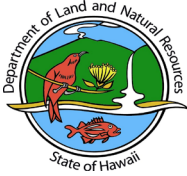


DAVID Y. IGE
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
HOUSING**

**Thursday, March 18, 2021
9:15 AM**

State Capitol, Via Videoconference, Conference Room 423

**In consideration of
SENATE BILL 7, SENATE DRAFT 1
RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION**

Senate Bill 7, Senate Draft 1 proposes to authorize the Hawaii Housing Finance and Development Corporation (HHDFC) the right of first refusal for the development of property for all development on state lands, excluding the Hawaii Public Housing Authority (HPHA) and the Department of Hawaiian Home Lands (DHHL) lands, that are within a one-half mile radius of a rail station provided there is a transfer of any property interest, including a leasehold interest, of State lands that are within a one-half mile radius of a rail transit station. **The Department of Land and Natural Resources (Department) offers the following comments on this measure.**

The Department has four parcels adjacent or in close proximity to the planned Keone`ae rail station in East Kapolei across from the University of Hawaii West Oahu (UHWO), which would be impacted by this measure. The Department's long-term objective is to lease the parcels for income generating purposes to support the Department's natural resource management and protection programs. The Department also appreciates the critical need for affordable housing. To help address this need, the Department's planned uses for the parcels include 1,000 affordable rental housing units. Other proposed uses include transit oriented mixed uses including commercial, retail, hotel, and medical. Additionally, the Department intends to include light industrial uses for parcels located further away from the rail station. Furthermore, the Department has already engaged in preliminary discussions with HHDFC to potentially collaborate on the mixed use and affordable housing developments.

In addition to generating income to support its programs, the Department believes that the proposed project will be a critical economic, employment and residential component of the East Kapolei community. The Board of Land and Natural Resources (Board) approved the draft strategic development plan that included those proposed uses at its meeting on October 23, 2020. The Department is currently in the process of procuring consultant services to develop an

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

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
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

Environmental Impact Statement for the project. The Department has received support from the Hawaii Interagency Council for Transit Oriented Development (of which HHDFC is a member) and the State Office of Planning for the development of these parcels. In consideration of the foregoing, and the Department's prior support of HHDFC by providing lands for the development of affordable housing, the Department requests that it be exempted from this measure similarly to HPHA and DHHL.

Thank you for the opportunity to comment on this measure.

SB-7-SD-1

Submitted on: 3/16/2021 9:51:27 PM

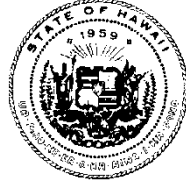
Testimony for HSG on 3/18/2021 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Russell Tsuji	DLNR	Comments	No

Comments:

I am available for questions. Please allow me Zoom access. Thank you.

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

Statement of
Hakim Ouansafi

Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON HOUSING

Thursday, March 18, 2021
9:15 AM - Room 423, Hawaii State Capitol

In consideration of
SB 7, SD1

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

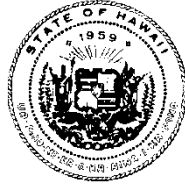
Honorable Chair Nakamura, and Members of the House Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 7, SD1, relating to the Hawaii Housing Finance and Development Corporation.

The Hawaii Public Housing Authority (HPHA) **supports the exemption of the HPHA** in SB 7, SD1. This measure authorizes the Hawaii housing finance and development corporation the right of first refusal for the development of property for all development on state lands, **excluding Hawaii Public Housing Authority** and Department of Hawaiian Home Land lands, that are within a one-half mile radius of a rail transit station provided there is a transfer of any property interest, including a leasehold interest, of state lands that are within a one-half mile radius of a rail transit station.

As you may know, the HPHA receives its federal funding through an Annual Contributions Contract (ACC) which provides the terms and conditions between the HPHA and the United States of America, by the Department of Housing and Urban Development (HUD) and covers all federal public housing projects and programs. Additionally, HUD has a Declaration of Trust over the properties which prohibits the HPHA from encumbering the property without the prior approval of the HPHA Board of Directors and HUD.

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

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
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

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

HOUSE COMMITTEE ON HOUSING

March 18, 2021 at 9:15 a.m.
State Capitol, Room 423

In consideration of
S.B. 7, S.D. 1
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION.**

The HHFDC *offers the following comments* on S.B. 7, S.D. 1., a bill that adds a new section to Chapter 201H, HRS, to provide HHFDC with the right of first refusal for all development of State lands except for those owned or operated by the HPHA or DHHL, located within a one-half mile radius of a rail transit station. The right of first refusal established by this bill is triggered by a transfer of any property interest in lands, and lasts until the HHFDC chooses whether or not to exercise its right of first refusal.

HHFDC notes that not all such lands are suitable for housing development. We also want to be respectful of the priorities of other State departments that own or control land along the Honolulu rail transit route.

Thank you for the opportunity to testify.



Support SB 7

Aloha Chair Nakamura, Vice Chair Hashimoto, and members of the House Committee on Housing,

Faith Action Housing NOW! supports SB 7, which authorizes the Hawai'i Housing Finance & Development Corporation (HHFDC) the right of first refusal for the development of property for all state lands (with some exceptions) within a one-half mile radius of rail transit stations.

It is imperative that our elected officials prioritize development patterns that make transit-oriented development (TOD) successful. The general public has never seen what rail-based TOD looks like locally, so we need our elected and appointed officials to lead the community through what is currently unfamiliar. As we look at the outcomes of TOD in other communities, Faith Action for Community Equity recognizes that increasing density of residential and commercial uses around transit improves affordability defined by the housing + transportation index. Transit should serve as an affordable transportation link between affordable housing and jobs; it is a symbiotic relationship. Strategies to lower the cost of housing combined with reliable, accessible transit further benefit communities by reducing dependency on costly personal automobiles.

Private landowners in TOD areas will do what they want to do in coordination with the City and County, however, the State should ensure its landholdings within TOD contribute to the public interest and do not become wasted opportunities that defeat the purpose of the rail. Priority for housing development on State TOD land should be given to households that are already transit-dependent as these are the people within our community who will make optimal use of our public assets in transportation and TOD housing.

While we acknowledge this bill pertains to O'ahu, it is important because half of the statewide need is on O'ahu; addressing half of the problem gets us closer to resolving the statewide problem. Furthermore, TOD should not be limited to rail stations; TOD should include high-frequency buses. This bill can set up all counties to examine how state lands can be used to further the development of low-cost housing along bus corridors.

Mahalo for your consideration,

Foo Pham
Faith Action
HousingNOW! Chair



March 17, 2021
House Committee on Housing
Thursday, March 18, 2021
Conference Room 423, 9:15 a.m.

SB7 SD1 – SUPPORT

Aloha Committee Chair Nakamura, Vice-Chair Hashimoto and Members;

I am submitting testimony in my capacity as Executive Director of Hawaii Habitat for Humanity Association (HHFHA), a nonprofit community development financial institution and State Support Organization for the direct service Habitat for Humanity organizations across the state to **SUPPORT SB7 SD1.**

HHFHA appreciates the Legislature's efforts in promoting affordable housing in transit-oriented development areas. SB7 bill authorizes the Hawaii Housing Finance and Development Corporation the right of first refusal for the development of property for all development on state lands, excluding Hawaii Public Housing Authority and Department of Hawaiian Home Land lands, that are within a one-half mile radius of a rail transit station provided there is a transfer of any property interest, including a leasehold interest, of state lands that are within a one-half mile radius of a rail transit station.

Our organization recognizes the essential step in securing property for high density housing in transit-oriented development areas to relieve Hawaii's ever growing housing crisis. Research shows that TOD's can be effective models for incorporating affordable housing. According to the Center for Transit Oriented Development, nationally, transportation is second only to housing as a household cost, with the average family spending approximately 19% on transportation. More importantly, extremely low-income households can spend over 50% of their family income on transportation and often depend on unreliable automobiles – a liability to their work commutes. Many low-income families have needed to move to more rural locations because of lower housing costs, but any gains they make are quickly erased or exceeded by transportation costs. Accessible use to public transportation results in lowered transportation costs, increasing the overall affordability of a place of residence. TOD's must be an essential component of a comprehensive affordable housing strategy in Hawaii.

In order for our state to realize the benefits of affordable housing in TOD areas, we must give our corporations that support affordable housing the advantage to develop in such areas. Help us do our part to provide affordable housing for Hawaii's people. Please **PASS SB7 SD1.**

Mahalo for your time, leadership and consideration. Please contact me directly at 808.847.7676 or jean@hawaiihabitat.org should you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink that reads "Jean Lilley". The signature is written in a cursive style with a vertical line to its left.

Jean Lilley
Executive Director

SB-7-SD-1

Submitted on: 3/17/2021 4:15:18 PM

Testimony for HSG on 3/18/2021 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Thomas Brandt	Individual	Support	No

Comments:

Support!