BEFORE THE SENATE COMMITTEES ON
HUMAN SERVICES AND HOUSING
BY

Luke P. Meyers
Administrator, Hawaii'i Emergency Management Agency (HI-EMA)

MARCH 22, 2022

Aloha Chairs San Buenaventura and Chang, Vice-Chairs Ihara and Kanuha, and Members of the Committee:

Thank you for the opportunity to submit testimony to provide **COMMENTS** on HB 2512, HD 2.

House Bill 2512, HD2 expands regulatory exemptions for 'ohana zones pilot program contracts; extends the sunset date for the 'ohana zones pilot program to June 30, 2026; and appropriates funds to the governor for the 'ohana zones pilot program.

The Hawaii'i Emergency Management Agency (HI-EMA) takes no position on the value of the 'ohana zone pilot program. However, House Bill 2512, HD 2, expands the regulatory exemptions that would apply to the program, including a new exemption from the provisions of Hawaii'i Revised Statutes Section 46.

HRS Section 46-1.5 (5)(d) is the provision that gives Hawaii'i counties the authority to administer the National Flood Insurance Program (NFIP). By exempting the 'ohana zone pilot program from the provisions of HRS Section 46, House Bill 2512, HD2 jeopardizes the State of Hawaii's and the counties' eligibility and participation in the NFIP.

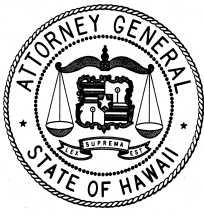
Flood damage is not covered by typical homeowner's insurance policies. An exemption from HRS Section 46 would potentially remove the primary tool by which the state's homeowners protect themselves from financial losses caused by flooding, including flash floods such as those seen across the state during the storms of April 2018, March 2020, March 2021, and the Kona Low storms in December 2021. Such floods can cause tens of thousands or even

hundreds of thousands of dollars in damage to a single home which is not covered unless the property owner has NFIP flood insurance.

The HI-EMA would urge the committee to consider the unintended fiscal and policy consequences of approving this bill with the exemption to HRS Section 46 in place, and consider amending the bill to address the conflict.

Thank you for the opportunity to provide comments on House Bill 2512, HD2.

Luke P. Meyers: Luke.P.Meyers@hawaii.gov; 808-733-4300



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2022**

ON THE FOLLOWING MEASURE:

H.B. NO. 2512, H.D. 2, RELATING TO OHANA ZONES.

BEFORE THE:

SENATE COMMITTEES ON HUMAN SERVICES AND ON HOUSING

DATE: Tuesday, March 22, 2022 **TIME:** 3:15 p.m.

LOCATION: State Capitol, Room 225 and Videoconference

TESTIFIER(S): Holly T. Shikada, Attorney General, or
Melissa L. Lewis, Deputy Attorney General

Chairs San Buenaventura and Chang and Members of the Committees:

The Department of the Attorney General provides the following comments on this bill.

The purposes of this bill are to amend the Ohana Zones Pilot Program established pursuant to Act 209, Session Laws of Hawaii 2018, by amending section 4, as amended by Act 128, section 1, Session Laws of Hawaii 2019, to address homelessness to: (1) exempt contracts entered into by executive branch agencies designated by the Governor pursuant to the Act from the requirements of numerous sections and chapters of the Hawaii Revised Statutes (HRS); (2) extend the Ohana Zones Pilot Program to June 30, 2026; and (3) appropriate an unspecified sum for fiscal year 2022-2023, to be expended by the Governor's Office.

Section 1(1) of the bill, on page 1, lines 5-10, will amend section 4(a) of Act 209, as amended, to read as follows:

(a) Contracts entered into by the agencies designated by the governor pursuant to the ohana zones pilot program shall be exempt from the requirements of chapters 6E, 46, 92, 103D [and], 103F, 104, 171, 205, 205A, 206E, 343, and 346, and sections 37-41, 37-74 (d) (1), 40-66, 102-2, 103-2, 103-53, 103-55, 105-1 through 105-10, and 464-4, Hawaii Revised Statutes.

The proposed exempted HRS chapters and sections include: chapter 6E, Historic Preservation; chapter 46, County Organization and Administration; chapter 92, Public Agency Meetings and Records; chapter 104, Wages and Hours of Employees on

Public Works; chapter 171, Conservation and Resources; chapter 205, Land Use Commission; chapter 205A, Coastal Zone Management; chapter 206E, Hawaii Community Development Authority; chapter 103D, Hawaii Public Procurement Code; chapter 103F, Purchases of Health and Human Services; chapter 343, Environmental Impact Statements; chapter 346, Social Services; section 37-41, Appropriations to revert to state treasury; exceptions; section 37-74(d)(1), Program execution; section 40-66, Appropriations lapse when; section 102-2, Contracts for concessions; bid required, exception; section 103-2, General fund; section 103-53, Contracts with the State and counties; tax clearances, assignments; section 103-55, Wages, hours, and working conditions of employees of contractors performing services; sections 105-1 through 105-10, Government motor vehicles; and section 464-4, Public works.

The Bill does not provide a reason for exempting entire HRS chapters and various sections, or how each HRS chapter and section exempted would apply to contracts entered into by state agencies designated by the Governor (other than chapters 103D and 103F, which relate to procurement). An exemption overbreadth may: (1) cause implementation challenges; (2) result in unintended consequences; and (3) lead to legal challenges that would delay projects undertaken as part of the Ohana Zones Pilot Program. If this measure proceeds, we suggest that the listed exempt HRS chapters and sections be deleted or narrowed to those strictly necessary for the program and can be justified. We further suggest that a purpose section be added to the bill to provide the justification for exempting the various HRS chapters and sections.

Thank you for the opportunity to provide testimony on this bill.

DAVID Y. IGE
GOVERNOR



EXECUTIVE CHAMBERS
HONOLULU

March 22, 2022

TO: The Honorable Senator Joy A. San Buenaventura, Chair
Senate Committee on Human Services

The Honorable Senator Stanley Chang, Chair
Senate Committee on Housing

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: **HB 2512 HD2 – RELATING TO OHANA ZONES.**

Hearing: Tuesday, March 22, 2022, 3:15 p.m.
VIA VIDEO CONFERENCE
State Capitol, Conference Room 225

POSITION: The Governor's Coordinator on Homelessness supports the intent of this measure and extending the Ohana Zones pilot program; however, respectfully opposes the HD2. Specifically, the Coordinator raises concerns regarding the broad exemptions from Hawaii Revised Statutes (HRS) specified in section 1. The Coordinator notes that this measure is similar to administrative bills HB2140 / SB3108 and prefers the language in those measures or the original HB2512.

The Coordinator defers to the respective executive branch agencies regarding the potential impact of waivers from various statutes regarding historic preservations, the counties, public agency meetings and records, procurement, wages and hours of employees on public works, public lands, conservation and resources, land use, coastal zone management, concessions on public property, expenditure of public money and public contracts, government motor vehicles, and requirements of the Hawaii Community Development Authority (HCDA) and Department of Human Services (DHS).

PURPOSE: The purpose of the bill is to expand regulatory exemptions for Ohana Zones pilot program contracts and extend the sunset date for the Ohana Zones pilot program to June 30, 2026. The bill also appropriates funds to the Governor for the Ohana Zones pilot program.

The Coordinator supports extending the Ohana Zone pilot program and prefers the original language for this bill. However, the Coordinator is concerned about the numerous exemptions from regulatory statutes for Ohana Zones pilot program contracts included in the HD2. As currently drafted, the numerous exemptions from entire sections of the HRS may result in unintended consequences impacting not only the Ohana Zones program, but also other aspects of State government. Notably, the Department of Land and Natural Resources (DLNR) and Hawaii Emergency Management Agency (HI-EMA) both raise concerns that exemptions in the bill may adversely impact the State's participation in the National Flood Insurance Program.

If exemptions from HRS are included in the measure moving forward, the Legislature may consider more narrowly tailoring the list of exemptions in section 1 and including clear justification why specific exemptions are needed. The exemptions from HRS provided in the HD1 are broad and it is unclear why certain exemptions may be necessary. As currently drafted, the bill exempts Ohana Zones pilot program contracts from entire chapters of the Hawaii Revised Statutes (HRS), including chapters 46, 346 and 206E, HRS, relating to the counties, DHS and HCDA respectively. The current version of the bill would also provide exemptions from wage requirements for public works projects and a variety of other regulations.

More specifically, it is unclear how the exemption from chapter 46, HRS – including county building code regulations – may impact the ability of Ohana Zones projects to leverage federal funding for construction or operating subsidy for housing programs. Notably, the U.S. Department of Housing and Urban Development (HUD) issued [a memo dated May 26, 2020](#)¹ regarding minimum construction standards for permanent housing for persons experiencing homelessness. The HUD memo details criteria that may impact a village or communal housing-

¹ Memo available at: http://homelessness.hawaii.gov/wp-content/uploads/2022/01/2020497a_State_PY2019_CoC-Minimum-Construction-Stds-Tiny-Homes_20200526.pdf.

type project's eligibility to be paired with HUD rental assistance subsidies, such as Continuum of Care (CoC) supportive housing subsidies, Tenant Based Rental Assistance (TBRA), Emergency Housing Vouchers (EHVs) or the Section 8 Housing Choice Voucher (HCV) program. One criterion identified in the HUD memo is whether a unit meets local building code. If chapter 46, HRS, is waived, HUD may be unable to determine if a project is compliant with local building code and a project may be deemed ineligible for HUD operating subsidies. If this measure proceeds, executive branch agencies overseeing Ohana Zones pilot program contracts should consult with HUD to ensure housing units produced pursuant to an Ohana Zones contract will be eligible for HUD rental assistance to maximize utilization of federal funding and ensure more effective use of limited State general funds for housing and homeless services.

If the measure moves forward with more narrowly tailored exemptions, the Legislature may consider whether the exemptions are intended to apply only to the Ohana Zones contracts, or whether they will apply to the Ohana Zones projects themselves. As currently drafted, the exemptions from HRS appear to apply only to Ohana Zones contracts entered by executive branch agencies designated by the Governor, and do not appear to apply to sub-contracts or other agreements (e.g., leases, Memorandum of Agreement, etc.) entered into for the purposes of the projects supported through the Ohana Zones pilot program.

Continuation of the Ohana Zones pilot program is a priority not only for the Coordinator, but also the Hawaii Interagency Council on Homelessness (HICH), which is a 27-member advisory council guiding strategies to end homelessness statewide. Since its establishment in 2018, the Ohana Zones pilot program supported 20 projects statewide. As of November 30, 2021, the Ohana Zones pilot program aided 5,510 homeless individuals statewide, including 1,368 placed into permanent housing.

The [Ohana Zones pilot program](#) provided flexible funding for the State and counties to develop innovate programs reflecting the local needs of specific communities, including rural areas of Hawaii island and Oahu. Based on regional needs, Ohana Zones funding supported expansion of emergency shelter and navigation programs, as well as permanent housing projects for individuals and families transitioning out of homelessness. Examples of Ohana Zones include the [Homeless Outreach and Navigation for Unsheltered \(HONU\)](#) program on

Oahu, as well as permanent housing projects such as [Kamaoku Kauhale](#), [Huliau](#), [Kealaula at Pua Loke](#), [Kumuwai](#), and [Hale Maluhia](#). The flexibility of Ohana Zones also enabled the State and counties to rapidly adjust and expand shelter capacity during the COVID-19 pandemic, as demonstrated by the [Ka Lamaku](#) and [Hale Hanakahi](#) projects. The [HICH annual legislative report](#)² provides a detailed overview and evaluation of the Ohana Zones pilot program.

The Coordinator and HICH acknowledge that Ohana Zones are just one piece of a more comprehensive effort to address homelessness, which also includes reducing upfront barriers to accessing rental housing and expanding programs that assist key homeless sub-populations (e.g., unsheltered youth, adults with severe mental illness, etc.). For more information about the 2022 HICH policy priorities, visit: <https://homelessness.hawaii.gov/advocacy>.

Thank you for the opportunity to testify on this bill.

² Report available at: <https://homelessness.hawaii.gov/wp-content/uploads/2021/12/HICH-Report-to-2022-Legislature-FINAL.pdf>

KAUA'I COUNTY HOUSING AGENCY

ADAM ROVERSI, DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of Adam P. Roversi
Director, Kaua'i County Housing Agency

Before the
Senate Committee on Human Services and Senate Committee on Housing
Tuesday, March 22, 2022, at 3:15 p.m.
Conference Room 225 & Videoconference

In consideration of
House Bill 2512, HD2 SD2 Relating to 'Ohana Zones

Honorable Chair Joy A. San Buenaventura and Vice Chair Les Ihara, Jr. of the Committee on Human Services and Honorable Chair Stanley Chang and Vice Chair Dru Mamo Kanuha of the Committee on Housing, and Members of the Committees:

The Kaua'i County Housing Agency **strongly supports with recommended amendments** HB2512, HD2, which extends the 'Ohana Zone pilot program to June 30, 2026, and extends various regulatory exemptions to 'ohana zone pilot program projects.

On Kaua'i the 'Ohana Zone Program facilitated the construction and operation of Kealaula, our very first Supportive Housing Project for homeless families. This 28-unit project houses just under 70 individuals all of whom were previously living on the street. As part of their occupancy, tenants receive tailored supportive services on site designed to assist them in eventually transitioning to market-based housing. The 'Ohana Zone program provided just under 50% of the construction costs of Kealaula and provided one hundred percent of the costs for project management and wrap around social services over three years.

This welcome funding was, however, only one part of what made this 'Ohana Zone project so successful. We were able to construct Kealaula from design to move-in less than 12 months at a per unit cost of approximately \$125,000 per unit, which is less than one-third the cost of typical affordable housing projects in Hawai'i. We were able to construct Kealaula in record time at a dramatically reduced cost because the 'Ohana Zone program operated hand in hand with Governor Ige's Emergency Proclamation on Homelessness. This emergency proclamation waived numerous statutory provisions that typically add significant time and expense to any affordable housing construction endeavor. Most importantly, the Governor's Proclamation waived Historic Preservation Review, Environmental Review, Procurement Requirements, and Prevailing Wage requirements. But for these exemptions we would likely have added another year to our project completion and increased costs per unit costs significantly. Instead of continuously providing desperately needed housing to 28 families and graduating 12 families to permanent housing since January of 2021, would only now be completing the project.



To streamline future 'Ohana Zone supportive housing projects we encourage the committee to adopt exemptions for qualified projects similar to those previously included in Governor Ige's Emergency Homeless Proclamation. To ensure that needed transitional homes, supportive housing, emergency shelters and assessment centers get built in a timely and cost-effective manner we ask that the following exemptions be added to this bill.

- (1) Chapter 6E, Hawaii Revised Statutes, historic preservation;
- (2) Section 37-41, appropriations to revert to state treasury;
- (3) Section 37-74 (d), Hawaii Revised Statutes, program execution, except for subsections 37-74 (d) (2) and (3), Hawaii Revised Statutes; provided that any such transfers or changes shall be considered authorized transfers or changes for purposes of section 34-74(d) (1) Hawaii Revised Statutes, for legislative reporting requirement;
- (4) Section 40-66, Hawaii Revised Statutes, lapsing of appropriations;
- (5) Chapter 46, Hawaii Revised Statutes, county organization and administration as any county ordinance, rule, regulation, law, or provision in any form applies to any county permitting, licensing, zoning, variance, processes, procedures, fees, or any other requirements that hinder, delay, or impede the purpose of this Act;
- (8) Chapter 92, Hawaii Revised Statutes, public agency meetings and records, to the extent that any notice requirements or any other provisions of chapter 92 may delay the expeditious action, decision, or approval of any agency;
- (9) Section 102-2, Hawaii Revised Statutes, contracts for concessions in government buildings; bid requirements;
- (10) Section 103-2 Hawaii Revised Statutes, general fund;
- (11) Section 103-53 Hawaii Revised Statutes, contracts with the State or counties; tax clearances, assignments;
- (12) Section 103-55 Hawaii revised Statutes, wages, hours, and working conditions of employees of contractors performing services

- (13) Chapter 103D Hawaii Revised Statutes, Hawaii public procurement code;
- (14) Chapter 103F Hawaii Revised Statutes, purchases of health and human services;
- (15) Chapter 104 Hawaii Revised Statutes, Wages and hours of employees on public works;
- (16) Sections 105-1 to 105-10 Hawaii Revised Statutes, use of government vehicles, limitations;
- (18) Chapter 171 Hawaii Revised Statutes, public lands;
- (19) Chapter 205 Hawaii Revised Statutes, Land use commissions;
- (20) Chapter 205A Hawaii Revised Statutes, coastal zone management;
- (21) Chapter 206E Hawaii Revised Statutes, Hawaii community development authority;
- (22) Chapter 343 Hawaii Revised Statutes, Environmental impact statements;
- (23) Chapter 346 Hawaii Revised Statutes, Social services;
- (24) Section 464-4 Hawaii Revised Statutes, public works required to be supervised by certain professionals.

In recommending these exemptions we are aware of concerns expressed by the State Flood Program Coordinator that a blanket exemption for Chapter 46 may endanger the state's participation in the National Flood Insurance Program. We believe this concern can be easily addressed by inserting additional language providing:

“Statutory exemptions shall not include HRS 46-1.5(5)(D) relating to the implementation of Federal Flood Insurance Act of 1956.”

Thank you for the opportunity to testify and for your consideration.

PARTNERS IN CARE

Oahu's Continuum of Care

Our mission is to eliminate homelessness through open and inclusive participation and the coordination of integrated responses.

TESTIMONY IN SUPPORT HB 2512 HD2 RELATING TO OHANA ZONES

TO: Senate Committee on Human Services, and Committee on Housing

FROM: Partners In Care (PIC)

Hearing: Tuesday, March 22nd, 2022, 3:15pm

Position: **SUPPORT**

Chair San Buenaventure and Members of the Senate Committee on Human Services and Chair Chang and the Senate Committee on Housing:

Partner In Care, Oahu's Continuum of Care, stands in **support** of **HB 2512 HD2 Relating to Ohana Zones**. The programs created through the OHANA Zone funding have brought innovative solutions to address the issue of homelessness. The extension of this funding will enable more programs to be created, reviewed and put into a more permanent place in our continuum of care if they are proven to be effective.

Partners In Care is in support of exemptions that will enable these programs to move quickly to start up. While these exemptions may speed up the process, we need to be cognizant of any exemptions that may jeopardize the safety of the project itself.

Thank you for the opportunity to testify on this measure. Please do not hesitate to contact us if you have any questions.

Aloha



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 2512 HD2: RELATING TO OHANA ZONES

TO: Senate Committees on Human Services and Housing

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawaii

Hearing: Monday, 3/22/22; 3:15 PM; via videoconference

Chair San Buenaventura, Chair Chang, and Members, Committees on Human Services and Housing:

Thank you for the opportunity to provide testimony **in Support of HB 2512, HD1**, which extends the Ohana Zone pilot project for 3 years (to June 30, 2026), and provides \$15 million to fund this pilot. I am Rob Van Tassell, with Catholic Charities Hawaii. We are also a member of Partners In Care (PIC).

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for 75 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawaii. Catholic Charities Hawaii has a long history of working in the areas of affordable housing and homelessness.

Catholic Charities Hawaii supports extending the Ohana Zone pilot program and providing additional funding. During the past 3 years, some Ohana Zone projects only needed one time funding to create housing. Others that provide ongoing services will need continued funding. Twenty projects were created that other federal funding could not address. These projects built on the strengths of the local communities that know their needs. The funding provided an opportunity to respond to these needs in new and creative ways. Working with the counties was an important part of this funding and should be continued.

The initial pilot program demonstrated that addressing the issue of homelessness on the local level through Ohana Zone funding was effective. Hundreds of beds were added to the homeless service network, including creative initiatives like tiny homes. As of 11/30/21, 5,510 homeless individuals have been helped statewide, and 1,368 individuals placed into permanent housing.

We urge your support to continue and expand the Ohana Zone program and to continue to fund them, as proposed in this bill.

Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or alohabettylou@hotmail.com if you have any questions.



DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON HUMAN SERVICES AND HOUSING
ON
HOUSE BILL NO. 2512, H.D. 2

March 22, 2022
3:15 p.m.
Room 225 and Videoconference

RELATING TO OHANA ZONES

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 2512, H.D. 2, amends Act 209, SLH 2018, as amended by Act 128, SLH 2019, to extend the 'Ohana Zones Pilot Program's (OZPP) sunset date from June 30, 2023 to June 30, 2026, and provide additional regulatory exemptions to the HRS, including, but not limited to, exemptions to the following sections that relate to the budget and appropriations: Section 37-41, Appropriations to Revert to State Treasury; Section 37-74(d), Program Execution, except for Sections 37-74(d)(2) and 37-74(d)(3); Section 40-66, Lapsing of Appropriations; and Section 103-2, General Fund. This bill also appropriates an unspecified amount of general funds to the Office of the Governor in FY 23 for OZPP expenses and provides authority to transfer the funds and the respective expenditure authority to designated Executive Branch departments or agencies as necessary to implement OZPP.

B&F notes that while the exemptions related to the budget and appropriations were provided by the emergency proclamations on homelessness, they should not be continued on an indefinite or prolonged basis beyond emergency needs. These

exemptions allow interdepartmental transfers of appropriations and exempt appropriations from reverting to the State treasury and, subsequently, lapsing. Such exemptions may be necessary to facilitate quick action during periods of emergency; however, in general, appropriations should be budgeted and expended in accordance with normal statutory requirements and conform to Section 11 of Article VII of the Constitution of the State of Hawai'i that states that general fund appropriations shall be for specified periods, that no appropriation shall be made for a period exceeding three years, and that unencumbered appropriations or portions thereof shall lapse at the close of the fiscal period for which the appropriations were made.

B&F also notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



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The State Legislature
The Senate Committee on Human Services
The Senate Committee on Housing
Tuesday, March 22, 2022
3:15 p.m.

TO: The Honorable Joy San Buenaventura, Chair
The Honorable Stanley Chang, Chair

RE: Support for H.B 2512, H.D.2, Relating to Ohana Zones

Aloha Chairs San Buenaventura, Chang and Members of the Committees:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with over 140,000 members in Hawai'i. **AARP supports H.B. 2512, H.D.2** which expands regulatory exemptions for ohana zones pilot program contracts and extends the sunset date for the ohana zones pilot program to 6/30/2026.

Hawaii's high cost of housing is making it unaffordable for many, but especially for those at low or fixed income. These residents are more vulnerable of becoming dependent on other family members for shelter, or face homelessness. According to 2021 Statista/AARP analysis of census data available by United States Census Bureau (USCB), there were 310 evictions and 2,150 homeless among Hawaii residents 55 years and older. The 2022 forecast is grimmer. It shows that the number of evictions for older residents will jump from 310 to 1,050, and homeless kūpuna will rise to 2,980. It is essential to assist older adults and others from facing housing crisis. Extending and expanding the Ohana zone pilot program allows the continuation of these innovative solutions that address the housing and homelessness issues.

Thank you very much for the opportunity to **support H.B. 1826 H.D.2.**

Sincerely,

A handwritten signature in black ink that reads "Keali'i Lopez".

Keali'i Lopez, State Director



 | 808-733-7060

 | 808-737-4977

 | 1259 A'ala Street, Suite 300
Honolulu, HI 96817

March 22, 2022

The Honorable Joy A. San Buenaventura, Chair

Senate Committee on Human Services

The Honorable Stanley Chang, Chair

Senate Committee on Housing

Via Videoconference

RE: House Bill 2512, HD2, Relating to Ohana Zones

HEARING: Tuesday, March 22, 2022, at 3:15 p.m.

Aloha Chair San Buenaventura, Chair Chang, and Members of the Joint Committees,

I am Ken Hiraki, Director of Government Affairs, testifying on behalf of the Hawaii Association of REALTORS® ("HAR"), the voice of real estate in Hawaii, and its over 11,000 members. HAR **provides comments on** House Bill 2512, HD2, which expands regulatory exemptions for 'ohana zones pilot program contracts. Extends the sunset date for the 'ohana zones pilot program to 6/30/2026. Appropriates funds to the governor for the 'ohana zones pilot program.

In 2016, the Federal Emergency Management Agency (FEMA) warned the State of Hawaii that they would suspend Hawaii's participation from the National Flood Insurance Program ("NFIP"), unless Hawaii fixed an existing law, under Hawaii Revised Statutes ("HRS") §46-88, that conflicted with its regulatory requirements. HRS §46-88 provided a broad exemption from building permit and building code requirements for certain types of agricultural buildings, structures, and appurtenances.

To address this, in 2017 the Legislature passed Act 70 that fixed HRS §46-88, to ensure over 60,000 homeowners, representing \$13.2 billion in flood risk, did not lose their flood insurance. **As such, we are concerned that this measure may risk Hawaii's NFIP eligibility once again.**

FEMA requires participating communities to regulate development within Special Flood Hazard Areas. Development is defined by FEMA as any "man-made change to improve or unimproved real estate, including but not limited to building or structures, mining, dredging, filling, grading paving, excavation or drilling operations or storage of equipment or materials." The broad exemption from the building permitting requirements for these structures were in conflict with State and County agreements with FEMA to maintain floodplain management regulation.



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Association of
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Under this measure, this provides broad exemptions to HRS Chapter 46 for 'ohana zones, which provide shelter for the homeless. As such, this could be deemed development under FEMA's requirement and Hawai'i could once again run the risk of losing its NFIP eligibility by providing a broad building permit exemption.

HAR respectfully requests that this measure be reviewed and amended to ensure that Hawai'i does not lose its NFIP eligibility.

Mahalo for the opportunity to testify.



HB-2512-HD-2

Submitted on: 3/21/2022 1:12:39 PM

Testimony for HMS on 3/22/2022 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Rosanna Rombawa	Individual	Support	Written Testimony Only

Comments:

These exemptions are the good kind. These are not exemptions that speed up commercial construction for off-island investors to price out locals kind housing exemptions. These exemptions are critical for **getting people off of the street** and into housing that supports community **at lower cost** and much more **quickly** than without these important exemptions. Please support solutions that have **been shown to work** for our houseless community members. Our houseless family and neighbors deserve housing as quickly as possible.

Mahalo

HB-2512-HD-2

Submitted on: 3/21/2022 4:31:50 PM

Testimony for HMS on 3/22/2022 3:15:00 PM

LATE

Submitted By	Organization	Testifier Position	Testify
Esther Kim	Individual	Support	Written Testimony Only

Comments:

Aloha Chair San Buenaventura, Chair Chang, and Human Services and Housing committee members,

Mahalo for the opportunity to provide testimony in strong support of HB2512, relating to Ohana Zones.

I am a soon-to-be graduate of UH Mānoa's Thompson School of Social Work undergraduate program, and within the past two years, I have encountered and forged relationships with current and former unhoused community members on O'ahu. It's extremely frustrating to see that the complaints and concerns from community members, legislators, and other government officials about our houselessness issue and growing houseless encampments are not matched with solutions but rather judgmental attitudes and punitive approaches. Hawaii has an ever-growing amount of high rises and luxury buildings that pander towards the small fraction of Hawai'i's residents who can afford multiple properties and out-of-state buyers which drive up the already extremely expensive cost of living. Not only is there a lack of affordable housing, but the time and cost it takes to build affordable housing leaves our unhoused community frustrated and discouraged as they wait years to just be placed on a waiting list, and even longer to be housed.

HB2512 would mitigate the time and cost element of our affordable housing developments. The creation of tiny homes villages, Kauhale Villages, are both timely and cost efficient for the developers and those who will utilize them. The passage of this bill would cut the cost of developing these villages by 50%, and the exemptions within the bill would house our houseless community members 2 or more years faster than larger housing developments.

People do not choose to be unhoused; Hawaii's housing policies and system force people into that position. HB2512 would be a feasible first step towards tackling the houselessness issue in Hawai'i. I am in full support of this bill and urge that this measure be passed.

Mahalo for the opportunity to testify,

Esther Kim

Sen. Joy A. San Buenaventura, Chair

Sen. Stanley Chang, Chair

DATE: Monday, March 22, 2022

TIME: 3:15 PM

PLACE: VIA CONFERENCE ROOM 225
& VIDEOCONFERENCE

LATE

IN STRONG SUPPORT OF HB 2512

Aloha mai kākou!

My name is Sidney Bandy, and I am testifying in support of HB 2512 which would expand regulatory exemptions for the 'ohana zones pilot program. These exemptions are extremely important as they are shown to **cut the cost of building tiny homes** (i.e., Pu'u O Honua Wainea) **by 50%**, while getting our **houseless community housed faster** than if they were to go through the same process as larger conventional housing developments – **by 2 years or more**.

When Act 209 passed in 2018 community organizations received a critical 30 million in 'ohana zone funding. With one of the highest rates of homelessness per capita in the nation, this funding has expanded our ability to care for our community through tangible action. Access to housing vouchers, shelters, and transitional housing facilities expanded through the utilization of these funds.

While critical, this program should and must be **expanded** to include **expedited permitting and approvals** to accommodate the **development of long term or transitional housing**, as noted by Planning for Community in their testimony. These are **not temporary shelters** and should be provided to residents for a **minimum of two years**.

We ask houseless community members to do much – secure and maintain gainful employment and important documents, feed and support themselves and their families, keep in good health, pay for healthcare, access and attend public education, participate meaningfully in the community – all while **facing frequent sweeps by police (HPD averaged 5 sweeps a day** from July 2019 to June 2020, **costing 5 million** that year

alone)¹ and instability in temporary shelters and/or the immense structural challenges of living unhoused.

When tackling the structures that uphold houselessness in our community we must expand on these human-first, housing-first, cost efficient solutions to allow our kaiāulu to have access to the human right of shelter. The need to include long term and permanent housing solutions in our plan to address houselessness is critical and must be included and thus recognized by this caucus.

This community calls on you to address houselessness, find the 'ohana zones program, and include the needed expansions.

Thank you for your consideration,
Sidney Bandy

¹ Ordonio, C. (2021, November 20). *Why it's so hard for homeless people to collect seized belongings on Oahu*. Honolulu Civil Beat.

Hearing Date: Tuesday, March 22 at 3:15PM
Committee on Human Services & Committee on Housing
Submitted by Sean Aronson



HB2512 - Relating to 'Ohana Zones

To: Chair San Buenaventura, Chair Chang, and fellow committee members,

I am writing **in support of HB2512**. The lack of permanent shelter or housing for our houseless population makes them more vulnerable to the effects of COVID-19; unable to isolate, seek consistent treatment, and furthermore have been criminalized and displaced by “sweeps” conducted by counties across the state. A 2021 Civil Beat article cites that as of 2020 there were 7,000 unsheltered individuals across Hawai'i.

The passing of Act 209 in 2018, which appropriated \$30 million in 'Ohana Zone funding, has been critical in serving our houseless and housing insecure community through housing vouchers, shelters, and transitional shelters. Since 2018, twenty 'Ohana Zone sites have been established across the state. The program has served over 5,000 residents and has placed over 1,000 resident into permanent housing.

While it is evident that the continued appropriation of 'Ohana Zone funds is critical, this program must be expanded to include expedited permitting and approvals to accommodate the development of long-term or transitional housing. These types of development, termed “Kauhale Villages”, refer to small communities of low-cost “micro” or “tiny” homes which serve houseless residents. These are not temporary shelters. Homes should be provided to houseless residents for a minimum of two years.

As currently written, SB2512 would allow the development of Kauhale Villages to be exempt from Chapters 6E, 46, 92, 103D [and], 103F, 104, 171, 205, 205A, 206E, 343, and 346, and sections 37-41, 37-74(d)(1), 40-66, 102-2, 103-2, 103-53, 103-55, 105-1 through 105-10, and 464-4 of the Hawai'i Revised Statutes. These regulatory exemptions currently included in HB2512 mimic the streamlined permitting and entitlement process afforded by the Governor's Emergency Proclamation on Homelessness which expired in February 2019.

Housing projects built under the expired Governor's Proclamation include Kahauiki Village (Kalihi Kai), Hale Maoli Ola (Sand Island), Pu'uhonua O Wai'anae Farm Village (Wai'anae), and others. These exemptions allowed these projects to dramatically reduce the costs of planning and construction (in some cases up to 50% or more), thereby allowing houseless community members to be housed two years faster than if they had gone through the conventional permitting and approval process. Without the expedited pathway created by the Proclamation, these projects would likely still be stalled or even killed.

Providing exemptions for the development of Kauhale Villages is a cost-effective way to tackle houselessness. Kauhale Villages include small homes with shared bathrooms and kitchens), which are less expensive to build and operate than other kind of housings. Shared bathrooms and kitchens also dramatically lower development costs compared to conventional apartments or single-family homes. Furthermore, since the community acts as “village,” with residents responsible for maintenance, operating costs are dramatically reduced. These savings translate into rents that are affordable even to houseless individuals who have very little income. For example, the Pu'uhonua O Wai'anae Farm Village plans to charge under \$300 per month for a household of two or three people.

Finally, two important caveats: (1) any expedited pathways created by this bill, including but not limited to land use, cultural/archeological review, and environmental reviews should only apply to projects that house people experiencing homelessness for the long-run and (2) the actual method of expediting approvals should be determined in consultation with the relevant County or State agency.

Mahalo for your leadership, your thoughtful consideration of this important bill, and the opportunity to testify.

Sincerely,

Sean Aronson

To: Senator joy. A San Buenaventura, Chair Committee on Human Services & Senator Stanley Chang, Chair Senator Dru Mamo Kanuha, Vice Chair of Committee on Housing

From: Nikki Robinson

LATE

Hearing: Tuesday, March 22, 2022, 3:15pm via Video Conference room 225

Position: **Support**

Aloha, My name is Nikki Robinson a community member representing the town Hilo, on the Big Island. I feel passionate about this Bill being passed for a multiple of reasons. One reason in particular is watching the need for housing increase for those who are homeless. I live downtown in the center of Hilo where there are many homeless people around. It has become increasingly obvious that the amount of people living on the streets in this small town has increased. As a result, many nights I hear people fighting and arguing about numerous things. In some instances, I have witnessed people physically fighting and becoming aggressive towards each other. It is clear that this Island has become overpopulated since the rise of the pandemic and as a result we need more affordable housing.

In addition, because of the pandemic many people were out of homes and unable to stay in the shelters. Hope services is one service Hilo provides for homeless people. However, during the time of the pandemic they shut their doors to the homeless, due to an overflow of people seeking shelter. This was a time I saw many people on the streets, creating huts or shelters for themselves. For example, along the bayfront in downtown Hilo, there was a row of people with tarps hanging from a fence, stationed on the grassy areas near the soccer fields. This image was disturbing to me, and often an area I would have to drive by to get to work. This is just one example of the need for people to receive affordable housing and more housing support in general.

I support Ohana Zone for creating a way to provide affordable funding for those in need of a home or financially struggling. I support their commitment in finding sustainable solutions in providing for this community. Although I am one representative on the big island of Hilo, I stand strong in my desire to see this through. I think all humans should be able to afford housing and or provided a space to live. When did we start seeing people living on the streets and ok with it? Maybe that's a question for myself or maybe it's a question for the governor. Either way, it feels wrong and because of this, I support this Bill.

I sincerely appreciate the time you took to read this testimony and to testify on this measure.

What intention is for bill

I support it for homelessness to have housing.

Need for affordable housing and why? I am a voter for Hilo

Why I support it

Solid reasons why?

Conclusions of why I support this? See things, hear things?

LATE

HB-2512-HD-2

Submitted on: 3/22/2022 2:56:55 PM

Testimony for HMS on 3/22/2022 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
k-nard narruhn	Individual	Support	Written Testimony Only

Comments:

I, K-nard Narruhn, am in support of HB2512 and the exemptions to extend this program. I believe this will be beneficial for all of our collective efforts to find solutions and help for the houseless in Hawaii and those who serve our families and communities in need of help.

Hearing Date: Tuesday, March 22 at 3:15PM
Committee on Human Services & Committee on Housing
Submitted by [Planning for Community LLC](#)



HB2512 - Relating to 'Ohana Zones

To: Chair San Buenaventura, Chair Chang, and fellow committee members,

Planning for Community LLC consultants on urban planning and policy making for government agencies, nonprofits, and local businesses. Our work focuses on transportation and affordable housing improvements to create vibrant communities that support all people.

Planning for Community is submitting testimony in overwhelming support of HB2512. The lack of permanent shelter or housing for our houseless population makes them more vulnerable to the effects of COVID-19; unable to isolate, seek consistent treatment, and furthermore have been criminalized and displaced by “sweeps” conducted by counties across the state. A 2021 Civil Beat article cites that as of 2020 there were 7,000 unsheltered individuals across Hawai‘i.

The passing of Act 209 in 2018, which appropriated \$30 million in ‘Ohana Zone funding, has been critical in serving our houseless and housing insecure community through housing vouchers, shelters, and transitional shelters. Since 2018, twenty ‘Ohana Zone sites have been established across the state. The program has served over 5,000 residents and has placed over 1,000 resident into permanent housing.

While it is evident that the continued appropriation of ‘Ohana Zone funds is critical, this program must be expanded to include expedited permitting and approvals to accommodate the development of long-term or transitional housing. These types of development, termed “Kauhale Villages”, refer to small communities of low-cost “micro” or “tiny” homes which serve houseless residents. These are not temporary shelters. Homes should be provided to houseless residents for a minimum of two years.

As currently written, SB2512 would allow the development of Kauhale Villages to be exempt from Chapters 6E, 46, 92, 103D [and], 103F, 104, 171, 205, 205A, 206E, 343, and 346, and sections 37-41, 37-74(d)(1), 40-66, 102-2, 103-2, 103-53, 103-55, 105-1 through 105-10, and 464-4 of the Hawai‘i Revised Statutes. These regulatory exemptions currently included in HB2512 mimic the streamlined permitting and entitlement process afforded by the Governor’s Emergency Proclamation on Homelessness which expired in February 2019.

Housing projects built under the expired Governor’s Proclamation include Kahauiki Village (Kalihi Kai), Hale Maoli Ola (Sand Island), Pu‘uhonua O Wai‘anae Farm Village (Wai‘anae), and others. These exemptions allowed these projects to dramatically reduce the costs of planning and construction (in some cases up to 50% or more), thereby allowing houseless community members to be housed two years faster than if they had gone through the conventional permitting and approval process. Without the expedited pathway created by the Proclamation, these projects would likely still be stalled or even killed.

Providing exemptions for the development of Kauhale Villages is a cost-effective way to tackle houselessness. Kauhale Villages include small homes with shared bathrooms and kitchens), which are less expensive to build and operate than other kind of housings. Shared bathrooms and kitchens also dramatically lower development costs compared to conventional apartments or single-family homes.

Furthermore, since the community acts as “village,” with residents responsible for maintenance, operating costs are dramatically reduced. These savings translate into rents that are affordable even to houseless individuals who have very little income. For example, the Pu‘uhonua O Wai‘anae Farm Village plans to charge under \$300 per month for a household of two or three people.

Finally, two important caveats: (1) any expedited pathways created by this bill, including but not limited to land use, cultural/archeological review, and environmental reviews should only apply to projects that house people experiencing homelessness for the long-run and (2) the actual method of expediting approvals should be determined in consultation with the relevant County or State agency.

Mahalo for your leadership, your thoughtful consideration of this important bill, and the opportunity to testify.

Abbey Seitz
Planning for Community
Owner and Manager